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LOMBARD ODIER
INVESTMENT MANAGERS

Lombard Odier Funds

Prospectus

1 December 2023

Lombard Odier Funds
is an investment company
with variable capital ("SICAV")
incorporated in Luxembourg

PROSPECTUS

Relating to the issue of shares of

Lombard Odier Funds, in short LO Funds (the "Company" or "LOF").

The defined terms used in the prospectus shall have the meaning given to them in the Glossary. For facility purposes, all Sub-Funds may be mentioned without the "LOF" or "LO Funds" prefix throughout this document.

Subscriptions are accepted on the basis of the current prospectus of the Company (the "Prospectus"), the relevant key information documents and the latest audited annual or unaudited semi-annual accounts of the Company. These documents may be obtained free of charge at the registered office of the Company.

The Company reserves the right to reject, at its sole discretion, any subscription request for Shares and to accept any application in part only. The Company does not permit practices related to market timing and reserves the right to reject subscription and conversion orders from investors who the Company suspects of using such practices and to take the appropriate measures to protect other investors of the Company.

The Shares are offered on the basis of the information and representations contained in this Prospectus and shall only be held in accordance with the principles set forth in this Prospectus in order to ensure Company's compliance with certain legal and regulatory requirements. All other information given or representations made by any person must be regarded as unauthorized. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful, or in which the person making such an offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such offer or solicitation.

The Shares have not been registered under the United States Securities Act of 1933 and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a United States Person. For this purpose, the term "United States Person" shall mean any citizen, national or resident of the United States of America, partnership organized or existing in any state, territory or possession of the United States of America, a corporation organized under the laws of the United States or of any state, territory or possession thereof, or any estate or trust that is subject to United States Federal income tax regardless of the source of its income. In addition, it should be noted that under the FATCA legislation, the direct or indirect holding, offering and/or selling of Shares may be forbidden to a wider range of investors than those falling within the United States Person definition mentioned above.

Subscribers for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange controls and applicable taxes in the countries of their respective citizenship, residence or domicile.

Statements made in this Prospectus are based on the law and practice currently in force in the Grand Duchy of Luxembourg and are subject to changes therein.

Whilst using their best endeavors to attain the investment objectives, the Directors cannot guarantee the extent to which these objectives will be achieved. It should be remembered that the price of Shares of any Sub-Fund may go down as well as up.

The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein.

The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain other jurisdictions. The above information is for general guidance only, and it is the responsibility of any persons in possession of this Prospectus and of any persons wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. If you have any doubts about the contents of this Prospectus you should consult your stockbroker, solicitor or other financial adviser.

Any material change to the Company's structure, organization or operations that requires an update of the Prospectus will be notified to the investors in the conditions set forth in CSSF Circular 14/591. According to such circular, the minimum notification period is one month. During this one-month period before the entry into force of the significant change, investors holding Shares have the right to request, without any repurchase or redemption charge, the repurchase or redemption of their Shares. In addition to the possibility to redeem Shares free of charge, the Company may also (but is not obliged to) offer the option to investors holding Shares to convert their Shares into Shares in another UCI (or, in case the change affects only one Sub-Fund, into Shares in another Sub-Fund) without any conversion charges. However, derogations to these rules may be granted by the CSSF on a case by case basis.

To the extent permitted by local foreign laws, the English version of the Prospectus shall prevail in case of discrepancies with its translation into another language.

The date of this Prospectus is 1 December 2023.

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GLOSSARY AND DEFINITIONS

The terms used in the Prospectus have the meaning as defined in the Glossary.

1915 Law	Luxembourg law of 10 August 1915 on commercial companies as amended from time to time
2015 Law	Luxembourg law of 18 December 2015 relating to the automatic exchange of tax information
2010 Law	Luxembourg law of 17 December 2010 on undertakings for collective investment or any legislative replacements or amendment thereof as amended from time to time
2013 Law	Luxembourg law of 6 April 2013 relating to dematerialised securities
A Shares	Accumulation Shares
ABCP	Asset-backed commercial paper
ABS	Asset-backed securities
ADRs	American Depository Receipts
Alternative Currency	Currency of a class of shares issued in a currency other than the Reference Currency. Currencies used as Alternative Currencies are EUR, USD, CHF, GBP, SEK, NOK, CAD, AUD, JPY, HKD and SGD
Articles	The articles of incorporation of the Company
AUD	Australian dollar
Benchmark Regulation	Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds
Board	The board of Directors of the Company
Bond Connect	Scheme launched for mutual access between the Hong Kong and mainland China bond markets through a cross-border platform
Business Day	Every day which is a full bank business day in Luxembourg (*i.e.* 24 December is not a full Business Day)
CAD	Canadian dollar
Cash and Cash Equivalents	Cash, bank deposits, short-term deposits or other short-term instruments (including ABS/MBS) and money-market instruments issued by sovereign or corporate issuers, the residual maturity of which does not exceed 397 days. Bank deposits may be bank deposits at sight, such as cash held in current accounts with a bank accessible at any time (i.e., ancillary liquid assets) or bank deposits that meet the criteria of article 41(1) of the 2010 Law. Securities issued by UCIs investing in short-term instruments with the following features: at the portfolio level, duration limited to 1 year, credit spread duration limited to 2 years; at the security level, legal final maturity of all bonds limited to 3 years, except for regularly amortising securitised products (such as ABS/MBS) whose WAL shall be limited to 1 year. For non-amortising or scheduled amortising securitized products (such as ABS/MBS) the expected final maturity shall be limited to 3 years. Securities issued by money market UCIs as mentioned in paragraph 3.1 (ii). Alternatively to holding securities issued by money market UCIs as part of their Cash and Cash Equivalents, all Sub-Funds may hold directly instruments of the same nature and in the same proportion as those comprising the portfolio of a given money market UCI, which may include fixed rate securities, the residual maturity of which does not exceed 397 days. FRNs that have frequent resets of the coupon, i.e. annually or more frequently, will be regarded as passive substitutes for short-term instruments, provided that their maximum residual maturity is of 762 days
CCASS	Hong Kong Central Clearing and Settlement System
CD	Certificate of deposit
CDS	Credit default swap
Central Administration Agent	CACEIS Bank, Luxembourg Branch

CESR	Committee of European Securities Regulators (replaced by ESMA as of 1 January 2011)
CESR Guidelines 10-788	CESR's Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS dated 28 July 2010
CFD	Contract for difference
China A-Shares	Shares in mainland China-based companies that trade on Chinese stock exchanges
CHF	Swiss Franc
ChinaClear	China Securities Depositary and Clearing Corporation Limited
CIBM	China Interbank Bond Market – market which is part of an investment program implemented by PBOC allowing for direct investment in RMB securities and derivatives dealt on this market without the requirement of a license or quota
CLIC®	Lombard Odier Group's designation of a sustainable economy based on a Circular, Lean, Inclusive and Clean model
CNH	offshore renminbi as further detailed in the Risk Factors Annex
CNY	onshore renminbi as further detailed in the Risk Factors Annex
Coco Bonds	Contingent Convertible Bonds. Debt securities that have conversion or write-down features contingent upon pre-defined terms
Company	Lombard Odier Funds
Crystallisation Date	date at which the accrued Performance Fee (if any) becomes payable to the Management Company; it is set on the last day of the relevant Sub-Fund's reference period
CSDR	Regulation (EU) No 909/2014 on central securities depositories
CSSF	Commission de Surveillance du Secteur Financier, the Luxembourg supervisory authority
Cut-off time	Deadline to submit subscription, redemption or conversion applications to the Company as set out in Annex A in relation to a given Sub-Fund
D Shares	Distribution Shares
Data & IT Fee	Fee only applicable to LOF – DataEdge Market Neutral and further described under paragraph 10.5.6.
Dealing Charge	Charge which may be levied discretionarily by the Company pursuant to Annex A in relation to a given Sub-Fund in addition to the Issue and Redemption Prices in favour of the relevant Sub-Fund, in order to mitigate the effect of portfolio transactions costs resulting from subscriptions or redemptions; it is described in paragraph 10.4
Depositary	CACEIS Bank, Luxembourg Branch
Direct Costs	Costs described in paragraph 10.5.4
Directors	The directors of the Company
Distressed Securities	Securities as defined in paragraph 3.2
Distribution Fee	The distribution fee payable to the Global Distributor or Distributor as described in paragraph 10.5.2 at the rates set out in Annex A
ECP	Euro Commercial Paper
EEA	European Economic Area
Eligible State	A member State of OECD and all other countries of Europe, the American Continents, Africa, Asia, the Pacific Basin and Oceania
Emerging Markets	Markets or countries with a low to middle per capita income or, at the discretion of the Management Company, any country or market that is a component in an emerging market index of a major index provider. Examples of emerging markets include Indonesia, some countries of Latin America, some countries in Southeast Asia, most countries in Eastern Europe, Russia, some countries in the Middle East, and parts of Africa. Investors may obtain, free of charge, from the Company, on written request sent to its registered office, an updated list of Emerging Markets

EMU	European Monetary Union
EPM	Efficient portfolio management
Equity Fund	As defined under paragraph 21.2
ESG and Sustainability Profiling	Refers to the Investment Manager's assessment of a company's sustainability profile including a review of the environmental, social and governance factors (ESG Factors) which are material to the economic performance of a company's industry and sector with a view to understanding the link between those ESG Factors and future earnings. ESG tools and methodologies used by the Investment Manager include negative norm-based screening (screening companies which breach internationally accepted ESG standards or norms), value based screening (screening of sectors that may be considered 'unethical') and the Investment Manager's proprietary ESG methodology which aims to differentiate companies claiming positive ESG intentions from those which demonstrate actual results from actions undertaken. The Investment Manager also makes use of assessments of exposure to sustainability-related megatrends (for example climate change) that could have material consequences for risk-return considerations, for instance for business model and products that pertain to a company.
ESG or ESG Factors	Environmental, social and governance characteristics or factors that can be further described as follows: "Environmental" can include issues relating to the quality and functioning of the natural environment and natural systems. These can include without limitation: biodiversity loss; greenhouse gas emissions, deforestation, climate change, renewable energy, energy efficiency, air, water or resource depletion or pollution, waste management, stratospheric ozone depletion, changes in land use and ocean acidification. "Social" can include issues relating to the rights, well-being and interests of people and communities. These can include without limitation: human rights, labour standards in the supply chain, child and slave labour, workplace health and safety, freedom of association and freedom of expression; diversity; relations with local communities, health and access to medicine, consumer protection, and controversial weapons. "Governance" can include issues relating to the governance of companies. These can include without limitation: board structure, size, diversity, skills and independence, executive pay, shareholder rights, stakeholder interaction, disclosure of information, business ethics, bribery and corruption, internal controls and risk management.
ESMA	European Securities and Markets Authority
EU	European Union
EUR	The euro currency
Euro-CRS Directive	Council Directive 2014/107/EU amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation
FATCA	The Foreign Account Tax Compliance provisions contained in the Hiring Incentives to Restore Employment Act signed into US law in March 2010; FATCA is construed as: (i) sections 1471 through 1474 of the US Internal Revenue Code and any successor provisions, associated legislation, regulations and guidance, and similar legislation, regulations and guidance enacted to implement similar tax reporting or withholding tax regimes; (ii) any intergovernmental agreement, treaty, legislation, regulation, guidance and other agreement entered into in order to comply with, facilitate, supplement or implement the legislation, regulations or guidance described under (i); (iii) any legislation, regulations or guidance issued by an applicable governmental entity that gives effect to the matters described under paragraphs (i) and (ii)
Feeder	A feeder UCITS as defined under paragraph 4.2 (g)
FFI	Foreign financial institution(s) under FATCA
FRN	Floating-rate note

Frontier Markets	Any country that is included in the MSCI Frontier Emerging Markets Index or an Emerging Market that is considered by the Investment Manager to show similar characteristics to those of a country that is included in the MSCI Frontier Emerging Markets Index
FROC	Fixed rate of operational costs as defined under paragraph 10.5.4
FSB Task Force on Climate-related Disclosures	Task force on climate-related financial disclosures created by the Financial Stability Board to improve and increase reporting of climate-related financial information
Fund Servicing Costs	Costs described in paragraph 10.5.4
G20	Group of Twenty established in September 1999
GBP	British Pound Sterling
GDPR	Regulation (EU) n°2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regards to the processing of personal data and on the free movement of such data
GITA	German Investment Tax Act passed by the Federal Council of Germany, as amended from time to time
GDRs	Global Depository Receipts
Global Exposure	Measure designed to limit either the incremental exposure and leverage generated by a Sub-Fund through the use of financial derivative instruments (including embedded derivatives) or the market risk of a Sub-Fund's portfolio
Group of Assets	Assets with common characteristics such as but not limited to the same region, country, currency and/or sector
HKD	Hong Kong dollar
HKSCC	Hong Kong Securities Clearing Company Limited
ICAP	Prudent internal credit quality assessment procedure established, implemented and applied by the Management Company as required by the MMF Regulation
IML	Institut Monétaire Luxembourgeois (replaced by CSSF)
Initial Charge	The initial charge described in paragraph 10.1
Institutional Investors	Institutional investors within the meaning of article 174 (2) c) of the 2010 Law
Investment Managers	The investment managers listed in paragraph 6.3 appointed by the Management Company, with the agreement of the Board, to provide day-to-day discretionary investment management services for the Sub-Funds
IRS	Interest rate swap
Issue Price	The price at which Shares shall be issued, such price being the Net Asset Value per Share for the relevant Sub-Fund, subject to, as the case being, any Swing Pricing adjustment or a Dealing Charge and increased by the Initial Charge
ITR	The "implied temperature rise" as further detailed in Schedule II of the SFDR Annex
JPY	Japanese Yen
LOF	Lombard Odier Funds
LOIM	Lombard Odier Investment Managers, the asset management division of the Lombard Odier Group
LOIM Classification Framework	The Lombard Odier Investment Managers approach to determine whether an investment is sustainable or not as further detailed in the Schedule III of the SFDR Annex
Lombard Odier ESG/CAR Industrial Materiality Rating Methodology or LO Rating Methodology	The Lombard Odier Investment Managers proprietary 'Consciousness', 'Actions' and 'Results' industrial materiality rating methodology , also known as the "LO Rating Methodology", described in Schedule I of the SFDR Annex
Management Company	Lombard Odier Funds (Europe) S.A.
Management Fee	The management fee payable to the Management Company as described in paragraph 10.5.1 at the rates set out in Annex A

Master	A master UCITS as defined under paragraph 4.2 (g)
MBS	Mortgage-backed securities
Member State	A member State of the European Union as well as any States referred to in the term "Member State" defined in article 1 of the 2010 Law
MiFID II	The corpus of rules formed by (i) the Directive 2014/65/EU of the European Parliament and the Council of 15 May 2014 on markets in financial instruments, the Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments, (ii) any binding guidelines or other delegated acts and regulations issued from time to time by the EU relevant authorities pursuant to the Directive 2014/65/EU and the Regulation No 600/2014 and, (iii) as the context may require, any applicable domestic law, regulation and administrative practice or ruling deriving from texts or acts under items (i) and (ii)
Mixed Fund	As defined under paragraph 21.2
MMF Delegated Regulation	Commission Delegated Regulation (EU) 2018/990 of 10 April 2018 amending and supplementing the MMF Regulation
MMF Regulation	Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds as may be amended or replaced from time to time
MMF Sub-Fund	Sub-Fund qualifying as MMF
Money Market Fund or MMF	A fund or any sub-fund thereof qualifying and authorised as a money market fund in accordance with the MMF Regulation
NAV	Net asset value
Net Asset Value	Total assets of the relevant Sub-Fund less its liabilities
Net Asset Value per Share	Total net assets of the relevant Sub-Fund, being the market value of its assets less its liabilities, divided by the number of Shares of the relevant Sub-Fund
NOK	Norwegian Krone
OECD	Organization for Economic Cooperation and Development
Official Listing	Official listing on a stock exchange in an Eligible State
Operational Costs	Costs described in paragraph 10.5.4
OTC	Over-the-counter
P-Notes	Participatory notes
Paris Agreement	The agreement dated 12 December 2015 and adopted under the United Nations Framework Convention on Climate Change seeking to limit global warming
Payment Date	Date on which the payment of the Issue Price shall be made in full for value or on which payment of the Redemption Price will ordinarily be made, as set out in Annex A
PBOC	People's Bank of China
Performance Fee	The performance fee payable to the Management Company as described in paragraph 10.5.3 at the rates set out in Annex A
PRC	People’s Republic of China
Prospectus	The current prospectus of the Company
QFI	Qualified Foreign Institutional Investor (in the context of investment in Chinese financial markets)
Redemption Price	The price at which Shares shall be redeemed, such price being the Net Asset Value per Share for the relevant Sub-Fund subject to, as the case being, any Swing Pricing adjustment or a Dealing Charge
Reference Currency	Currency in which shares of the Sub-Fund are issued
Regulated Market	Regulated market, other than Official Listing, which operates regularly and is recognized and open to the public in an Eligible State

RESA	*Recueil Electronique des Sociétés et Associations*, the Luxembourg official electronic platform of central publication regarding companies and associations, which replaced the *Mémorial C, Recueil des Sociétés et Associations*
Risk Factors Annex	The list of risk factors set out in Annex B
Risk Parity Methodology	Rule-based methodology according to which the weight of an asset comprising a portfolio is adjusted so that its contribution to the risk of such portfolio tends to be equivalent to that of the other assets or Group of Assets of the portfolio
RMB	Renminbi; the official currency of the People's Republic of China is used to denote the Chinese currency traded in the onshore markets (in mainland China), through onshore RMB (CNY), and the offshore markets (mainly in Hong Kong), the offshore RMB (CNH); for clarification purposes, all references to RMB in the name of a Share Class or in the Reference Currency must be understood as a reference to offshore RMB (CNH)
SEHK	Stock Exchange of Hong Kong Limited
SEK	Swedish krona
SFDR	Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial sector
SFDR Annex	The Annex C of this Prospectus in which the sustainability disclosures required by SFDR in relation to each Sub-Fund are set out
SFDR RTS 2022/1288	Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 supplementing SFDR with regard to the content and presentation of the information in relation to the principle of 'do no significant harm', specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports
SFIs	Structured financial instruments
SFTR	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012
SGD	Singapore dollar
Shares	Shares of the Company
Short-Term MMF	A Sub-Fund that invests in eligible instruments referred to in Article 9(1) of the MMF Regulation and that is subject to the portfolio rules set out in Article 24 of the MMF Regulation
SPAC	Special purpose acquisition company
SSE	Shanghai Stock Exchange
Stock Connect	The Shanghai-Hong Kong Stock Connect, which is a securities trading and clearing links programme developed by the SEHK, the SSE, HKSCC and ChinaClear with an aim to achieve mutual stock market access between the PRC and Hong Kong. Stock Connect comprises the Northbound link, through which a Sub-Fund may purchase and hold SSE Securities, and the Southbound link, through which investors in Mainland China may purchase and hold shares listed on the SEHK. The Company will trade through the Northbound link
Sub-Funds	The sub-funds of the Company, each corresponding to a distinct part of the assets and liabilities of the Company
Sustainable Development Goals	A sustainable development initiative under the United Nations that has been adopted by a range of world governments. The goals are defined around various criteria focusing on the development that meet present needs and without compromising the needs of future generations
Swing Factor	Percentage applied to the Issue Price or the Redemption price according to the Swing Pricing as described in paragraph 15.1
Swing Pricing	Mechanism described in paragraph 15.1
T-Bills	Treasury bills
Taxonomy Regulation	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment

Target Sub-Fund	A Sub-Fund whose Shares are subscribed, acquired and/or held by another Sub-Fund
TRS	Total return swap
UCIs	Undertakings for collective investment, including UCITS
UCITS	Undertakings for collective investment in transferable securities
UCITS Directive	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to UCITS, as amended from time to time
UCITS Rules	The corpus of rules formed by (a) the UCITS Directive, (b) the Commission Delegated Regulation (EU) 2016/438, and (c) any national laws and regulations which are taken in relation to (or transposing either of) the foregoing, including the 2010 Law
UN SDGs	United Nations' sustainable development goals
US	United States
USD	Dollar of the United States of America
U.S. Person	Any citizen, national or resident of the United States of America, partnership organized or existing in any state, territory or possession of the United States of America, a corporation organized under the laws of the United States or of any state, territory or possession thereof, or any estate or trust that is subject to United States Federal income tax regardless of the source of its income
Valuation Day	The relevant Business Day (daily or weekly) where the Sub-Funds are priced and Shares are issued and/or may be redeemed and converted and which is also a bank business day in the principal market or stock exchange on which a material part of a Sub-Fund's investments for the time being are quoted as set out in Annex A
Valuation Regulations	Valuation regulations and guidelines adopted by the Directors and as from time to time modified by them
VNAV MMF	A Sub-Fund as defined under Article 2(13) of the MMF Regulation that complies with the specific requirements laid down in Articles 29, 30 and 33(1) of the MMF Regulation
VaR	Value at Risk
WAL	Weighted Average Life
WAM	Weighted Average Maturity
Weighted Average Life	The average length of time to legal maturity of all of the underlying assets in a Sub-Fund qualifying as an MMF and reflecting the relative holdings in each asset
Weighted Average Maturity	The average length of time to legal maturity or, if shorter, to the next interest rate reset to a money market rate, of all of the underlying assets in a Sub-Fund qualifying as an MMF reflecting the relative holdings in each asset

1. LIST OF PARTIES AND ADDRESSES

The Company

Lombard Odier Funds, in short LO Funds

Registered Office

291, route d'Arlon, 1150 Luxembourg, Grand Duchy of Luxembourg

Board of Directors

Chair of the Board

Denise Voss

Directors

Jacques Elvinger

Yvar Mentha

Alexandre Meyer

Jan Straatman

Alexandre Meyer is an employee of the Lombard Odier Group.

Yvar Mentha and Jan Straatman are former employees of the Lombard Odier Group.
Jacques Elvinger and Denise Voss are independent directors.

Management Company and Domiciliary Agent

Lombard Odier Funds (Europe) S.A.
291, route d'Arlon, 1150 Luxembourg, Grand Duchy of Luxembourg
Email address: luxembourg-funds@lombardodier.com

Directors of the Management Company

Mark Edmonds

Alexandre Meyer

John Ventress

Mark Edmonds, Alexandre Meyer and John Ventress are employees of the Lombard Odier Group.

Dirigeants of the Management Company

Mariusz Baranowski

Mark Edmonds

Ingrid Robert

Hema Jewootah

Sacha Reverdiau

Cédric Intesse

Mariusz Baranowski, Mark Edmonds, Ingrid Robert, Hema Jewootah, Sacha Reverdiau and Cédric Intesse are employees of the Lombard Odier Group.

Investment Managers

Affirmative Investment Management Partners Limited
55 Baker Street, London W1U 7EU, United Kingdom

Bank Lombard Odier & Co Ltd
11, rue de la Corraterie, 1204 Geneva, Switzerland

Generation Investment Management LLP
20 Air Street, London W1B 5AN, United Kingdom

Lombard Odier Asset Management (Europe) Limited
Queensberry House, 3 Old Burlington Street, London W1S 3AB, United Kingdom

Lombard Odier Asset Management (Switzerland) SA
6, avenue des Morgines, 1213 Petit-Lancy, Switzerland

Lombard Odier Asset Management (USA) Corp
452 Fifth Avenue, 25th Floor, New York, NY 10018, United States of America

Lombard Odier Funds (Europe) S.A. – Dutch Branch
Parklaan 26, 3016 BC Rotterdam, The Netherlands

Lombard Odier (Hong Kong) Limited
1601 Three Exchange Square, 8 Connaught Place, Central, Hong Kong

Lombard Odier (Singapore) Ltd.
9 Raffles Place - #46-02 Republic Plaza, Singapore 048619

Global Distributor

Lombard Odier Funds (Europe) S.A.
291, route d'Arlon, 1150 Luxembourg, Grand Duchy of Luxembourg

Distributor(s)

Any other financial intermediary that may be appointed for the marketing and sale of the Shares as defined under Section 11 of the Prospectus

Depositary, Central Administration Agent and Registrar, Transfer Agent and Paying Agent

CACEIS Bank, Luxembourg Branch
5, allée Scheffer, 2520 Luxembourg, Grand Duchy of Luxembourg

Independent Auditor

PricewaterhouseCoopers, société coopérative
Réviseur d'entreprises
2, rue Gerhard Mercator, BP 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg

Legal Advisers

In Luxembourg

Elvinger, Hoss Prussen, société anonyme
2, place Winston Churchill, 1340 Luxembourg, Grand Duchy of Luxembourg

Foreign Representatives

In the Netherlands

Lombard Odier Funds (Europe) S.A. – Dutch Branch
Parklaan 26, 3016 BC Rotterdam, The Netherlands

In Switzerland

Representative

Lombard Odier Asset Management (Switzerland) SA
6, avenue des Morgines, 1213 Petit-Lancy, Switzerland

Paying Agent

Bank Lombard Odier & Co Ltd
11, rue de la Corraterie, 1204 Geneva, Switzerland

In the United Kingdom

Lombard Odier Asset Management (Europe) Limited
Queensberry House, 3 Old Burlington Street, London W1S 3AB, United Kingdom

In Austria

Erste Bank der oesterreichischen Sparkassen AG
Am Belvedere 1, 1100 Vienna, Austria

In Italy

Paying Agents

Société Générale Securities Services S.p.A.,
Via Benigno Crespi, 19/A - MAC 2, 20159 Milan, Italy

State Street Bank International GmbH - Succursale Italia
Via Ferrante Aporti 10, 20125 Milan, Italy

Banca Sella Holding S.p.A.
Piazza Gaudenzio Sella 1, 13900 Biella, Italy

Allfunds Bank S.A.U., Milan Branch
Via Bocchetto 6, 20123 Milan, Italy

CACEIS Bank, Italy Branch
Piazza Cavour 2, 20121 Milan, Italy

In France

Centralising Agent

CACEIS Bank
89-91 rue Gabriel Péri, 92120 Montrouge, France

In Belgium

CACEIS Bank, Belgium Branch
Avenue du Port 86C, b320, 1000 Brussels, Belgium

In Spain

Allfunds Bank, S.A.U.
C/ de los Padres Dominicos, 7, 28050, Madrid, Spain

In Liechtenstein

LGT Bank AG
Herrengasse 12, 9490 Vaduz, Liechtenstein

In Germany

German Information and Paying Agent

DekaBank Deutsche Girozentrale
Mainzer Landstrasse 16, 60325 Frankfurt/Main, Germany

In Sweden

SKANDINAVISKA ENSKILDA BANKEN AB (publ)
Kungsträdgårdsgatan, SE-106 40 Stockholm, Sweden

In Ireland

CACEIS Ireland Limited
One Custom House Plaza, International Financial Services Centre, Dublin 1, Ireland

2. LEGAL FORM

2.1 The Company

The Company is organized as a public limited company under the 1915 Law and qualifies as a "société d'investissement à capital variable" under Part I of the 2010 Law as a UCITS and complies with the requirements of the UCITS Directive.

The Company was incorporated on 5 January 1987 for an unlimited period under the name of Mediterranean Fund. The name of the Company was changed in 1994 to Lombard Odier Invest, in 2003 to Lombard Odier Darier Hentsch Invest (in short "LODH Invest") and finally in 2009 to Lombard Odier Funds (in short "LO Funds"). The Articles were last amended on 21 March 2019 and have been published in the RESA n° RESA_2019_078 of 2 April 2019. The minimum share capital of the Company is the equivalent of EUR 1,250,000.

The Company is registered under number B-25.301 in the Luxembourg Trade and Companies Register. Its Articles are available for inspection there and a copy thereof may be obtained upon request against payment of a fee as determined by the Luxembourg Trade and Companies Register or free of charge at the registered office of the Company. Its principal and registered office is at 291, route d'Arlon, 1150 Luxembourg, Grand Duchy of Luxembourg.

The Directors are listed in Section 1.

There are no provisions in the Articles expressly governing the remuneration (including pension or other benefits) of the Directors. The Directors shall be reimbursed for their out-of-pocket expenses and their remuneration shall be approved by the shareholders of the Company in a General Meeting. Directors affiliated to the Lombard Odier Group of Companies are not entitled to a fee for their services.

The capital of the Company is represented by Shares of no par value of different classes which relate to Sub-Funds and shall at any time be equal to the total net assets of the Company.

The liabilities of each Sub-Fund shall be segregated on a Sub-Fund by Sub-Fund basis with third party creditors having recourse only to the assets of the Sub-Fund concerned.

2.2 The Shares

Shares of the Company have no par value and have like rights and privileges. Each Share shall carry the right to participate in the profits and the results of the relevant Sub-Fund's operations. The Shares shall have no preferential, pre-emption, conversion or exchange rights. There are no, nor is it intended that there will be any, outstanding options or special rights relating to any Shares. Each whole Share entitles the holder thereof at all general meetings of shareholders and at all special meetings of the relevant Sub-Fund or class of Shares to one vote which may be cast in person, by appointing another as his/her/its proxy or by means of voting forms. To the extent permitted by law, the Board may suspend the right to vote of any shareholder which does not fulfil its obligations under the Articles or any document stating its obligations towards the Company and/or the other shareholders.

The Shares are freely transferable, except that the Board may, according to the Articles and as further detailed in Section 12 below, restrict the direct or indirect holding of Shares or the ownership of Shares by certain persons, firms or corporate body or make proposals regarding existing shareholders' holdings in order to comply with legal or regulatory requirements.

The Articles permit to create within each Sub-Fund different classes of Shares. Classes of Shares may differ with regard to their dividend policy, investor eligibility criteria, fee structure or other specific features. The Company issues Shares in registered form. If and to the extent permitted by law, and in particular under the conditions provided for in the 2013 Law, the Board may at its discretion decide to issue, in addition to Shares in registered form, Shares in dematerialised form.

At present, the Board has decided that the following classes of Shares may be issued:

- eight classes of Shares ("P Shares", "R Shares", "N Shares" (formerly "I Shares"), "S Shares", "I Shares", "M Shares", "H Shares" and "E Shares") that differ mainly in terms of fees, type of investor and minimum initial investment and holding amount;
- Shares in the form of A Shares or D Shares. Their respective dividend policy is described in Section 5;
- Shares in registered form only;
- Shares denominated in Alternative Currencies;
- Shares with different currency hedging policy;
- Shares with lower fees for initial investors in a newly created Sub-Fund ("seeding" Share class).

The following table shows the main features of the different classes of Shares available for each Sub-Fund. All available classes of Shares and their features are available on www.loim.com.

	Type of investor [1]
P Shares	All investors
R Shares	All investors
N Shares	(i) Institutional Investors (ii) financial intermediaries who provide discretionary portfolio management or independent advisory services (iii) financial intermediaries who provide other investment services which are subject to separate fee arrangements with their clients and who do not or are not eligible to receive and retain fees or commissions from third parties in relation to those services (iv) other investors determined by the Board or the Management Company in their discretion
I Shares	Institutional Investors
S Shares	Institutional Investors [2]
M Shares	(i) financial intermediaries who provide discretionary portfolio management or independent advisory services (ii) financial intermediaries who provide other investment services which are subject to separate fee arrangements with their clients and who do not or are not eligible to receive and retain fees or commissions from third parties in relation to those services (iii) other investors determined by the Board or the Management Company in their discretion
H Shares	Dedicated to all investors in Hong Kong
E Shares	Dedicated to entities of LOIM and their respective employees under certain conditions [3]

	P Shares	**R Shares**	**N Shares**	**I Shares**	**S Shares**	**M Shares**	**H Shares**	**E Shares**
Minimum initial investment and minimum holding [4]	As indicated in Annex A	As indicated in Annex A	As indicated in Annex A	As indicated in Annex A	t.b.d. [5]	As indicated in Annex A	As indicated in Annex A	None
Management Fees	Yes	Yes	Yes	Yes	No [6]	Yes	Yes	No
Performance Fees [7]	Yes if set out in Annex A	Yes if set out in Annex A	Yes if set out in Annex A	Yes if set out in Annex A	No [6]	Yes if set out in Annex A	Yes if set out in Annex A	No
Distribution Fees [8]	Yes	Yes	No	No	No	No	No	No
Dividend policy	A Shares	A Shares	A Shares	A Shares	A Shares	A Shares	A Shares	A Shares
	D Shares [9]	D Shares [9]	D Shares [9]	D Shares [9]	D Shares [9]	D Shares [9]	-	D Shares
Alternative Currencies [10]	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD	HKD / USD	EUR / USD / CHF / GBP / SEK / NOK / CAD / AUD / JPY / HKD / SGD
Currency hedging policy [11]	No hedging / Systematic hedging	No hedging / Systematic hedging	No hedging / Systematic hedging	No hedging / Systematic hedging	No hedging / Systematic hedging	No hedging / Systematic hedging	No hedging / Systematic hedging	No hedging / Systematic hedging
Seeding Share class [12]	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes
"Connect" Share class [13]	Yes	Yes	Yes	Yes	No	Yes	No	No

1 The Board or the Management Company may waive the eligibility criteria in relation to any given class of Shares.

2 S Shares are intended for Institutional Investors who have concluded a specific remuneration agreement in respect of their investment in class S Shares of a Sub-Fund with the Company, the Management Company or any other entity of the Lombard Odier Group. Invoices issued by the Management Company will be paid directly by such Institutional Investor.

3 Such class of Shares is dedicated to the entities of LOIM and their respective employees investing a portion of their variable remuneration, or a deferred portion thereof, into Shares pursuant to new regulations dealing with the remuneration of asset management firms.

[4] For all classes of Shares, the minimum amounts indicated here may be different from those potentially set for a "seeding" share class (see below). The Board may waive these minimum initial investment and minimum holding requirements.

[5] The minimum initial investment and minimum holding amount will be indicated in the specific remuneration agreement entered into with the Company, the Management Company or any other entity of the Lombard Odier Group.

[6] No Management Fee and Performance Fee are levied on the S Shares of each Sub-Fund.

[7] The Board may create equivalent Share class-based Performance Fee as further described under "General comment" in paragraph 10.5.3.

[8] See Annex A

[9] For certain Sub-Funds there may be classes of Shares with one annual dividend only and/or classes of Shares with one or more interim dividends and/or different dividend policies as further detailed in Section 5. Classes of Shares with a specific dividend policy are designated with a "D" followed by a figure (i.e., D1, D2, D3 and so on).

[10] All Sub-Funds may issue classes of Shares in any Alternative Currency. Currencies used as Alternative Currencies are EUR, USD, CHF, GBP, SEK, NOK, CAD, AUD, JPY, HKD and SGD. Costs related to the currency conversion, if any, of subscription or redemption amounts from or into the Reference Currency, will be borne by each class of Shares issued in an Alternative Currency.

[11] All Sub-Funds may issue classes of Shares in the Reference Currency or in an Alternative Currency with a different currency hedging policy. There are two forms of systematic hedging that may co-exist in a Sub-Fund: (i) Shares where the Alternative Currency of the Share class is systematically hedged against the Reference Currency of the relevant Sub-Fund ("Systematic NAV Hedged") and (ii) Shares where the Alternative Currency of the Share class is systematically hedged against each of the underlying portfolio currencies ("Systematic Multi-Currency Hedged"). Fees related to the currency hedging policy, if any, will be borne by the relevant class of Shares issued in an Alternative Currency. The hedging of Share classes denominated in HKD or SGD may not be available. When a currency hedging policy is applied at a Share class level, the amount of the hedging shall be between 95% and 105% of the total net assets of the Share class in Alternative Currency. Changes in the market value of the Sub-Fund's portfolio, as well as subscriptions and redemptions of Share classes in Alternative Currency, can result in the hedging temporarily deviating from the aforementioned range. Necessary steps will be taken to bring the hedging back within the aforementioned limits.

[12] Upon Board's decision, a Share class may be created in "seeding" form at the inception of a Sub-Fund or in the event of substantial change(s) to an existing Sub-Fund. The purpose of such Share class is to entice investors to invest in a newly created Sub-Fund or to reward existing shareholders having invested in a Sub-Fund, whose features have been substantially amended. Such Share class may offer lower Management Fee and/or Distribution Fee and/or may require, to the extent permissible by law and regulations, a specific minimum initial investment amount and/or a specific minimum holding amount to be determined at the discretion of the Board. Other features may be attributed to the "seeding" Share class at the discretion of the Board. When created, the "seeding" Share class remains open to subscriptions until the occurrence of any event identified by the Board, including, but not limited to: (i) a certain period of time set by the Board has elapsed, (ii) the Sub-Fund has reached a critical size in terms of assets under management determined by the Board or (iii) the Board decides on the basis of reasonable grounds to cease the offering of the "seeding" Share class. It should be noted that the Board reserves the right to modify or terminate the conditions attached to the "seeding" Share class. In such case, the Board will have due regard to applicable laws and regulations, including the principle of equal treatment of shareholders, and, as the case may be, the shareholders concerned will be informed in advance and given the possibility to redeem or convert into another Share class their "seeding" Shares without redemption/conversion charges.

[13] Upon Board's decision, a Share class in the "Connect" form may be created. "Connect" Shares are offered:

1. to investors who (i) are eligible to invest into either the P, R, N, I or M Share class of a given Sub-Fund and (ii) have invested a certain amount or commit to providing a certain amount of subscriptions into such Sub-Fund (investors in this situation may include, but are not limited to, financial intermediaries such as distributors); or

2. to (i) Lombard Odier (Europe) S.A. and its branches or affiliates (hereafter "LOESA"), when investing on behalf of their clients under a discretionary portfolio management mandate made available as of or after 01.05.2019, and (ii) clients of Lombard Odier (Europe) S.A. and its branches under an eligible advisory contract made available as of or after 1 January 2023. Exceptions to the above-mentioned criteria can be decided on the basis of objective reasons by the Board acting in the best interest of the shareholders upon the request of LOESA.

The characteristics attributable to such Share class as well as the conversion between "Connect" Shares are determined on a case-by-case basis by the Board having due regard to applicable laws and regulations, including the principle of equal treatment of shareholders. A "Connect" Share class is designated with a "X" and successive X Share classes in a given Sub-Fund are numbered X1, X2, X3…

P Shares, R Shares, N Shares, I Shares, M Shares and E Shares are available for all Sub-Funds. S Shares are available for a Sub-Fund as and when decided by the Board (or any delegate). H Shares are available for a Sub-Fund which is offered or registered for sales in Hong Kong.

For certain Sub-Funds, the Board may decide to create a class of Shares where shareholders may elect to subscribe in Shares with a standard Management Fee or in Shares with a lower Management Fee but with a Performance Fee. Management Fee and Performance Fee for such additional class of Shares, if any, will be mentioned in Annex A.

For certain Sub-Funds, the Board may decide to create (i) classes of Shares which may be subscribed and/or redeemed on a weekly basis (weekly Shares) and/or (ii) classes of Shares which may be subscribed and/or redeemed on a daily basis (daily Shares). Differences between daily Shares and weekly Shares in terms of subscription and redemption procedures as well as differences in terms of Management Fee and Distribution Fee are mentioned, if applicable, in paragraph 12.1 respectively in Annex A.

The list of Sub-Funds, with Shares available in P, R, N, I, H, S, M or E classes, or with a class of Shares available with a lower Management Fee but with a Performance Fee, with a class of Shares issued in an Alternative Currency, with a specific currency hedging policy or with a class of Shares in "seeding" form is disclosed in the annual and semi-annual reports and on Lombard Odier Group website (www.loim.com) and can be obtained at the registered office of the Company or of the Foreign Representatives. Any class of Shares may be listed on the Luxembourg Stock Exchange at the discretion of the Board.

Although assets attributable to different Sub-Funds of the Company are segregated (see paragraph 2.1), investors should be aware that there exists no legal segregation of assets between different classes of Shares within the same Sub-Fund. Therefore, in case that the net assets attributable to a class of Shares of a Sub-Fund are not sufficient to cover the charges and expenses relating to a specific class of Shares (e.g. currency hedging costs, etc), such charges and expenses will be paid out of the net assets of the other classes of Shares of the same Sub-Fund.

3. INVESTMENT OBJECTIVES AND POLICIES

3.1 General Provisions Common to all Sub-Funds

The Company aims to provide investors with the opportunity of participating in a wide selection of financial markets through a range of actively managed Sub-Funds of asset allocation, international equity, fixed-income and money market portfolios.

The investment policies of the Company are determined by the Directors, after taking into account the political, economic, financial and monetary factors prevailing in the selected markets.

The list of Sub-Funds currently offered for subscription with the description of the investment policies and main characteristics can be found in Annex A.

A Sub-Fund may, where applicable, qualify as a Short-Term VNAV MMF as allowed by the MMF Regulation and disclosed in Annex A in relation to a given Sub-Fund.

Whilst keeping the principle of risk diversification, the Equity, Short-Term Money Market, and Fixed-Income Sub-Funds (but not the Asset Allocation Sub-Funds) invest in assets which comply with the description of the Sub-Fund unless otherwise mentioned in Annex A in relation to a given Sub-Fund. For the purposes of computing the investment ratios mentioned in a particular Sub-Fund's description, Cash and Cash Equivalents held on a temporary basis will not be taken into account if the ratio refers to the Sub-Fund's portfolio and will be taken into account if the ratio refers to the Sub-Fund's assets or net assets.

Unless otherwise mentioned in a particular Sub-Fund's description and always subject to the limits permitted by the Investment Restrictions described in Section 4, the following principles will apply to the Sub-Funds:

(i) <u>Cash and Cash Equivalents</u>

Subject to higher or lower limits, and in accordance with the applicable diversification rules, the Sub Funds may hold up to 49% of their net assets in Cash and Cash Equivalents. Such limit will not apply under extraordinary market conditions and is subject to liquidity considerations. In particular, a Sub-Fund may hold its net assets in Cash and Cash Equivalents in excess of the above-mentioned limit pending investment upon receipt of subscription monies, pending redemptions in order to maintain liquidity, for EPM or for short-term defensive purposes when the Investment Manager believes it is in the best interest of the shareholders to do so. During these periods, a Sub-Fund may not achieve its investment objective and policy. Bank deposits which qualify as ancillary liquid assets in accordance with section 4.3 of the Prospectus are in principle limited to 20% of the Sub-Fund's net assets and can only

be used in the circumstances foreseen in section 4.3 of the Prospectus. The Company will regard FRNs that have frequent resets of the coupon, i.e. annually or more frequently, as passive substitutes for short-term instruments, provided that their maximum residual maturity is of 762 days. For the purposes of computing the investment ratios mentioned in Annex A in relation to a given Sub-Fund, Cash and Cash Equivalents held on a temporary basis will not be taken into account if the ratio refers to the Sub-Fund's portfolio and will be taken into account if the ratio refers to the Sub-Fund's net assets.

(ii) **UCIs**

Subject to lower or higher limits set out in the investment objective and policy in Annex A in relation to a given Sub-Fund or unless units of eligible UCIs is part of the investment objective and policy of a Sub-Fund, the Sub-Funds may hold up to 10% of their net assets in eligible UCIs. Investment in UCIs may also be used by the Sub-Funds to manage their cash position.

The UCIs may have different investment strategies or restrictions than those applied to the Sub-Funds.

The securities issued by collective investment vehicles with at least 50% of their net assets, according to their investment policy, invested in a particular class of assets will themselves be treated as securities of such class of assets for the purposes of the investment policy set out in this Prospectus (example: collective investment vehicles with at least 50% of their net assets, according to their investment policy, invested in shares and other securities equivalent to shares will be treated as equity securities). Where a collective investment vehicle is structured as an umbrella and the Company holds securities belonging to one or more Sub-Funds of such collective investment vehicle, the same principle shall apply *mutatis mutandis* to the securities of each Sub-Fund.

(iii) **Financial derivative instruments**

The Management Company and the Investment Managers may use all categories of financial derivative instruments authorized by Luxembourg law or by Circulars issued by the CSSF and in particular the categories mentioned in paragraph 4.1 (vii).

Financial derivative instruments may be used for one of the following strategies: for hedging purposes, for EPM or as part of the investment strategy of a Sub-Fund. A description of those strategies is mentioned in paragraph 4.1 (vii). When financial derivative instruments are not used for hedging purposes nor for EPM, they may be used as part of the investment strategy. However, this has to be mentioned in the description of the Sub-Funds concerned and is always subject to the limits permitted by the Investment Restrictions. The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure (*i.e.*, the total exposure on derivatives, portfolio and other assets) of a Sub-Fund and the volatility of its Net Asset Value. The assessment of the global exposure of a Sub-Fund associated with derivative instruments is described in paragraph 4.2.

If a Sub-Fund's description states that it has a low exposure to commodities via derivatives on commodity indices, the exposure will be below 49% of the Sub-Fund's net assets. Reference to a high exposure means that the Sub-Fund has an exposure above 49% of the Sub-Fund's net assets.

The leverage effect of investments in some financial instruments and the volatility of the prices of options, futures and other derivative contracts would normally make the risk attached to investment in the Shares of the Sub-Funds higher than is the case with conventional investment policies. Additional risks associated with the use of financial derivative instruments are described in the Risk Factors Annex.

(iv) **Techniques and instruments relating to transferable securities and money market instruments**

These techniques and instruments include, but are not limited to, repurchase agreements and securities lending.

None of these techniques are used by any Sub-Fund at the date of this Prospectus.

(v) **SFIs**

Subject to lower or higher limits set out in the Sub-Funds' investment objective and policy or unless the use of SFIs is part of the investment objective and policy of a Sub-Fund, the Sub-Funds may hold up to 10% of their net assets in SFIs, which are eligible transferable securities (as specified in Section 4), organized solely for the purposes of restructuring the investment characteristics of certain other investments (the "Underlying Investments") and issued by first class financial institutions (the "Financial institutions"). The Financial institutions issue transferable securities (the SFIs) backed by or representing interests in the Underlying Investments.

The Sub-Funds may invest in SFIs such as, but not limited to, equity-linked securities, participatory notes, capital protected notes, and structured notes, including securities/notes that are issued by companies advised by the Management Company or any entity of its group. When the SFI embeds a derivative instrument, the embedded derivative must be taken into account when applying the restrictions mentioned in paragraph 4.2 (j).

Sub-Funds investing in convertible bonds, often use SFIs as a substitute to convertible bonds to achieve the same market exposure.

(vi) Currencies

Shares of each Sub-Fund are issued in the Reference Currency. However, Shares of each Sub-Fund may also be issued in an Alternative Currency as indicated in Annex A in relation to a given Sub-Fund.

The Reference Currency of a Sub-Fund is always mentioned in Annex A in relation to a given Sub-Fund and sometimes between brackets in its name. Sub-Funds may invest in securities denominated in other currencies than their Reference Currency, even when the Reference Currency is mentioned between brackets in their name.

When a currency is mentioned in the name of a Sub-Fund, but not between brackets, at least two-thirds (2/3rds) of the Sub-Fund's portfolio will be invested in securities denominated in that currency.

(vii) Emerging Markets

Subject to lower or higher limits set out in the investment policy in Annex A in relation to a given Sub-Fund, the Sub-Funds whose investment objective and policy give discretion to the Investment Manager with regard to the selection of markets (including Emerging Markets) or currencies, may hold up to 49% of their net assets in securities issued in Emerging Markets and/or Emerging Markets currencies (including CNH).

When such limit is exceeded following the reclassification of a market previously regarded as "non-emerging", the Investment Manager will have discretion as to whether measures should be taken having regard to the best interest of the shareholders.

The attention of investors is drawn to the Risk Factors Annex which sets out the risks associated with the investments in Emerging Markets.

(viii) Risks associated with investments in the Sub-Funds

All Sub-Funds are directly or indirectly exposed to various forms of investment risks through the financial instruments in which they invest. The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Funds. Some risks concern all Sub-Funds (see section "General" of the Risk Factors Annex) whereas others are Sub-Fund specific (see section "Risks Linked to Certain Sub-Funds" of the Risk Factors Annex). A review of the risks specific to each Sub-Fund is included in the Risk Factors Annex.

(ix) Profile of the typical investor

Please refer also to Annex A.

An investment in a Sub-Fund is not a deposit in a bank or other insured depositary institution. Investment may not be appropriate for all investors. The Sub-Funds are not intended to be a complete investment program and investors should consider their long-term investment goals and financial needs when making an investment decision about the Sub-Funds. An investment in a Sub-Fund is intended to be a long-term investment. The Sub-Funds should not be used as trading vehicles.

Whilst using their best endeavors to attain the Company's objectives, the Directors cannot guarantee the extent to which the investment objectives will be achieved.

(x) Benchmark Regulation

Under the Benchmark Regulation, benchmark administrators applied for authorisation or registration by 1 January 2020. Upon such authorisation or registration, the benchmark administrator or the benchmark appears on the register of administrators and benchmarks maintained by ESMA pursuant to article 36 of the Benchmark Regulation. Currently, third country benchmark administrators mentioned in this Prospectus and who are not yet authorized or registered or whose indices have not been endorsed by an EU benchmark administrator pursuant to the Benchmark Regulation benefit from transitional provisions up to

31 December 2023. Once the relevant benchmark administrator or the benchmark used by a Sub-Fund appears on ESMA's register of administrators and benchmarks, the Company will update this Prospectus at the next occasion. Annex A indicates whether the Benchmark Regulation is relevant to a Sub-Fund.

The Management Company maintains a written plan setting out the actions that will be taken in the event that a benchmark materially changes or ceases to be provided in accordance with article 28 of the Benchmark Regulation. The content of such plan can be provided free of charge upon request at the registered office of the Company.

(xi) SFDR

Article 3 – transparency of sustainability risk policies

Information on the Management Company's policies on the integration of sustainability risks in the investment decision-making process is published on www.loim.com.

Article 4 – transparency of adverse sustainability impacts at entity level

The Management Company considers principal adverse impacts of investment decisions on sustainability factors and has published a statement on due diligence policies with respect to those impacts on www.loim.com.

Article 6 – transparency of the integration of sustainability risks

(a) The manner in which sustainability risks are integrated into investment decisions - information concerning the manner in which sustainability risks are integrated into the investment processes of Investment Managers for each Sub-Fund is integrated within the information provided in the SFDR Annex.

(b) Results of the assessment of the likely impacts of sustainability risks on returns:

For all Sub-Funds except LO Funds – Transition Materials and LO Funds – Multiadvisers UCITS, the likely impacts of sustainability risks are difficult to quantify. The Investment Managers believe that the environmental, social and governance and wider sustainability practices of a company/issuer are inherently linked to its long-term success and that those companies/issuers with ESG/sustainability aligned business practices and operations are more likely to succeed and create long-term value. There can be no guarantee, however, regarding the performance of individual companies/issuers within the portfolios of Sub-Funds nor on the returns of each of the Sub-Fund as a whole.

The description of the results of the assessment of the likely impacts of sustainability risks on returns of LO Funds – Transition Materials and LO Funds – Multiadvisers UCITS can be found in the SFDR Annex.

Article 7 – transparency of adverse sustainability impacts at financial product level

To the extent a Sub-Fund considers principal adverse impacts on sustainability factors, an explanation of how they are considered can be found in the SFDR Annex.

Article 8 – transparency of the promotion of environmental or social characteristics in pre-contractual disclosures

For Sub-Funds promoting environmental or social characteristics, transparency on how those characteristics are met as well as additional information required by the SFDR RTS 2022/1288 can be found in the SFDR Annex.

Article 9 – Transparency of sustainable investments in pre-contractual disclosures

For Sub-Funds having sustainable investment as their objective, transparency concerning how that objective is to be attained as well as additional information required by the SFDR RTS 2022/1288 can be found in the SFDR Annex.

Article 10 – transparency of the promotion of environmental or social characteristics and of sustainable investments on websites

For Sub-Funds subject to Article 8 and 9 of SFDR as described above, information concerning the following matters can be found at www.loim.com:

(a) a description of the environmental or social characteristics or the sustainable investment objective;

(b) information on the methodologies used to assess, measure and monitor the environmental or social characteristics or the impact of the sustainable investments selected for the financial product, including its data sources, screening criteria for the underlying assets and the relevant sustainability indicators used to measure the environmental or social characteristics or the overall sustainable impact of the financial product;

(c) the information referred to in Articles 8 and 9 of SFDR;

(d) information referred to in Article 11 of SFDR (transparency of the promotion of environmental or social characteristics and of sustainable investments in periodic reports).

(xii) CSDR cash penalty management

CSDR has been designed amongst other things to prevent and address settlement fails and to encourage settlement discipline, by monitoring settlement fails and collecting and distributing cash penalties in case of failed trades. To this effect, the Management Company has put in place an operational framework for the management of cash penalties receivable ("Positive Penalties") and cash penalties payable ("Negative Penalties") pursuant to the CSDR regime in respect of transactions undertaken for the account of the relevant Sub-Funds. Under this framework, Positive Penalties and Negative Penalties are netted off against one another and the balance less any debit interest or including any negative credit interest is either credited to the relevant Sub-Funds (in the case that Positive Penalties exceed Negative Penalties over the relevant period, also defined as "Positive Balance") or debited from the relevant Sub-Funds (in the case that Negative Penalties exceed Positive Penalties over the relevant period, also defined as "Negative Balance"). The Management Company will reimburse any Negative Balance to the relevant Sub-Fund(s) and reserves its rights to ask the respective Investment Manager(s) to cover for Negative Penalties and/or reclaim Negative Penalties directly from the party at fault (in which case, the amounts successfully reclaimed shall be included in the calculation of the Positive or Negative Balance). The period over which (i) Positive Penalties and Negative Penalties are netted off against one another, and (ii) the resulting Positive and Negative Balances are credited to, respectively debited from the relevant Sub-Fund(s), shall be determined at the discretion of the Management Company.

3.2 Investment-Grade Rating, Lower Grade Securities and Distressed Securities

According to generally accepted rating principles in the financial services industry, investments in debt securities are classified in two broad categories:

- Investment-grade securities with ratings by Fitch, S&P or Moody's ranging from AAA (Aaa) to BBB (Baa);
- Speculative investments with ratings of BB (Ba) and below.

For the purpose of the foregoing securities rating limitations, a security will be deemed to be within the relevant rating category even if the rating agency has assigned a modifier, such as a "minus", to the rating. For example, a security rated A- by S&P will be deemed to be rated A by S&P for these purposes.

In the absence of a rating from the rating agencies (such as, but not limited to, Fitch, S&P or Moody's),

- in case of government bonds or government money market instruments, the equivalent long term debt sovereign rating of the country may be used as an alternative for the rating of these securities;
- in case of bonds or money market instruments issued by a corporate, the available rating of the issuer may be used as an alternative for the rating of these securities.

If finally, no rating is available from the rating agencies, or, if so described in the relevant investment policy, the Investment Manager will be entitled to invest in securities which, in his opinion, are deemed to be within the relevant rating category. When rating agencies assign different ratings to a given security, the Investment Manager may consider the highest rating as the valid one unless otherwise mentioned in the relevant investment policy.

The Asset Allocation and Fixed-Income Sub-Funds will be invested in bonds, fixed or floating-rate securities and short-term-debt securities of high quality (A or better, or of equivalent quality in the opinion of the Investment Manager) unless otherwise mentioned in the description of a particular Sub-Fund. For the Short-Term Money Market Sub-Funds, money market instruments should be awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument or, if the instrument is not rated, should be of an equivalent quality in the opinion of the Investment Manager.

However, all Sub-Funds (except the Short-Term Money Market Sub-Funds) using credit derivatives may, in the case of a credit event, have to accept delivery of non-investment-grade bonds.

Units of permitted UCIs with, according to their investment policy, at least 50% of their assets invested in fixed-income securities will be deemed to be investment-grade debt securities unless otherwise provided in the description of the investment policy of the collective investment vehicle.

Risks related to investments in below investment-grade securities are described in the Risk Factors Annex.

Distressed Securities: securities of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. These obligations are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court's power to disallow, reduce, subordinate, recharacterise debt as equity or disenfranchise particular claims. Such companies' obligations may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies.

3.3 Commodity indices and other strategies – use of swaps/TRS

The Company has implemented for certain Sub-Funds commodity indices strategies through swaps, namely:

- swap on long only commodity indices (named for ease of reference as the "Commodity Swap" – see paragraph 3.3.1 below and the "Commodity Transition Materials Swap" – see paragraph 3.3.4 below);
- swap on long/short commodity indices (named for ease of reference as the "Backwardation Swap" – see paragraph 3.3.2 below and the "Commodity Curve Arbitrage Swap" – see paragraph 3.3.3 below).

The Company has also implemented for certain Sub-Funds certain strategies through TRS (see paragraph 3.3.5 below).

The investment policy of the relevant Sub-Funds indicates which of these strategies are pursued.

A Licence Fee (as defined under paragraph 10.5.5) may apply in relation to the Commodity Swap, the Backwardation Swap, the Commodity Curve Arbitrage Swap and the Commodity Transition Materials Swap below.

The swaps listed under paragraphs 3.3.1 to 3.3.5 are TRS and represent the core part of the investment objective and policy pursued by the relevant Sub-Funds. Please refer to paragraph 4.1 (vii) for additional information regarding OTC derivatives and the Annex A for information regarding the expected leverage in relation to TRS used by the relevant Sub-Funds.

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation" for information regarding the legal and regulatory requirements applicable indices used in the commodity indices strategies. It should be noted that the indices covered in this section are proprietary indices of third country benchmark administrators which benefit from the transitional provisions of the Benchmark Regulation until 31 December 2023.

3.3.1 Commodity Swap

Mechanism of the Commodity Swap

By means of the swap, the Sub-Fund and each counterparty to the swaps (the "Swap Counterparty(ies)") agree to exchange all or part of the subscription monies against the performance of a long only commodity index (the "Index") as further described in the index rule book corresponding to the relevant Index (the "Index Rule Book"), less fees and expenses charged by the Swap Counterparty(ies) which in normal market conditions should not exceed 0.50% per annum of the Net Asset Value of the Sub-Fund. The net of fee performance of the relevant Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the swaps. The Sub-Fund will have to make a payment to the relevant Swap Counterparty in the event that the relevant Index decreases in value. By contrast, the relevant Swap Counterparty will have to make a payment to the Sub-Fund in the event that the relevant Index increases in value.

As the swaps are OTC transactions, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the relevant Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits imposed by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the relevant Index in accordance with the 2010 Law and applicable CSSF circulars. In order to reduce the Sub-Fund's exposure to the risk related to the Swap Counterparties, cash transfers are also made as soon as a certain threshold per Swap Counterparty is reached. The collateral transferred to the Sub-Fund is held by the Depositary.

General description of the relevant Index

This section is a summary description of the indices that may qualify as the Index. For a complete description of the relevant Index, please refer to the relevant Index Rule Book, published on the website www.loim.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with article 44 of the 2010 Law, article 9 of the Grand-Ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339 (as amended by CSSF Circular 08/380) and CSSF Circular 14/592.

The Index is intended to capture the performance of a broad and diversified set of commodities within several commodity sectors (including but not limited to precious metals, industrial metals, energy and agriculture (ex-essential food)), through investment in the relevant LOIM Dynamic Roll Commodity Mono Indices (the "Mono Indices") as defined in the relevant Index Rule Book (each a "Component"). For a complete description of the Mono Indices and the Components, please refer to the relevant Family Index Rule Book published on the website www.loim.com and which may be obtained free of charge at the registered office of the Company on request.

The Index is calculated on a daily basis and its value is expressed in USD. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

Each Component aims to provide exposure to one commodity and is constructed by taking exposure, in its respective commodity market, to future contracts with a given tenor and, prior to maturity, "rolling" it into replacement future contracts. In order to reduce the potentially negative effect of rolling futures contracts which are due to expire, the future contracts are selected using an optimization model (described in the Family Index Rule Book) which takes into account the shape of the forward curve for the Index. Investors in the Index are therefore exposed to gains or losses connected with the process of buying and selling future contracts.

The Components of the Index may be volatile. Such volatility may have an impact on the NAV of the Sub-Fund in several ways.

The value of each Component (and thus the value of the Index) will, under normal conditions, increase if the value of its corresponding future contract goes up and decrease if the value of its corresponding future contract goes down.

The composition and weighting of the Index are determined using a fully transparent rule-based methodology: the Risk Parity Methodology. According to such methodology the weight of each commodity is adjusted so that its contribution to the risk of the total portfolio tends to be equivalent to other commodities. Other things equal, the higher the risk of fluctuation of the value of a commodity, the lower its weight in the Index. For each commodity, the risk is calculated using proprietary models analyzing historical price movements. As certain commodities tend to exceptionally overweight all other commodities in terms of volume trading in the selected reference commodity market, this may justify an allocation for a single Component above the 20% limitation and up to 35%.

The Index is rebalanced systematically on a monthly basis using the Risk Parity Methodology developed by the Index Sponsor (as defined in the relevant Index Rule Book).

The current composition of the Index and the weightings of its Components will be made available on www.loim.com.

The composition, methodology and calculation of the Index may be adjusted in the event of (i) certain adjustments or disruptive events in relation to a Component which affect the ability of the Index Sponsor to properly determine the value of the Index and (ii) certain "force majeure" events outside the reasonable control of the Index Sponsor (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any Component.

The Index Sponsor may amend the methodology of the Index in a manner that it may deem necessary if the fiscal, market, regulatory, juridical and financial circumstances require such modification.

The Index Sponsor reserves the right to amend or adjust the Index methodology from time to time as specified in the relevant Index Rule Book. According to the relevant Index Rule Book, the Index Calculation Agent (as defined in the relevant Index Rule Book) and the Index Sponsor may delay or suspend the calculation, and publication of the Index. The Index Sponsor, and where applicable, the Index Calculation Agent disclaim(s) any liability for any such suspension or interruption in the calculation of the Index.

The Index Calculation Agent may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as swap(s) counterparty, market-maker, hedging counterparty, issuer of components of the Index. In order to prevent the risk of conflicts of interest that could influence the price or value of the swap(s), the Index Calculation Agent has implemented an oversight function, procedures and controls in compliance with the Benchmark Regulation.

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the Risk Parity Methodology (as described in the relevant Index Rule Book) used in calculating the Index nor for the Monthly Target Weights determined by the Index Adviser (as defined in the relevant Index Rule Book).

Investors should note that the Net Asset Value per Share of the Sub-Fund will not track the "spot price" of the underlying commodities of the Index as the Net Asset Value per Share is impacted by (i) the Index replication costs, as the case may be and as described in the relevant Index Rule Book, (ii) the fees and expenses charged by the Swap Counterparty(ies) as described above and (iii) the Charges and Expenses described in Section 10, and in particular the Management Fees and the Distribution Fees. Also, in normal market conditions, the anticipated level of tracking error defined as the volatility of the difference between the return of the swap and the return of the Index is between 0.5% and 1%. The Sub-Fund's ability to track the performance of the Index will depend on factors such as replication costs (as the case may be), cash management, swap notional adjustment (linked to cash flows), market disruption events (as detailed in the relevant Index Rule Book) and foreign exchange hedging for hedged Share classes.

3.3.2 Backwardation Swap

Mechanism of the Backwardation Swap

By means of the swap, the Sub-Fund and each counterparty to the swaps (the "Swap Counterparty(ies)") agree to exchange part of the subscription monies against the performance of a long/short commodity backwardation index (the "Index") as further described in the index rule book corresponding to the relevant Index (the "Index Rule Book"), less fees and expenses charged by the Swap Counterparties which in normal market conditions should not exceed 0.50% per annum of the Net Asset Value of the Sub-Fund. The net of fee performance of the relevant Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the swap. The Sub-Fund will have to make payments to the relevant Swap Counterparty in the event that the relevant Index decreases in value. By contrast, the relevant Swap Counterparty will have to make a payment to the Sub-Fund in the event that the relevant Index increases in value.

As the swaps are OTC transactions, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the relevant Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits imposed by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the relevant Index in accordance with the 2010 Law and applicable CSSF circulars. In order to reduce the Sub-Fund's exposure to the risk related to the Swap Counterparties, cash transfers are also made as soon as a certain threshold per Swap Counterparty is reached. The collateral transferred to the Sub-Fund is held by the Depositary.

General description of the relevant Index

This section is a summary description of the indices that may qualify as the Index. For a complete description of the relevant Index, please refer to the relevant Index Rule Book, published on the website www.loim.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with article 44 of the 2010 Law, article 9 of the Grand-Ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339 (as amended by CSSF Circular 08/380) and CSSF Circular 14/592.

The Index is intended to capture the relative performance of a broad and diversified set of commodities within several commodity sectors (including, but not limited to energy, industrial metals, precious metals and agriculture (ex-essential food) through a systematic long/short strategy. The Index invests through the relevant S&P GSCI Indices ((each a "Component"), as calculated by Standard & Poor's) as defined in the relevant Index Rule Book.

The Index is calculated on a daily basis and its value is expressed in USD. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are made of listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

The composition and weighting of the Index are determined using a linear weight allocation scheme, with weights further adjusted according to a predefined volatility target. Other things equal, the bigger the positive roll yield, the higher the respective weight in the Index. As certain commodities tend to exceptionally overweight all other commodities in terms of volume trading in the selected reference commodity market, this may justify an allocation for a single Component above the 20% limitation and up to 35%.

The Index is rebalanced systematically on a monthly basis.

The current composition of the Index and the weightings of its Components will be made available on www.loim.com.

The composition, methodology and calculation of the Index may be adjusted in the event of (i) certain adjustments or disruptive events in relation to any future commodities which affect the ability of the Index Sponsor (as defined in the relevant Index Rule Book) to properly determine the value of the Index and (ii) certain "force majeure" events outside the reasonable control of the Index Sponsor (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any future commodities.

The Index Sponsor may amend the methodology of the Index in a manner that it may deem necessary if the fiscal, market, regulatory, juridical and financial circumstances require such modification.

The Index Sponsor reserves the right to amend or adjust the Index methodology from time to time as specified in the Index Rule Book. According to the relevant Index Rule Book, the Index Calculation Agent (as defined in the relevant Index Rule Book) and the Index Sponsor may delay or suspend the calculation, and publication of the Index. The Index Sponsor, and where applicable, the Index Calculation Agent disclaim(s) any liability for any such suspension or interruption in the calculation of the Index.

The Index Calculation Agent may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as swap(s) counterparty, market-maker, hedging counterparty. In order to prevent the risk of conflicts of interest that could influence the price or value of the swap(s), the Index Calculation Agent has implemented an oversight function, procedures and controls in compliance with the Benchmark Regulation.

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the Methodology (as described in the relevant Index Rule Book) used in calculating the Index.

Investors should note that the Net Asset Value per Share of the Sub-Fund is impacted by (i) the fees and expenses charged by the Swap Counterparty(ies) as described above and (ii) the Charges and Expenses described in Section 10, and in particular the Management Fees and the Distribution Fees. Also, in normal market conditions, the anticipated level of tracking error defined as the volatility of the difference between the return of the swap and the return of the Index is between 0.5% and 1%. The Sub-Fund's ability to track the performance of the Index will depend on factors such as cash management, swap notional adjustment (linked to cash flows), market disruption events (as detailed in the relevant Index Rule Book) and foreign exchange hedging for hedged Share classes.

3.3.3 Commodity Curve Arbitrage Swap

Mechanism of the Commodity Curve Arbitrage Swap

By means of the swap, the Sub-Fund and each counterparty to the swaps (the "Swap Counterparty(ies)") agree to exchange part of the subscription monies against the performance of a long/short commodity curve arbitrage index (the "Index") as further described in the index rule book corresponding to the relevant Index (the "Index Rule Book"), less fees and expenses charged by the Swap Counterparty(ies).

The net of fee performance of the relevant Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the swap. The Sub-Fund will have to make payments to the relevant Swap Counterparty in the event that the relevant Index decreases in value. By contrast, the relevant Swap Counterparty will have to make a payment to the Sub-Fund in the event that the relevant Index increases in value.

As the swaps are OTC transactions, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the relevant Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits imposed by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the relevant Index in accordance with the 2010 Law and applicable CSSF circulars. In order to reduce the Sub-Fund's exposure to the risk related to the Swap Counterparties, cash transfers are also made as soon as a certain threshold per Swap Counterparty is reached. The collateral transferred to the Sub-Fund is held by the Depositary.

General description of the relevant Index

This section is a summary description of the indices that may qualify as the Index. For a complete description of the relevant Index, please refer to the relevant Index Rule Book, published on the website www.loim.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with article 44 of the 2010 Law, article 9 of the Grand-Ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339 (as amended by CSSF Circular 08/380) and CSSF Circular 14/592.

The Index is intended to capture the roll yield across a broad and diversified commodity universe, following a systematic long/short strategy. The Index takes for each commodity, long positions in deferred contracts and a short position on the front contract for the same notional amount (Dollar neutral). The Index invests in a broad and diversified set of commodities within several commodity sectors (including but not limited to energy, agriculture (ex-essential food) and metals). The Index invests through the relevant LOIM Indices (each a "Component"), as defined in the relevant Index Rule Book.

The composition and the allocation of the Index is systematically adjusted on a monthly basis.

The Index is calculated on a daily basis and its value is expressed in USD. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are made of listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

The Index is rebalanced systematically on a monthly basis.

The current composition of the Index and the weightings of its Components will be made available on www.loim.com.

The composition, methodology and calculation of the Index may be adjusted in the event of (i) certain adjustments or disruptive events in relation to any future commodities which affect the ability of the Index Sponsor (as defined in the relevant Index Rule Book) to properly determine the value of the Index and (ii) certain "force majeure" events outside the reasonable control of the Index Sponsor (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any future commodities.

The Index Sponsor may amend the methodology of the Index in a manner that it may deem necessary if the fiscal, market, regulatory, juridical and financial circumstances require such modification.

The Index Sponsor reserves the right to amend or adjust the Index methodology from time to time as specified in the Index Rule Book. According to the relevant Index Rule Book, the Index Calculation Agent (as defined in the relevant Index Rule Book) and the Index Sponsor may delay or suspend the calculation, and publication of the Index. The Index Sponsor, and where applicable, the Index Calculation Agent disclaim(s) any liability for any such suspension or interruption in the calculation of the Index.

The Index Calculation Agent may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as swap(s) counterparty, market-maker, hedging counterparty. In order to prevent the risk of conflicts of interest that could influence the price or value of the swap(s), the Index Calculation Agent has implemented an oversight function, procedures and controls in compliance with the Benchmark Regulation.

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the Methodology (as described in the relevant Index Rule Book) used in calculating the Index.

Investors should note that the Net Asset Value per Share of the Sub-Fund is impacted by (i) the fees and expenses charged by the Swap Counterparty(ies) as described above and (ii) the Charges and Expenses described in Section 10, and in particular the Management Fees and the Distribution Fees. Also, in normal market conditions, the anticipated level of tracking error defined as the volatility of the difference between the return of the swap and the return of the Index is between 0.5% and 1%. The Sub-Fund's ability to track the performance of the Index will depend on factors such as cash management, swap notional adjustment (linked to cash flows), market disruption events (as detailed in the relevant Index Rule Book) and foreign exchange hedging for hedged Share classes.

3.3.4 Commodity Transition Materials Swap

Mechanism of the Commodity Transition Materials Swap

By means of the swap, the Sub-Fund and each counterparty to the swaps (the "Swap Counterparty(ies)") agree to exchange all or part of the subscription monies against the performance of a long only commodity value index (the "Index") as further described in the relevant documentation as further detailed below, less fees and expenses charged by the Swap Counterparty(ies) which in normal market conditions should not exceed 0.50% per annum of the Net Asset Value of the Sub-Fund.

The net of fee performance of the relevant Index (either positive or negative) is then transferred to the Sub-Fund through a daily mark-to-market valuation of the swap. The Sub-Fund will have to make payments to the relevant Swap Counterparty in the event that the relevant Index decreases in value. By contrast, the relevant Swap Counterparty will have to make a payment to the Sub-Fund in the event that the relevant Index increases in value.

As the swaps are OTC transactions, the risk exposure of the Sub-Fund to each Swap Counterparty will increase when there is an increase of value of the relevant Index. The risk exposure of the Sub-Fund to the Swap Counterparties will not exceed the limits imposed by the Investment Restrictions described in Section 4. The Sub-Fund and the Swap Counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the relevant Index in accordance with the 2010 Law and applicable CSSF circulars. In order to reduce the Sub-Fund's exposure to the risk related to the Swap Counterparties, cash transfers are also made as soon as a certain threshold per Swap Counterparty is reached. The collateral transferred to the Sub-Fund is held by the Depositary.

General description of the relevant Index

This section is a summary description of the indices that may qualify as the Index. For a complete description of the relevant Index, please refer to the relevant Index Rule Book, published on the website www.loim.com and which may be obtained at the registered office of the Company on request free of charge.

The Index is compliant with article 44 of the 2010 Law, article 9 of the Grand-Ducal Regulation of 8 February 2008 as well as CSSF Circular 08/339 (as amended by CSSF Circular 08/380) and CSSF Circular 14/592.

The Index is intended to capture the performance of a diversified set of commodities relevant to the transition to a low carbon economy. Exposure to each commodity is achieved through investment in futures in the relevant commodity index. For a complete description of the targeted commodity futures (each a "Component"), please refer to the relevant Index Rule Book.

The Index is calculated on a daily basis and its value is expressed in USD. The Index is calculated on an excess return basis. As a consequence, the Index value reflects a cashless investment strategy calculated from a value derived from the value of the Components. The Components are made of listed futures contracts which require little or no cash to invest in those listed contracts in order to obtain the economic exposure and risk attaching to such contracts.

The Index is rebalanced systematically on a monthly basis.

The current composition of the Index and the weightings of its Components are made available on www.loim.com.

The composition, methodology, calculation or publication of the Index may be delayed, suspended or adjusted in the event of (i) market, legal regulatory, judicial, financial, fiscal or other circumstances, (ii) certain adjustments or disruptive events in relation to any commodity futures which affect the ability of the Strategy Allocator (or Index Allocator) or the Strategy Calculation Agent (or Index Calculation Agent), as defined in the relevant Index Rule Book, to properly determine the value of the Index and (iii) certain "force majeure" events outside the reasonable control of Strategy Allocator (or Index Allocator) or the Strategy Calculation Agent (or Index Calculation Agent) (including but not limited to, systems failure, natural or man-disaster, armed conflict or act of terrorism) which could affect any future commodities.

The Strategy Allocator (or Index Allocator) / Strategy Calculation Agent (or Index Calculation Agent) may act in a number of different capacities in relation to the Index and/or products linked to the Index, which may include, but not be limited to, acting as swap(s) counterparty, market-maker, hedging counterparty. In order to prevent the risk of conflicts of interest which may exist between the provision by the Strategy Allocator (or Index Allocator) / Strategy Calculation Agent (or Index Calculation Agent) of a benchmark and its other business, it has implemented an oversight function, procedures and controls in compliance with applicable rules (such as the Benchmark Regulation or the UK's retained EU law version of the Benchmark Regulation).

Investors should note that the Net Asset Value per Share of the Sub-Fund is impacted by (i) the fees and expenses charged by the Swap Counterparty(ies) as described above and (ii) the Charges and Expenses described in Section 10, and in particular the Management Fees and the Distribution Fees. Also, in normal market conditions, the anticipated level of tracking error defined as the volatility of the difference between the return of the swap and the return of the Index is between 0.5% and 1%. The Sub-Fund's ability to track the performance of the Index will depend on factors such as cash management, swap notional adjustment (linked to cash flows), market disruption events (as detailed in the relevant Index Rule Book) and foreign exchange hedging for hedged Share classes.

3.3.5 TRS

A Sub-Fund may enter into TRS on various instruments as underlying such as equity, interest rates, credit, currencies, indices, volatility as well as baskets composed of such instruments.

Where a Sub-Fund enters into a TRS or invests in other financial derivative instruments with similar characteristics, the assets held by the Sub-Fund shall comply with the investment limits set out in articles 52, 53, 54, 55 and 56 of the UCITS Directive. For example, when a Sub-Fund enters into an unfunded swap, the Sub-Fund's investment portfolio that is swapped out shall comply with the aforementioned investment limits. As TRS are OTC transactions, the risk exposure of the Sub-Fund to each TRS counterparty will increase when there is an increase of value of the underlying. The risk exposure of the Sub-Fund to the TRS counterparties will not exceed the limits imposed by the Investment Restrictions described in Section 4. The Sub-Fund and the TRS counterparties will reduce their respective counterparty risk by transferring cash amounts being equivalent to the positive or negative performance of the relevant underlying in accordance with the 2010 Law and applicable CSSF circulars. The collateral transferred to the Sub-Fund is held by the Depositary.

It shall be noted that, whenever a Sub-Fund uses TRS, the relevant counterparty(ies) (which are first-class financial institution) shall have no discretion over the composition or management of the Sub-Fund's investment portfolio or of the underlying of the financial derivative instrument which remain at the Investment Manager's discretion.

4. INVESTMENT RESTRICTIONS

4.1 Eligible Assets

Whilst the Company has broad powers under its Articles as to the type of investments it may take and the investment methods it may adopt, the Directors have resolved that the Company may only invest in:

Transferable Securities and Money Market Instruments

(i) transferable securities and money market instruments admitted to an Official Listing; and/or

(ii) transferable securities and money market instruments dealt in a Regulated Market; and/or

(iii) recently issued transferable securities and money market instruments, provided that the terms of issue include an undertaking that application will be made for admission to an Official Listing or a Regulated Market and such admission is achieved within a year of the issue;

(iv) money market instruments other than those admitted to an Official Listing or dealt in on a Regulated Market, which are liquid and whose value can be determined with precision at any time, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking, any securities of which are admitted to an Official Listing or dealt in on Regulated Markets referred to in items (i) and (ii) above, or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community Law such as a credit institution which has its registered office in a country which is an OECD member state and a FATF state, or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second and the third indents and provided that the issuer is a company whose capital and reserves amount to at least ten million euros (EUR 10,000,000) and which presents and publishes its annual accounts in accordance with the fourth directive 2013/34/EU, as amended, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitization vehicles which benefit from a banking liquidity line.

The Company may also invest in transferable securities and money market instruments other than those referred to in items (i) to (iv) above provided that the total of such investment shall not exceed 10% of the net assets attributable to any Sub-Fund.

Units of UCITS and UCIs

(v) units of UCITS authorized according to the UCITS Directive and/or other UCIs within the meaning of article 1, paragraph (2), letters (a) and (b) of the UCITS Directive should they be situated in a Member State or not, provided that:

- such other UCIs are authorized under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured, such as UCIs which have been authorized under the laws of any Member State or under the laws of Canada, Hong Kong, Jersey, Japan, Norway, Switzerland or the United States of America;
- the level of protection for unitholders in the other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, uncovered sales of transferable securities and money market instruments are equivalent to the requirements of the UCITS Directive;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of the relevant Sub-Fund), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs.

In accordance with article 46 (3) of the 2010 Law, no subscription or redemption fees may be charged to the Company if the Company invests in Target Sub-Funds or in units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a direct or indirect holding of more than 10% of the capital or voting rights.

When a Sub-Fund invests its assets in other UCITS or UCIs or a Target Sub-Fund, the maximum level of the management fee that may be charged to both the Sub-Fund and to such other UCITS or UCI or Target Sub-Fund can be found in Annex A in respect of each Sub-Fund.

Under the conditions set forth by the Luxembourg laws and regulations, any Sub-Fund may subscribe, acquire and/or hold shares of a Target Sub-Fund provided that:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this Target Sub-Fund; and
- pursuant to the investment restrictions and policy of the Target Sub-Fund, the Target Sub-Fund whose acquisition is contemplated may not invest in aggregate more than 10% of its assets in shares of other UCITS or UCIs, including another Sub-Fund; and
- voting rights, if any, attaching to the relevant securities are suspended for as long as they are held by the Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Company, their value will not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law.

The Sub-Funds qualifying as Feeder, shall invest at least 85% of their assets in another UCITS or a sub-fund of a UCITS, under the conditions set forth by the Luxembourg laws and regulations and as provided for in this Prospectus.

If qualified as Feeder, a Sub-Fund may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets; and
- financial derivative instruments which may be used only for hedging purposes in accordance with the relevant provisions of the 2010 Law.

None of the Sub-Funds whose Shares are distributed in Switzerland will qualify as a Feeder.

Deposits with Credit Institutions

(vi) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than twelve months, provided that the credit institution has its registered seat in a Member State or, if the registered seat of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in Community law such as a credit institution which has its registered office in a country which is an OECD member State and a FATF State;

Financial Derivative Instruments

(vii) financial derivative instruments, including equivalent cash-settled instruments, admitted to an Official Listing or dealt in on a Regulated Market referred to in items (i) and (ii) above; and/or OTC derivatives, provided that:

- the underlying consists of instruments described in sub-paragraphs (i) to (vi), financial indices, interest rates, foreign exchange rates, or currencies, in which the Sub-Funds may invest in accordance with their investment policies,
- the counterparties to OTC derivative transactions are only first-class counterparties that are internationally recognized financial institutions. Counterparties may not, as a rule and unless the Board resolve otherwise, have a credit rating below BBB-. Counterparties are domiciled in an OECD member State and specialized in OTC derivatives. When selecting counterparties, in addition to an analysis of credit quality and other financial aspects (including qualitative and quantitative criteria), the following criteria are taken into account: market share or specific potential, market knowledge and organization (front, collateral management, back office),
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative, and

- collateral received in respect of OTC derivatives consists of cash in USD, GBP, EUR and CHF and of debt obligations issued by a governmental entity of a Member State or an OECD member State adjusted by the applicable margin in accordance with the table below (the "Haircut"):

	Haircut applicable to collateral received in respect of OTC derivatives:
Cash	0%
Debt obligations	0.75% to 10% according to the maturity of the debt obligation (*i.e.* the longer the maturity, the higher is the applicable haircut) and to the robustness of its issuer.

- Collateral received, including cash, will not be sold, reinvested or pledged.

The collateral transferred to the Sub-Fund in the context of the activities described in this section are held by the Depositary or a sub-custodian of the Depositary for which the custody of the collateral has been delegated under the responsibility of the Depositary.

Securities collateral is diversified to ensure that a maximum exposure to a given issuer is limited to 20% of the assets. By way of derogation, the Company may be fully collateralized in securities issued or guaranteed by a Member State, one or more of its local authorities, a member State of the OECD or of the G20 or Singapore or by public international bodies of which one or more Member States are members.

Bonds received as collateral must have a maturity of less than 20 years.

The Company shall only accept highly liquid assets with not less than a daily liquidity.

Counterparties are not allowed to deliver securities (such as equities and bonds) issued by themselves or any of their subsidiaries.

The exchange of collateral is controlled and organised daily based of the exposure to OTC derivative transactions versus the valuation of the collateral adjusted by margins. Collateral is valued on a daily basis based on the mark-to-market method. All revenues arising from the activities mentioned above, net of direct and indirect operational costs, must be returned to the Company.

Categories of Financial Derivative Instruments

The Company may use all the financial derivative instruments authorized by the Luxembourg law or by circulars issued by the CSSF and in particular, but not exclusively, the following financial derivative instruments:

- financial derivative instruments linked to equity ("Equity derivatives") such as call and put options, spread options, CFD, swaps or futures contracts on securities, derivatives on equity indices, baskets or any kind of financial instruments;
- financial derivative instruments linked to commodity indices ("Commodity derivatives");
- financial derivative instruments linked to currency fluctuations ("Currency derivatives") such as forward currency contracts or call and put options on currencies, currency swaps or forward foreign exchange transactions;
- financial derivative instruments linked to interest rate risks ("Interest rate derivatives") such as call and put options on interest rates, IRS, forward rate agreements, interest rate futures contracts, swaptions whereby one party receives a fee in return for agreeing to enter into a forward swap at a predetermined fixed rate if some contingency event occurs (e.g. where future rates are set in relation to a benchmark), caps and floors whereby the seller agrees to compensate the buyer if interest rates rise above, respectively fall below a pre-agreed strike rate on pre-agreed dates during the life of the agreement in exchange of an up front premium. It should be noted that the Sub-Funds using interest rate derivatives as part of their investment strategy may have a negative duration;
- financial derivative instruments related to credit risks ("Credit derivatives"), such as credit spread derivatives, CDSor TRS. When a Sub-Fund invests in TRS or other financial derivative instruments with similar characteristics the information required by CSSF Circular 14/592 implementing ESMA Guidelines for competent authorities and UCITS management companies (ESMA/2012/832 – revised ESMA/2014/937) can be found in Annex A. Credit derivatives are designed to isolate and transfer the credit risk associated with a particular reference asset such as credit spread derivatives in which the payments may be made either by the buyer or the seller of the protection based on the relative credit value of two or more reference assets, or such as CDS whereby one counterpart (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for their par value (or some other designated reference or strike price) when a credit event occurs or receive a cash settlement based on the difference between the market price and such reference price. A credit event is commonly defined as a downgrading of the rating assigned by a rating agency, bankruptcy, insolvency, receivership, material adverse restructuring of debt or failure to meet payment obligations when due. The Sub-Funds using financial derivative instruments as part of their investment strategy may

enter, as buyer or seller of protection, into CDS transactions on eligible assets as defined in this Section 4, including on financial instruments having one or several characteristics of those eligible assets, provided that such transactions are either cash settled or result in the delivery, to the Sub-Funds, of eligible assets when a credit event occurs. In a TRS, the buyer makes a regular payment at a variable rate, in return for all the results relating to a notional amount of a particular reference asset (coupons, interest payments, change in asset value) which accrue over a period of time agreed with the seller. The seller "transfers" to the buyer the economic performance of the reference asset, but remains the owner of the asset. Credit derivatives can carry a higher risk than direct investment in bonds. The market for credit derivatives may sometimes be more illiquid than bond markets;

- financial derivative instruments linked to inflation ("Inflation derivatives") such as inflation swaps and call and put options based on inflation and inflation swaps. Inflation swaps are derivatives whereby one party pays (or receives) a fixed payment based on expected inflation in return for the receipt (or payment) of a variable payment based on the actual realized inflation rate over the life of the instrument;
- financial derivative instruments linked to volatility ("Volatility derivatives") such as volatility swaps and call and put options based on volatility and volatility swaps. Volatility swaps are derivatives whereby one party pays (or receives) a fixed payment in return for the receipt (or payment) of a variable payment based on the realized volatility of the underlying product (exchange rate, interest rate, stock index,...) over the life of the instrument.

Additional risks associated with the use of financial derivative instruments are described in the Risk Factors Annex.

Strategies used for financial derivative transactions

Financial derivative transactions may be used for one of the following strategies: for hedging purposes of the investment positions, for EPM or as part of the investment strategy of a Sub-Fund.

Transactions on derivatives entered into for hedging purposes aim to protect portfolios against market movements, credit risks, currency fluctuations, inflation risks and interest rate risks. Hedging presupposes the existence of a relation between the underlying financial instrument of the derivative and the financial instrument to be hedged.

In order to be considered for EPM, transactions on derivatives must be entered into for one or more of the following specific aims: reduction of risk, reduction of cost, or generation of additional capital or income for the Sub-Fund with an appropriate level of risk, taking into account the risk profile of the Sub-Fund. Transactions entered into for EPM must be economically appropriate, which implies that they are realized in a cost-effective way. The following are some examples of financial derivative transactions entered into for EPM:

- buying of call options or selling of put options on indices, for recently created Sub-Funds or for Sub-Funds holding Cash and Cash Equivalents on a temporary basis, pending investments, provided such indices comply with the conditions mentioned in paragraph 4.2 (f) and the exposure to the underlying indices does not exceed the value of the Cash and Cash Equivalents pending investment;
- replacing, on a temporary basis and for fiscal or other economical reasons, direct investments in securities by derivative exposure to the same securities;
- proxy hedging of the Reference Currency of a Sub-Fund used to reduce the currency exposure of an investment towards a currency which is sufficiently correlated with the Reference Currency, provided that direct hedging against the Reference Currency is not possible or less advantageous for the Sub-Fund. Two currencies are sufficiently correlated (i) if they belong to the same monetary union, or (ii) if they are scheduled to belong to the same monetary union, or (iii) if one of the currencies is part of a currency basket against which the central bank for the other currency explicitly manages its currency within a band or corridor that is either stable or sloping at a predetermined rate, or (iv) if in the opinion of the Investment Manager the currencies are deemed to be sufficiently correlated;
- proxy hedging of a currency of investment of a Sub-Fund used to reduce the currency exposure of an investment towards the Reference Currency whereby the Sub-Fund sells a currency which is sufficiently correlated to the currency of investment, provided that direct hedging of the currency of investment is not possible or less advantageous for the Sub-Fund;
- cross hedging of two currencies of investment whereby a Sub-Fund sells one of the currencies of investment and purchases another currency pending investment in that currency, maintaining the total exposure of the Reference Currency unchanged.

Transactions on derivatives entered neither for hedging purposes nor for EPM may be used as part of the investment strategy. However, this has to be mentioned in the description of the Sub-Funds concerned (Annex A) and is always subject to the limits permitted by the Investment Restrictions. The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure (i.e. the total exposure on derivatives, portfolio and other assets) of a Sub-Fund and the volatility of its Net Asset Value.

4.2 Investment Limits Applicable to Eligible Assets

The following limits are applicable to the eligible assets mentioned in paragraph 4.1:

Transferable Securities and Money Market Instruments

(a) The Company will invest no more than 10% of the net assets of any Sub-Fund in transferable securities or money market instruments issued by the same issuer.

(b) Moreover, where the Company, on behalf of a Sub-Fund, holds investments in transferable securities or money market instruments of any issuing body which by issuer exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 40% of the total net assets of the Sub-Fund.

(c) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by a Member State, by its local authorities, by another member State of the OECD or of the G20 or Singapore or by public international bodies of which one or more Member States are members, and for the Emerging Local Currency Bond Fundamental, also, by Thailand, Peru, Malaysia, and Columbia; such securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b).Sub-Funds registered for sale in Korea will not take advantage of the increased investment limit of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by a State (or its local authorities) which is not a Member State or a member State of the OECD.

(d) Notwithstanding the limits set forth under sub-paragraphs (a) and (c) above, each Sub-Fund is authorized to invest in accordance with the principle of risk spreading, up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by a Member State, by its local authorities, by an OECD member State, Singapore or any member State of the G20 or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues, and (ii) the securities from any one issue do not account for more than 30% of the net assets of such Sub-Fund. Sub-Funds registered for sale in Korea will not take advantage of the increased investment limit of 100% in respect of transferable securities and money market instruments which are issued or guaranteed by a State (or its local authorities) which is not a Member State or a member State of the OECD.

(e) The limit of 10% laid down in sub-paragraph (a) above may be increased to a maximum of 25% in respect of certain debt securities if they are issued by credit institutions having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Such debt securities need not be included in the calculation of the limit of 40% stated in sub-paragraph (b). But where the Company, on behalf of a Sub-Fund, holds investments in such debt securities of any issuing body which individually exceed 5% of the net assets of such Sub-Fund, the total of all such investments must not account for more than 80% of the total net assets of the Sub-Fund.

(f) Without prejudice to the limits laid down in sub-paragraph (n), the limit of 10% laid down in sub-paragraph (a) above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of a given Sub-Fund is to replicate the composition of a certain equity or debt securities index which is recognized by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

Securities mentioned in sub-paragraph (f) need not be included in the calculation of the limit of 40% stated in sub-paragraph (b).

Units of UCITS and UCIs

(g) The Company may invest up to 20% of the net assets of each Sub-Fund in securities of a same UCITS or other UCI.

For the purpose of this provision, each sub-fund of a UCITS or other UCI with multiple compartments shall be considered as a separate issuer, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties.

Investments in other UCIs may not exceed 30% of the Sub-Fund's net assets.

The underlying investments held by the UCITS or other UCIs in which the Company invests do not have to be considered for the purpose of applying the investment limitations mentioned in paragraph 4.2.

Under the conditions set forth by Luxembourg laws and regulations, new Sub-Funds of the Company may qualify as Feeder or as Master. A Feeder shall invest at least 85% of its net asset value in securities of a same Master or sub-fund of a UCITS. An existing Sub-Fund may convert into a Feeder or a Master subject to the conditions set forth by Luxembourg laws and regulations. An existing Feeder or Master may convert into a standard UCITS sub-fund which is neither a Feeder nor a Master. A Feeder may replace the Master with another Master. When qualifying as Feeder, reference to such qualification will be included in a given Sub-Fund's description in Annex A. None of the Sub-Funds whose Shares are distributed in Switzerland will qualify as a Feeder.

Deposits with Credit Institutions

(h) The Company may not invest more than 20% of the net assets of a Sub-Fund in deposits made with the same body.

Financial Derivative Instruments

(i) Counterparty risk exposure

The risk exposure to a counterparty of the Company in an OTC derivative transaction may not exceed 10% of the net assets of a Sub-Fund when the counterparty is a credit institution referred to above in sub-paragraph 4.1 (vi) or 5% of its net assets in other cases and shall be combined with the risk exposure to a counterparty of the Company in an EPM technique . Embedded derivatives of SFIs will not be taken into account when calculating the risk exposure to a counterparty, except if the issuer of the SFI is allowed to pass the counterparty risk of underlying derivatives to the Company.

(j) Global Exposure relating to financial derivative instruments

To calculate the Sub-Fund's Global Exposure, the Company may apply the VaR approach or the commitment approach. The approach used for each Sub-Fund, the type of VaR (absolute or relative) as well as the reference portfolio used in case of relative VaR are disclosed in Annex A in relation to a given Sub-Fund.

Where the VaR approach is used to assess a Sub-Fund Global Exposure, the Company can use the relative VaR approach or the absolute VaR approach. Under the relative VaR approach, the Company will ensure that the Global Exposure does not exceed twice the VaR (200%) of the reference portfolio mentioned in Annex A in relation to a given Sub-Fund. The reference portfolios are used for VaR limitation purpose and not for performance measurement purpose. Under the absolute VaR approach, the Company will ensure that the absolute VaR of a Sub-Fund is not greater than 20% of its total net assets. The VaR is a statistical methodology that predicts the maximum potential loss that a Sub-Fund could make, calculated to a certain confidence level.

Where the commitment approach is used as indicated in Annex A in relation to a given Sub-Fund, the Global Exposure relating to financial derivative instruments may not exceed the total net assets of a Sub-Fund. Accordingly, the total exposure associated with the investments (securities and financial derivative instruments) of the Sub-Fund may amount to 200% of the total net assets of the Sub-Fund. As borrowing is allowed up to a maximum of 10%, the total exposure can reach 210% of the total net assets of the relevant Sub-Fund.

(k) Concentration limits

The Global Exposure of the underlying assets shall not exceed the investment limits laid down under sub-paragraphs (a), (b), (c), (e), (h), (i), (n) and (o). The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs (a), (b), (c), (e), (h), (i), (n) and (o).

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above mentioned restrictions.

(l) Expected leverage

As required by CSSF, the expected leverage is disclosed for each Sub-Fund following the VaR approach in Annex A in relation to a given Sub-Fund. The leverage is defined as the sum of the absolute value of the notionals of the financial derivative instruments held in each Sub-Fund's portfolio (excluding the investment portfolio) divided by its total net assets. Shareholders should note that the sum of notional calculation methodology does not take into account any netting and hedging arrangements a Sub-Fund may have in place. In addition they should note that leverage per se is not an accurate risk indicator. A higher degree of leverage does not necessarily imply a higher degree of risk (whether market credit or liquidity risks). Therefore, in their assessment of risk, investors should, not focus solely on leverage but also consider other meaningful risk measures such as the Global Exposure as referred to in paragraph (j) above. Investors should note that the leverage can exceed expected leverage as indicated in Annex A in relation to a given Sub-Fund.

(m) Sales of financial derivative instruments with physical delivery or cash settlement

The Sub-Funds may not carry out uncovered sales of financial derivative instruments.

When the derivative provides, either automatically or at the counterpart's choice, for physical delivery of the underlying financial instrument on maturity or exercise, and provided that physical delivery is common practice on the instrument concerned, the Sub-Fund must hold this underlying financial instrument as cover in its portfolio.

In cases where the underlying financial instrument of a financial derivative instrument is highly liquid, the Sub-Fund is allowed to hold exceptionally other liquid assets as cover provided that they can be used at any time to purchase the underlying financial instrument to be delivered and that the additional market risk which is associated with that type of transaction is adequately measured.

Where the financial derivative instrument is cash-settled either automatically or at the Company's discretion, the Sub-Fund is allowed not to hold the specific underlying instrument as cover. In this case, the following categories of instruments constitute an acceptable cover:

- cash;
- liquid debt instruments with appropriate safeguards (in particular, haircuts);
- other highly liquid assets, such as, but not limited to, shares of companies admitted to Official Listing on a stock exchange or dealt in a Regulated Market, recognized by the CSSF in consideration of their correlation with the underlying of the financial derivative instrument, subject to appropriate safeguards.

Are considered as "liquid" those instruments which can be converted into cash in no more than seven Business Days at a price closely corresponding to the current valuation of the financial instrument on its own market. This cash amount must be at the Sub-Fund's disposal at the maturity/expiry or exercise date of the financial derivative instrument.

Maximum Exposure to a Single Body

(n) The Company may not combine:

- investments in transferable securities or money market instruments issued by a single body and subject to the 10% limit by body mentioned in sub-paragraph (a); and/or
- deposits made with the same body and subject to the limit mentioned in sub-paragraph (h); and/or
- exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i)

in excess of 20% of the net assets of any Sub-Fund.

The Company may not combine:

- investments in transferable securities or money market instruments issued by a single body and subject to the 35% limit by body mentioned in sub-paragraph (c); and/or
- investments in certain debt securities issued by the same body and subject to the 25% limit by body mentioned in sub-paragraph (e); and/or
- deposits made with the same body and subject to the 20% limit by body mentioned in sub-paragraph (h); and/or
- exposures arising from OTC derivative transactions undertaken with the same body and subject to the 10% respectively 5% limits by body mentioned in sub-paragraph (i)

in excess of 35% of the net assets of any Sub-Fund.

Eligible Assets Issued by the Same Group

(o) Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognized international accounting rules, are regarded as a single body for the purposes of calculating the investment limits mentioned in sub-paragraph (a), (b), (c), (e), (h), (i) and (n).

(p) The Company may cumulatively invest up to 20% of the net assets of any Sub-Fund in transferable securities and/or money market instruments within the same group.

Acquisition Limits by Issuer of Eligible Assets

(q) The Company will not:

- acquire shares carrying voting rights which would enable the Company to take legal or management control or to exercise significant influence over the management of the issuing body;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the non-voting shares of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the debt securities of any issuer;
- own in any one Sub-Fund or the Company as a whole, more than 10% of the money market instruments of any issuer;
- own in any one Sub-Fund or the Company as a whole, (i) more than 25% of the units of the same UCITS or other UCI (all sub-funds thereof combined) or (ii) more than 25% of the units of any one sub-fund comprising the UCITS or other UCI with an umbrella structure.

The limits mentioned under third, fourth and fifth indents above may be disregarded at the time of acquisition, if at that time the gross amount of debt securities or of money market instruments or of UCITS/UCI or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above do not apply in respect of:

- transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities;
- transferable securities and money market instruments issued or guaranteed by any other Eligible State which is not a Member State;
- transferable securities and money market instruments issued or guaranteed by a public international body of which one or more Member State(s) are member(s);
- shares in the capital of a company which is incorporated under or organized pursuant to the laws of a State which is not a Member State provided that (i) such company invests its assets principally in securities issued by issuers of the State, (ii) pursuant to the law of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such Company observes in its investments policy the restrictions referred in this Prospectus;
- shares held by one or more investment companies in the capital of subsidiaries companies which, exclusively on its or their behalf carry on only the business of management, advice, or marketing in the country where the subsidiary is located, in regard to the redemption of units at the request of unitholders.

If the limits in paragraph 4.2 are exceeded for reasons beyond the control of the Company or as a result of redemption requests for Shares or as a result of the exercise of subscription rights, it must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.

While ensuring observance of the principle of risk spreading, recently created Sub-Funds may derogate from the limits in paragraph 4.2 other than those mentioned in sub-paragraphs (i) and (p) for a period of six months following the date of their launch.

4.3 Liquid Assets

A Sub-Fund's holding of Cash and Cash Equivalents may comprise ancillary liquid assets which are bank deposits at sight, such as cash held in current accounts with a bank accessible at any time.

Ancillary liquid assets are used to cover current or exceptional payments or for the time necessary to reinvest in eligible assets under article 41(1) of the 2010 Law or for a period strictly necessary in case of unfavorable market conditions.

The holding of ancillary liquid is in principle limited to 20% of the net assets of a Sub-Fund but can be temporarily breached (i) for a period of six months following the date of authorization of a newly created Sub-Fund or (ii) for a period of time strictly necessary when, because of exceptionally unfavorable market conditions, circumstances so require and where such breach is justified having regard to the best interests of shareholders.

4.4 Unauthorized Investments

The Company will not:

(i) make investments in, or enter into transactions involving, precious metals and certificates involving these, commodities, commodities contracts, or certificates representing commodities;

(ii) purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein;

(iii) carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 4.1 (iv), (v) and (vii); provided that this restriction shall not prevent the Company from making deposits or carrying out other accounts in connection with financial derivative instruments, permitted within the limits referred to above; provided further that exposure resulting from financial derivative instruments may be covered as mentioned in sub-paragraph 4.2 (k);

(iv) make loans to, or act as a guarantor on behalf of third parties, provided that for the purpose of this restriction i) the acquisition of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 4.1 (iv), (v) and (vii), in fully or partly paid form and ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan;

(v) borrow for the account of any Sub-Fund amounts in excess of 10% of the total net assets of that Sub-Fund taken at market value, any such borrowing to be from a bank and to be effected only as a temporary measure for extraordinary purposes including the redemption of Shares. However, the Company may acquire for the account of any Sub-Fund foreign currency by way of a back-to-back loan.

The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

4.5 Risk Management Procedure

In accordance with CSSF Regulation 10-4, CESR Guidelines 10-788 and CSSF Circular 11/512, the Management Company employs a risk management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Management Company employs, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instrument.

4.6 Investment Restrictions Applicable to MMF Sub-Funds

4.6.1 Eligible Assets for MMFs

The Sub-Funds qualifying as MMFs shall invest only in one or more of the following assets and only under the conditions specified in the MMF Regulation:

Money Market Instruments

Money market instruments that fulfil all of the following requirements:

(i) they fall within one of the categories of money market instruments referred to in paragraph 4.1 "Eligible Assets", (i), (ii) and (iv) above;

(ii) they have a legal maturity at issuance of 397 days or less or they have a residual maturity of 397 days or less;

(iii) the issuer of the money market instrument and the quality of the money market instrument have received a favourable credit quality assessment pursuant to the ICAP except if the money market instrument is issued or guaranteed by the EU, a central authority or central bank of a Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

Eligible securitisations and ABCPs

The eligible securitisation or ABCP must be sufficiently liquid, has received a favourable assessment under the ICAP and is any of the following:

(i) a securitisation which is qualified as a "level 2B securitisations" within the meaning of Commission Delegated Regulation (EU) 2015/61 of 10 October 2014;

(ii) an ABCP issued by an ABCP programme which: (a) is fully supported by a regulated credit institution that covers all liquidity, credit and material dilution risks, as well as ongoing transaction costs and ongoing programme-wide costs related to the ABCP, if necessary to guarantee the investor the full payment of any amount under the ABCP; (b) is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position; (c) does not include a synthetic securitisation as defined in point (11) of Article 242 of Regulation (EU) 575/2013;

(iii) a simple, transparent and standardised (STS) securitisation, as determined in accordance with the criteria and conditions laid down in Articles 20, 21 and 22 of Regulation (EU) 2017/2402 or an STS ABCP, as determined in accordance with the criteria and conditions laid down in Articles 24, 25 and 26 of that Regulation.

Short-Term MMFs (including Short-Term VNAV MMFs) may invest in securitisations or ABCPs provided any of the following conditions is fulfilled, as applicable:

- the legal maturity at issuance of the securitisations referred to under (i) above is two years or less and the time remaining until the next interest rate reset date is 397 days or less;
- the legal maturity at issuance or residual maturity of the securitisations or ABCPs referred to under (ii) and (iii) is 397 days or less;
- the securitisations referred to under (i) and (iii) are amortising instruments and have a WAL of two years or less.

Deposits with credit institutions

Deposits with credit institutions which are repayable on demand or have the right to be withdrawn at any time, and maturing in no more than twelve (12) months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered as equivalent to those laid down in EU law in accordance with the procedure laid down in article 107(4) of Regulation (EU) 575/2013.

Financial derivative instruments

Financial derivative instruments (including OTC), referred to in paragraph 4.1, (vii) above provided that all of the following conditions are fulfilled:

- the underlying of the derivative instrument consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories;
- the derivative instrument serves only the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the MMF;
- the counterparties to OTC derivative transactions are institutions subject to prudential regulation and supervision and belonging to the categories approved by the CSSF;
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the MMF's initiative

4.6.2 Investment Limits Applicable to Eligible Assets for MMFs

The following limits are applicable to the eligible assets mentioned in paragraph 4.6.1 above:

Money market instruments, Securitisations and ABCPs

(a) An MMF will invest no more than 5% of its assets in money market instruments, securitisations or ABCPs issued by the same body.

Such limit may be increased up to 10% in respect of the assets of a VNAV MMF, provided that the total value of such money market instruments, securitisations or ABCPs held by the relevant MMF in each issuing body in which it invests more than 5% of its assets, does not exceed 40% of the value of its assets.

(b) The limit of 5% laid down in sub-paragraph (a) above may be increased to 10% in respect of certain debt securities if they are issued by a single credit institution having their registered office in a Member State and which are subject, by law, to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of such debt securities, are capable of covering claims attaching to the debt securities and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

If an MMF invests more than 5% of its assets in debt securities referred to in the above paragraph and issued by a single issuer, the total value of such instruments shall not exceed 40% of the value of the assets of the MMF.

(c) Notwithstanding the limit laid down in sub-paragraph (a) above, an MMF may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to (b) above. Where an MMF invests more than 5% of its assets in these bonds issued by a single credit institution, the total value of those investments shall not exceed 60% of the value of the assets of the relevant MMF, including any possible investment in assets referred to (b) above, respecting the limits set out therein.

(d) Notwithstanding the limits laid down in sub-paragraph (a) above, an MMF is authorized to invest in accordance with the principle of risk spreading, up to 100% of its net assets in money market instruments issued or guaranteed separately or jointly by the EU, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of an OECD member state, Singapore or any member State of the G20, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong, provided that (i) such MMF holds money market instruments from at least six different issues by the issuer and (ii) investments in money market instruments from any one issue do not account for more than 30% of the net assets of such MMF.

Securitisations and ABCPs

(e) The aggregate exposure to securitisations and ABCPs may not exceed 20% of the assets of an MMF, whereby up to 15% of the assets of the MMF may be invested in securitisations and ABCPs that do not comply with the criteria for the identification of STS securitisations and ABCPs.

Deposits with Credit Institutions

(f) The Company may not invest more than 10% of the net assets of an MMF in deposits made with the same credit institution, unless the structure of the Luxembourg banking sector is such that there are insufficient viable credit institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another Member State, in which case up to 15% of its assets may be deposited with the same credit institution.

Financial derivative instruments

(g) The aggregate risk exposure to the same counterparty of an MMF arising from OTC derivative transactions that fulfill the conditions set out in paragraph 4.6.1 "Financial derivative instruments", shall not exceed 5% of the assets of an MMF.

Combined limits

(h) Notwithstanding the individual limits laid down in (a), (f) and (g) above, an MMF may not combine any of the following:

- investment in money market instruments, securitisations and ABCPs issued by a single body;
- deposits made with the same body;
- exposure arising from OTC financial derivative transactions undertaken with the same body

where such exposure exceeds 15% of the assets of the MMF in a single body.

(i) The limit of 15% laid down in paragraph (h) above would be increased to a maximum of 20% of the MMFs' assets to the extent the structure of the Luxembourg financial market would be such that there are insufficient viable financial institutions to meet that diversification requirements and it is not economically feasible for the MMF to use financial institutions in another Member State.

Concentration limits

(j) An MMF may not hold more than 10% of the money market instruments, securitisations and ABCPs issued by a single body.

This limit of 10% shall not apply in respect of holdings of money market instruments issued or guaranteed by the EU, national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of an OECD member state, Singapore or any member State of the G20, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.

Eligible Assets Issued by the Same Group

(k) Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 2013/34/EU or in accordance with recognized international accounting rules, are regarded as a single body for the purposes of calculating the investment limits mentioned in this paragraph 4.6.2.

Repurchase agreements and reverse repurchase agreements

None of the Sub-Funds which qualifies as an MMF will invest in repurchase agreements or reverse repurchase agreements.

4.6.3 Ancillary Liquid Assets

An MMF may hold ancillary liquid assets in accordance with article 50(2) of the UCITS Directive.

4.6.4 Unauthorized Investments

An MMF will not:

(i) invest in assets other than those listed under paragraph 4.6.1 above;

(ii) enter into short sale of shares or units of other money markets funds, money market instruments, securitisations and ABCPs;

(iii) take direct or indirect exposure to equity or commodities, including via derivatives, certificates representing them, indices based on them, or any other means or instrument that would give an exposure to them;

(iv) enter into securities lending agreements or securities borrowing agreements, or any other agreement that would encumber the assets of the MMF;

(v) undertake borrowing and cash lending activity.

4.7 Liquidity Risk and Portfolio Risk Limitation applicable to MMFs

Liquidity Rules regarding Short-Term MMFs

A Short-Term MMF will on an ongoing basis comply with all of the following requirements:

(i) it will have a WAM of no more than 60 days;

(ii) it will have a WAL of no more than 120 days subject to the provisions of the MMF Regulation;

(iii) at least 7.5% of its assets are to be comprised of daily maturing assets, reverse repurchase agreements (if authorized) which are able to be terminated by giving prior notice of one working day, or cash which is able to be withdrawn by giving prior notice of one working day; a Short-Term MMF is not to acquire any asset other than a daily maturing asset when such acquisition would result in that MMF investing less than 7.5% of its portfolio in daily maturing assets;

(iv) at least 15% of its assets are to be comprised of weekly maturing assets, reverse repurchase agreements (if authorized) which are able to be terminated by giving prior notice of five (5) working days, or Cash which is able to be withdrawn by giving prior notice of five working days; a Short-Term MMF is not to acquire any asset other than a weekly maturing asset when such acquisition would result in that MMF investing less than 15 % of its portfolio in weekly maturing assets.

For the purpose of the calculation in (iv) above, money market instruments may be included within the weekly maturing assets up to 7,5% of the assets of a Short Term MMF provided they are able to be redeemed and settled within five (5) working days.

When calculating the WAL for securities, including financial derivative instruments, a Short-Term MMF shall base the maturity calculation on the residual maturity until the legal redemption of the instruments. In the event that a financial derivative instrument embeds a put option, a Short-Term MMF may base the maturity calculation on the exercise date of the put option instead of the residual maturity, but only if all of the following conditions are fulfilled at all times:

(i) the put option is able to be freely exercised by the Short-Term MMF at its exercise date;

(ii) the strike price of the put option remains close to the expected value of the instrument at the exercise date;

(iii) the investment strategy of the Short-Term MMF implies that there is a high probability that the option will be exercised at the exercise date.

When calculating the WAL for securitisations and ABCPs, a Short-Term MMF may instead, in the case of amortising instruments, base the maturity calculation on one of the following:

(i) the contractual amortisation profile of such instruments;

(ii) the amortisation profile of the underlying assets from which the cash-flows for the redemption of such instruments result.

If the limits referred to above are exceeded for reasons beyond the control of the MMF or as a result of subscription or redemption requests, the MMF will adopt as a priority objective the correction of that situation, taking due account of the interest of the shareholders.

4.8 Internal Credit Quality Assessment Procedure (ICAP)

The following provisions shall specifically apply to MMFs.

Under the Board's supervision, the Management Company has ensured that a prudent internal credit quality assessment procedure (ICAP) based on prudent, systematic and continuous assessment methodologies for systematically determining the credit quality of the money market instruments, securitisations and ABCP in which MMFs invest is established, implemented and consistently applied in accordance with the MMF Regulation and relevant delegated acts supplementing the MMF Regulation. It is ensured that the ICAP is established with the assistance of skilled personnel such as credit analysts (i.e. head of credit research).

The general principles applied in the ICAP are the following:

(a) A universe of eligible issuers is established based on the observation of issuance patterns in the market. For instance, priority may be given to large, frequent issuers offering attractive risk-reward profiles, i.e. competitive yields for a given credit profile, and perceived secondary market liquidity.

(b) Without mechanistic over-reliance on external ratings, at least one rating in the highest short-term ratings category may be required before performing further credit analysis. If no short-term rating is available, at least one long-term rating in the single-A category or higher may be required. The ratings agencies considered for this initial screening are those registered and certified in accordance with regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as it may be amended or replaced).

(c) A second prerequisite will be that the issuer's "country of risk" meets internal eligibility quantitative criteria based on economic indicators, financial metrics and ratios appropriate for government risk analysis. Economic data for quantitative analysis shall be of sufficient quality, up-to-date and principally supplied by well-recognised providers, including, but not limited to, Datastream (Thomson Reuters), national statistics bureaus, Bloomberg, the International Monetary Fund and the World Bank. The sovereign credit risk assessment is incorporated as a top-down element in non-government issuer credit risk assessments. Low indebtedness, high gross domestic product and few social imbalances are examples of criteria that may be used to determine appropriate issuers' countries.

(d) Once minimum ratings and country eligibility are satisfied as per the above, additional quantitative assessments using financial metrics and ratios will be applied to determine the appropriate issuer type. Key metrics may include issuer indebtedness, revenues, cash flows, funding profiles and asset quality. Data for quantitative analysis shall be of sufficient quality, up-to-date and principally supplied by well-recognised providers. An overall score may be assigned based on these bottom-up metrics. In the case of non-financial corporations, the quantitative score may be assigned based on an analysis of the financial data. For financial corporations, a framework based on historic data may be used to generate a score of financial metrics. For ABCP issuers, a quantitative score may be derived considering the aspects of the programme, with a strong reliance on certain features such as, but not limited to, monthly investor reports furnished by the ABCP issuer and on the credit assessment of the financial institution(s) sponsoring and/or supporting the ABCP issuer. In addition to these fundamentals-based approaches to assessing credit risk, the quantitative assessment also takes into account market-based techniques by looking at relevant security pricing data. Where available, bond prices and spreads, money market instrument prices and spreads, CDS, and other financial market metrics are tracked and considered.

(e) Qualitative indicators will also be incorporated in the credit quality assessment and may include: ownership and capital structure, peer group analysis, regulatory developments and environmental, social and governance (ESG) matters. Particular attention may be given to the sustainability of an issuer's financial profile, business practices, and business model. Forms of government support such as ownership, preferential regulatory status, and/or national policy linkages and economic importance may also be taken into account. As a subjective score, the qualitative score allows adjustment of an issuer's creditworthiness.

(f) Real-time monitoring of issuers' fundamentals may be carried out.

(g) In addition to credit quality assessments at the issuer level, a portfolio level credit metric may be calculated as a weighted average of a score based on each issuer's ratings and time to maturity.

Additionally, factors and principles taken into consideration includes:

(a) A quantitative score that estimates the credit risk and relative risk of default of the issuer and the instrument based on certain criteria. The criteria will be market-based data and fundamentals-based data. Market-based data includes, where available: bond pricing information (mainly credit spreads), money market instrument pricing (spreads), CDS pricing, default statistics, and other financial indices related to the issuer's geography or sector. Fundamentals-based data may include financial performance data and ratio analysis; for non-financial corporations, key metrics may include: revenues, earnings before interest, taxes, depreciation and amortization (EBITDA), gross/net debt and free cash flow (FCF); for financial corporations, key metrics may include: total assets, gross loans, deposits, common equity, revenues, provisions and net income.

(b) Qualitative indicators particular to the instrument and the issuer as well as those influencing its operating environment (macroeconomic, regulatory, financial market conditions, etc.). At the instrument and issue level, qualitative criteria include an analysis of underlying assets (for securitizations andABCP or any other collateralized instrument) and structural features (for structured finance instruments); market analysis (liquidity and volumes); and sovereign risk analysis. At the issuer level, qualitative criteria include the issuer's financial situation and governance, its sources of liquidity, its ability to react and repay debt under duress, its position within the economy and its sector, and securities-related research.

(c) Observations about refinancing, ratings downgrade and other risks which, in light of the short-term nature of money market instruments, could lead to limitations on maturity.

(d) The asset class of the instrument, in particular with regards to the market liquidity of each. The asset classes that may be considered are notably deposits, commercial paper (CP) and CDs, ABCP, bonds and eligible securitizations. When conducting credit analysis, the documentation pertaining to each asset class under consideration may be reviewed to identify any differences in ranking or other important terms.

(e) The type of issuer: SSA ("Supranational, Sovereign Agency"), regional or local administrations, financial corporations, non-financial corporations, and the market liquidity of each. The credit assessment approach differs slightly based on each issuer type due to the various factors driving credit quality.

(f) For structured finance instruments, the credit risk of the issuer may include an analysis of operational and counterparty risks inherent within the transaction, an analysis of structural features, and a credit assessment of the underlying assets. Structured finance instruments considered may be of the "plain vanilla" variety, with payoff structures that resemble traditional coupon bonds. Structures with exposure to money market rates are likely to be considered exclusively. However, if they are de-levered structures arriving at the end of their lives where the structural features can be ignored, they may be considered also. For securitizations, key structural elements to be assessed may include: structural subordination and other forms of credit enhancement, prepayment analysis, collateral composition, collateral performance and loss data, and servicer / sponsor assessment. Given the short-term nature of money market funds, a particular focus on limiting extension risk is likely.

(g) Comments about the market liquidity profile of the instrument. The various dimensions of liquidity may be considered with the assumption that money market participants have preferences not only for high credit quality, but also for widely and easily traded issuers. Sub-scores may be assigned with regard to issuer type, amount of debt outstanding, and number of broker-dealers active in each name. Since liquidity may also be driven by market perceptions of issuer risk, CDSand equity price changes may be monitored and may be included in the assessment, with the assumption being that heightened risk around an issuer decreases the market liquidity of its instruments.

Based on the information gathered, a global favorable or unfavorable assessment on the issuer and on the instrument will be delivered. Unfavorable assessments result automatically in the impossibility of a transaction. Favorable assessments make transactions possible but do however not systematically end with a transaction.

In case the credit quality of an issuer declines, the instruments it issued and which are held in a MMF's investment portfolio are either (i) sold or (ii) allowed to expire. In the latter case, the assessment of the credit quality of the instrument must remain favorable and further issues of the same issuer will not be purchased until such a point that it recovers a credit quality sufficient to receive a favorable assessment for the instruments it issues.

The credit quality assessment methodologies and all the credit quality assessment are reviewed at least on an annual basis. In case there is a material change (within the meaning of the MMF Regulation) that could have an impact on the existing assessment of an instrument, a new credit quality assessment will be performed. In addition, the ICAP is monitored on an ongoing basis.

5. DIVIDEND POLICY

The Company offers, for each Sub-Fund, Shares in the form of A Shares on which the Company shall not distribute any dividend and on which all net investment income and all net realized and unrealized capital gains will be accumulated and will increase the Net Asset Value of the A Shares of the relevant Sub-Fund, and D Shares on which the Company shall distribute by way of dividends all or substantially all of the net investment income. However, if the amount available for distribution is less than the equivalent of USD 0.05 per Share, no dividend will be declared and the amount will be carried forward to the next period. The Company may also distribute capital by way of dividend.

Dividends in respect of such D Shares are payable annually out of the income accruing during the period from 1 October to 30 September. However, for certain Sub-Funds and at the discretion of the Directors, there may be, within the same class of Shares, (i) Shares with one annual dividend only and/or (ii) Shares with one or more interim dividends and/or (iii) different distributing dividend policies dictated by consideration of either certain tax legislations or regulations or local requirements of specific markets or investors-specific needs where the Sub-Funds are distributed. To the extent that there is sufficient income available, dividends will normally be paid within two months of the end of the period to the holders of D Shares on the record date determined by the Directors in respect of such period.

Interim dividends may be paid out on the Shares of any Sub-Fund or class of Shares upon decision of the Board.

Cash dividends remaining unclaimed on D Shares five years after their declaration shall be forfeited and revert to the relevant Sub-Fund.

6. MANAGEMENT, INVESTMENT MANAGEMENT AND ADVICE

The Directors are responsible for the Company's management and control, including the determination of investment policy. They have appointed Lombard Odier Funds (Europe) S.A. as the management company of the Company. The Management Company is authorised to act as fund management company in accordance with Chapter 15 of the 2010 Law. The Management Company has appointed the Dirigeants listed in the "List of Parties and Addresses", to direct and coordinate the operations of the Company and has appointed or may appoint any of the Investment Managers listed in the "List of Parties and Addresses" and in paragraph 6.3 below to advise on investments and assume the day-to-day management of the investments of the Company.

6.1 Management Company and Domiciliary Agent

The Company has signed a management company agreement with the Management Company dated 1 June 2010 (the "Management Company Agreement"). Under this agreement, the Management Company was entrusted with the day-to-day management of the Company and with the responsibility to perform, directly or by way of delegation, all functions relating to the Company's investment management, administration and marketing, as well as distribution of the Company's shares. The Management Company also acts as domiciliary agent for the Company.

The Management Company was organised for an unlimited period as a société anonyme under the laws of the Grand Duchy of Luxembourg by a notarial deed dated 23 April 2010 which was published in the Mémorial on 20 May 2010. The latest amendments to the articles of incorporation of the Management Company came into force with effect as of 11 January 2019 and were published in the RESA n°2019_092 of 18 April 2019. The Management Company's registered and principal office is at 291, route d'Arlon, 1150 Luxembourg. It is registered on the R.C.S. Luxembourg under No. B-152.886.

The issued capital of the Management Company is two million eight hundred ten thousand two hundred five Euros (EUR 2,810,205.-), consisting of three thousand one hundred and seventy (3,170) shares in registered form with a nominal value of eight hundred eighty six point fifty Euros (EUR 886.50.-) per share, all of which are fully paid up.

The Management Company is an indirectly wholly-owned subsidiary of Compagnie Lombard Odier SCmA ("the SCmA").

The purpose of the Management Company is the creation, the promotion, the administration, the management and the marketing of Luxembourg and foreign UCITS, alternative investment funds ("AIFs") within the meaning of the Luxembourg law of 12 July 2013 on alternative investment funds managers ("AIFM"), as may be amended from time to time (the "AIFM Law") and other regulated funds, collective investment vehicles or other investment vehicles. More generally the Management Company may carry out any activities connected with the services it provides to investment vehicles to the furthest extent permitted by the 2010 Law, the AIFM Law and any other applicable laws and regulations. The Management Company may carry out any activities connected directly or indirectly to, and/or deemed useful and/or necessary for the accomplishment of its object, remaining, however, within the limitations set forth in, but to the furthest extent permitted by, the provisions of the 2010 Law, the AIFM Law and any other applicable laws and regulations. The Management Company is authorised by the CSSF as a management company under Chapter 15 of the 2010 Law and as an AIFM under Chapter 2 of the AIFM Law.

The Management Company adopted a remuneration policy which is applicable to its employees (the "Employees") and directors in accordance with applicable laws and regulations pertaining to remuneration, in particular the Luxembourg law dated 12 July 2013 on alternative investment fund managers, the 2010 Law, SFDR and any applicable ESMA guidelines. The remuneration policy aims to protect the interests of the investors as well as the Management Company's and the Lombard Odier Group's long-term financial sustainability and compliance with regulatory obligations. The remuneration policy seeks to promote effective risk management and to prevent excessive risk-taking, including with respect to sustainability risks. The remuneration policy is in line with the business strategy, objectives, values and interests of the Management Company and the funds it manages, including the Company, or the investors of such funds and includes measures to avoid conflicts of interest. The total remuneration of Employees consists of two components, the fixed remuneration and the variable remuneration. Fixed remuneration and variable remuneration are appropriately balanced and the fixed component of the remuneration represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy, on variable remuneration, including the possibility to pay no variable remuneration. The performance objectives of each Employee are reviewed on an annual basis. The annual review lays down the basis for the determination of variable remuneration and possible increase in fixed remuneration. Performance criteria include a comprehensive adjustment mechanism to integrate all relevant types of current and future risks, including sustainability risks. Where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and of the business unit and of the overall results of the Lombard Odier Group, and when assessing individual performance, financial as well as non-financial criteria are taken into account.

The assessment of performance is set in a multi-year framework in order to ensure that the assessment process is based on longer term performance of the funds it manages and its investment risks and that the actual payment of variable remuneration is spread over the same respective periods.

Variable remuneration is only paid out of risk adjusted profits or from sources which will not undermine the capital base of the Management Company or expose it to any risk in respect of its future capital commitments. The details of the up-to-date remuneration policy, including information on how the remuneration policy is consistent with the integration of sustainability risks, are available on the Lombard Odier Group website (www.loim.com). Investors may obtain, free of charge, from the Company, on written request sent to its registered office, a paper copy of the details of the Remuneration Policy.

6.2 Dirigeants of the Management Company

The Board of the Management Company has, with the approval of the Directors, granted a mandate to the Dirigeants mentioned under "List of Parties and Addresses" in order to supervise and coordinate the activities of the Company, in compliance with the provisions of the CSSF Regulation 10-4, and CSSF Circular 18/698. The Dirigeants shall supervise and coordinate the functions delegated to the different service providers and shall ensure that an appropriate risk management method is applied to the Company.

6.3 Investment Managers

The Management Company has appointed or may appoint, with the agreement of the Board, the following Investment Managers pursuant to several Investment Management Agreements to provide day-to-day discretionary investment management services for the Sub-Funds, subject to the direction of the Management Company and supervision of the Board. Several Investment Managers may be appointed for the same Sub-Fund. With respect to Investment Managers listed below that are part of the Lombard Odier Group, it should be noted that all or some of them may be managing one or more Sub-Funds at the date of issue of this Prospectus and that the allocation of Sub-Funds may evolve over time.

Information regarding the allocation of Sub-Funds to each Investment Manager is published in the annual and semi-annual reports. Investors may receive from the Company, on written request, an up-dated list of the Investment Managers. Subject to the prior approval of the Management Company and without prejudice to the responsibility of the Investment Manager, (i) any entity belonging to the Lombard Odier Group listed below (an "LO Entity") and acting as investment manager for a given Sub-Fund may be assisted by one or more employees of another LO Entity and (ii) the Investment Manager may appoint sub-investment managers and/or investment advisers with no discretionary asset management power.

Bank Lombard Odier & Co Ltd ("LOC"), an indirectly wholly-owned subsidiary of the SCmA, is one of the oldest (founded in 1796) and largest private banks in Switzerland, and concentrates on asset management for institutional and private clients worldwide. LOC's long experience in international financial markets, backed up by a strong commitment to research, has made it a recognized leader among international investment managers.

Lombard Odier (Hong Kong) Limited ("LO Hong Kong"), an indirectly wholly-owned subsidiary of the SCmA, was incorporated in Hong Kong on 7 July 1987. LO Hong Kong has many years of experience in researching the economies of Asian countries and in managing mutual funds invested in these markets.

Lombard Odier Asset Management (Europe) Limited ("LOAM Europe"), an indirectly wholly-owned subsidiary of the SCmA, was incorporated in London in 2009. LOAM Europe is authorized and regulated by the Financial Conduct Authority in the United Kingdom and manages equity and fixed interest portfolios for institutional clients worldwide.

Lombard Odier Asset Management (Switzerland) SA, an indirectly wholly-owned subsidiary of the SCmA, was incorporated in Geneva in 1972. It is regulated by the Swiss Financial Markets Supervisory Authority ("FINMA") as a fund management company.

Lombard Odier Asset Management (USA) Corp ("LOAM USA"), an indirectly wholly-owned subsidiary of the SCmA, was formed as a corporation in the United States on 26 December 2000. It is registered as an investment adviser with the US Securities and Exchange Commission.

Lombard Odier Funds (Europe) S.A. – Dutch Branch, is a branch of the Management Company established in the Netherlands and is authorized to perform portfolio management activities on behalf of UCITS funds.

Lombard Odier (Singapore) Ltd ("LO Singapore"), an indirectly wholly-owned subsidiary of the SCmA, was incorporated in Singapore on 14 December 2006. LO Singapore is regulated by the Monetary Authority of Singapore (MAS) and provides investment services to institutional and private investors.

Affirmative Investment Management Partners Limited is an independent private company established in 2014, domiciled in the United Kingdom and regulated by the Financial Conduct Authority (FCA). Affirmative Investment Management Partners Limited is a dedicated fixed income manager, focusing solely on bond and cash investments that generate positive environmental and social externalities. Affirmative Investment Management Partners Limited manages LO Funds – Global Climate Bond.

Generation Investment Management LLP is an independent, private, owner-managed partnership established in 2004 and with offices in London and Washington, D.C., that serves the institutional and mutual fund markets. Generation Investment Management LLP manages LO Funds – Generation Global.

6.4 International Advisory Boards

Global and Sector/Thematic Equity Sub-Funds

The Board or, upon delegation, the Management Company or the Investment Managers may establish for the Global and Sector/Thematic Equity Sub-Funds Advisory Boards, whose members are, as well as certain Directors, persons who in the judgment of the Directors, are highly knowledgeable about international investments, business, political, economics, scientific or technological matters. The International Advisory Boards, whilst not participating in specific investment decisions, will consult with and advise the Management Company and Investment Managers from time to time with respect to global economic, political and business trends and developments, with regard to these Sub-Funds.

The members of the Advisory Boards will be appointed from time to time and their names will be listed on a specific document which may be consulted at the registered office of the Company.

6.5 Co-management

In order to reduce operational and administrative charges whilst allowing a wider diversification of the investments, the Board may decide that part or all of the assets of any Sub-Fund will be co-managed with assets belonging to other Luxembourg collective investment schemes or that part or all of the Sub-Funds will be co-managed among themselves. In the following paragraphs, the words "co-managed Entities" shall refer to any Sub-Fund and all entities with and between which there exists any given co-management arrangement and the words "co-managed Assets" shall refer to the entire assets of these co-managed Entities which are managed pursuant to the same co-management arrangements.

Under the co-management arrangement, the Management Company and the Investment Managers will be entitled to take, on a consolidated basis for the relevant co-managed Entities, investment and disinvestment decisions which will influence the composition of the Sub-Funds. Each co-managed Entity shall hold a portion of the co-managed Assets corresponding to the proportion of its net assets to the total value of the co-managed Assets. This proportional holding shall be applicable to each and every line of investment held or acquired under co-management. In case of investment and/or disinvestment decisions these proportions shall not be affected and additional investments shall be allotted to the co-managed Entities pursuant to the same proportion and assets sold shall be levied proportionately on the co-managed Assets held by each co-managed Entity.

In case of new subscriptions in one of the co-managed Entities, the subscription proceeds shall be allotted to the co-managed Entities pursuant to the modified proportions resulting from the net asset increase of the co-managed Entity which has benefited from the subscriptions and all lines of investment shall be modified by a transfer of assets from one co-managed Entity to the other in order to be adjusted to the modified proportions. In a similar manner, in case of redemptions in one of the co-managed Entities, the cash required may be levied on the cash held by the co-managed Entities pursuant to the modified proportions resulting from the net asset reduction of the co-managed Entity which has suffered from the redemptions and, in such case, all lines of investment shall be adjusted to the modified proportions. **Shareholders should be aware that, in the absence of any specific action by the Board or its appointed agents, the co-management arrangement may cause the composition of assets of a Sub-Fund to be influenced by events attributable to other co-managed Entities such as subscriptions and redemptions.** Thus, all other things being equal, subscriptions received in one entity with which any Sub-Fund is co-managed will lead to an increase of this Sub-Fund's reserve of cash. Conversely, redemptions made in one entity with which any Sub-Fund is co-managed will lead to reduction of this Sub-Fund's reserve of cash. Subscriptions and redemptions may however be kept in the specific account opened for each co-managed Entity outside the co-management arrangement and through which subscriptions and redemptions must pass. The possibility to allocate substantial subscriptions and redemptions to these specific accounts together with the possibility for the Board or its appointed agents to decide at any time to terminate a Sub-Fund's participation in the co-management arrangement permit this Sub-Fund to avoid the readjustments of its portfolio if these readjustments are likely to affect the interest of the Sub-Fund and of its shareholders.

If a modification of the composition of a Sub-Fund resulting from redemptions or payments of charges and expenses peculiar to another co-managed Entity (*i.e.* not attributable to such Sub-Fund) is likely to result in a breach of the investment restrictions applicable to this Sub-Fund, the relevant assets shall be excluded from the co-management arrangement before the implementation of the modification in order for it not to be affected by the ensuing adjustments.

In order to assure that investment decisions are fully compatible with the investment policy of the Sub-Fund, co-managed Assets of any Sub-Fund shall only be co-managed with assets intended to be invested pursuant to investment objectives identical to those applicable to the co-managed Assets of such Sub-Fund. Co-managed Assets of any Sub-Fund shall only be co-managed with assets for which the Depositary also acts as depository in order to assure that the Depositary is able, with respect to such Sub-Fund, to fully carry out its functions and responsibilities pursuant to the 2010 Law. The Depositary shall at all times keep the Sub-Funds' assets segregated from the assets of other co-managed Entities, and shall therefore be able at all times to identify the assets of the Sub-Funds. Since co-managed Entities may have investment policies which are not strictly identical to the investment policy of one of the Sub-Funds, it is possible that the common policy implemented may be more restrictive than that of the Sub-Fund.

The Dirigeants or the Board may decide at any time and without notice to terminate a co-management arrangement.

Shareholders may at all times enquire at the registered office of the Company as to the percentage of assets which are co-managed and of the entities with which there is such a co-management arrangement at the time of their request.

Co-management arrangements with non-Luxembourg entities shall be authorized provided that (1) the co-management agreement to which the non-Luxembourg entity is a party is subject to Luxembourg law and the jurisdiction of the Luxembourg courts, or that (2) the rights of each co-managed Entity concerned are established in such a way that no creditor, liquidator or bankruptcy curator of the non-Luxembourg entity concerned has access to the assets of the Sub-Funds or has the right to freeze them.

7. DEPOSITARY

The Company has, by an agreement effective as of 18 March 2016 (the "Depositary Agreement"), appointed CACEIS Bank, acting through its Luxembourg branch, CACEIS Bank, Luxembourg Branch, as Depositary of the assets of the Company. The Depositary is the Luxembourg branch of CACEIS Bank, a public limited liability company (*société anonyme*) incorporated under the laws of France, having its registered office located at 89-91 rue Gabriel Péri, 92120 Montrouge, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Nanterre. It is an authorised credit institution supervised by the European Central Bank ("ECB") and the *Autorité de contrôle prudentiel et de résolution* ("ACPR"). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

The Depositary Agreement has been entered into for an unlimited period of time and may be terminated by the Company subject to a three (3) month prior notice or by the Depositary subject to a six (6) months prior notice. The Depositary will continue to hold the Company's assets until a replacing depositary is appointed.

In its function as depositary, the Depositary shall perform the duties resulting from the UCITS Rules.

The principal duties of the Depositary, as depositary, are as follows:

(a) the safe-keeping of the assets of the Company that can be held in custody (the "Financial Instruments") including:

  (i) financial instruments and shares or units of collective investment funds registered or held in an account directly or indirectly in the name of the Depositary or a third party or a correspondent to whom custody functions are delegated, notably at the level of the central securities depositary; and

  (ii) financial instruments which are provided as collateral to a third party or are provided by a third party for the benefit of the Company, as long as they are owned by the Company;

(b) the record-keeping of assets that cannot be held in custody in respect of which the Depositary must verify their ownership;

(c) to ensure that the Company's cash flows are properly monitored, and in particular to ensure that all payments made by or on behalf of investors upon the subscription of Shares in a Sub-Fund have been received and that all cash of the Company has been booked in cash accounts that the Depositary can monitor and reconcile;

(d) to ensure that the issue, redemption and conversion of Shares of a Sub-Fund are carried out in accordance with Luxembourg applicable laws and the Articles;

(e) to ensure that the value of the Shares of a Sub-Fund is calculated in accordance with the UCITS Rules and the Articles;

(f) to carry out the instructions of the Company, unless they conflict with Luxembourg applicable laws or the Articles;

(g) to ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and

(h) to ensure that the Company's income is applied in accordance with the UCITS Rules and the Articles.

In relation to the Depositary's safe-keeping duties of financial instruments referred to under (a) above, the Depositary is liable to the Company or the shareholders for any loss of such Financial Instruments held by the Depositary or any delegate.

In relation to the other depositary's duties, the Depositary is liable to the Company or the shareholders for all other losses suffered by it or them as a result of the Depositary's negligent or intentional failure to properly fulfil such obligations.

Investors are invited to consult the Depositary Agreement to have a better understanding and knowledge of the limited duties and liabilities of the Depositary acting as depositary. Investors' particular attention is drawn to chapter IX of the Depositary Agreement.

The Depositary is authorized to delegate its safekeeping duties under Luxembourg Law to sub-custodians and to open accounts with such sub-custodians.

A list of these sub-custodians is available on the website of the Depositary (www.caceis.com, section "Regulatory Watch"). Such list may be updated from time to time. A complete list of all sub-custodians may be obtained, free of charge and upon request, from the Depositary.

There are many situations in which a conflict of interest may arise, notably when the Depositary delegates its safekeeping functions or when the Depositary also performs other tasks on behalf of the Company, such as administrative agency and registrar agency services. These situations and the conflicts of interest thereto related have been identified by the Depositary. In order to protect the Company's and its shareholders' interests and comply with applicable regulations, a policy and procedures designed to prevent situations of conflicts of interest and monitor them when they arise have been set in place within the Depositary, aiming namely at:

(a) identifying and analysing potential situations of conflicts of interest;

(b) recording, managing and monitoring the conflict of interest situations either in:

- relying on the permanent measures in place to address conflicts of interest such as maintaining separate legal entities, segregation of duties, separation of reporting lines, insider lists for staff members; or
- implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall, making sure that operations are carried out at arm's length and/or informing the concerned shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.

Up-to-date information regarding the identity of the Depositary, the description of its duties and of conflicts of interest that may arise, the safekeeping functions delegated by the Depositary and any conflicts of interest that may arise from such a delegation are also made available to investors on the website of the Depositary, as mentioned above, and upon request.

The Depositary has established a functional, hierarchical and/or contractual separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Company, notably, administrative agency and registrar agency services.

The Depositary has neither decision-making discretion nor any advice duty relating to the Company's investments. The Depositary is a service provider to the Company and is not responsible for the preparation of this Prospectus and therefore accepts no responsibility for the accuracy of any information contained in this Prospectus or the validity of the structure and investments of the Company.

Up-to-date information regarding the above is available upon request at the registered office of the Company.

8. CENTRAL ADMINISTRATION, REGISTRAR, TRANSFER AGENT AND PAYING AGENT

Pursuant to an agreement ("Central Administration Agreement") between CACEIS Bank, Luxembourg Branch and the Management Company, CACEIS Bank, Luxembourg Branch has been appointed to act for the Company in Luxembourg as central administration, registrar and transfer agent and paying agent (the "Central Administration Agent"). The Central Administration Agent is the Luxembourg branch of CACEIS Bank, a public limited liability company (société anonyme) incorporated under the laws of France, having its registered office located at 89-91 rue Gabriel Péri, 92120 Montrouge, France, registered with the French Register of Trade and Companies under number 692 024 722 RCS Nanterre. It is an authorised credit institution supervised by the European Central Bank ("ECB") and the Autorité de contrôle prudentiel et de résolution ("ACPR"). It is further authorised to exercise through its Luxembourg branch banking and central administration activities in Luxembourg.

The Central Administration Agent may delegate part or all of its functions to a third party service provider, in the conditions provided for in the Central Administration Agreement and under its responsibility.

This agreement may be terminated by either party giving 3 months' prior notice or with immediate effect by the Management Company, should it be in the best interest of Shareholders.

9. INDEPENDENT AUDITORS AND LEGAL ADVISERS

PricewaterhouseCoopers, société coopérative, Réviseur d'entreprises, 2, rue Gerhard Mercator, BP 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg shall act as the Independent Auditors of the Company.

The Company's legal advisers are Elvinger, Hoss Prussen, société anonyme ("EHP"), 2, place Winston Churchill, 1340 Luxembourg, Grand Duchy of Luxembourg.

EHP has been appointed to act as legal counsel to the Company with respect to Luxembourg law. No independent legal counsel has been retained to represent the individual Shareholders.

EHP's representation of the Company, is limited to those specific matters upon which it has been consulted. There may exist other matters which would have a bearing on the Company, the Management Company, the Investment Managers and/or any of their affiliates upon which EHP has not been consulted. EHP does not undertake to monitor the compliance of the Company, the Management Company or the Investment Managers with the investment program, valuation procedures and other guidelines set out herein, nor does it monitor compliance with applicable laws. Additionally EHP relies upon information furnished to it by the Company, the Management Company and/or the Investment Managers, and does not investigate or verify the accuracy and completeness of information set out herein concerning the Company, the Management Company, the Investment Managers, or other service providers or their affiliates and personnel

10. CHARGES AND EXPENSES

10.1 Initial Charge

On subscriptions for P, N, I, H and M Shares of any Sub-Fund, the Directors have determined that an Initial Charge not exceeding 5% of the Issue Price may be payable to the Global Distributor or any Distributor in remuneration of their services, including but not limited to, (i) the handling and transmission of subscription orders to the transfer agent, (ii) the settlement of subscription orders, (iii) the transmission of the relevant legal and marketing documents, at the request of investors, (iv) the controls of minimum investment amount requirements and other eligibility criteria applicable to each Sub-Fund, respectively each Share class, and (v) the processing of corporate actions.

For the R Shares of any Sub-Fund, the Initial Charge will not exceed 3% of the Issue Price.

No Initial Charge will be applied to E Shares.

10.2 Redemption Charge

There is no redemption charge payable on redemption.

10.3 Conversion Charge

On conversions between the different Sub-Funds the Directors have determined that the Global Distributor or any Distributor may levy a conversion charge of up to 0.50% of the value of the Shares being converted in remuneration of the services mentioned under paragraph 10.1 above in relation to the conversion. No charges will be levied in respect of shareholders wishing to change the class of their Shares.

No conversion charge will be applied to E Shares

10.4 Dealing Charge

Usual Dealing Charges

In addition to the charges mentioned above, the Issue and Redemption Prices of the Shares of any Sub-Fund, may be increased, respectively reduced by a Dealing Charge levied by the Company in favour of the relevant Sub-Fund, in order to mitigate the effect of portfolio transactions costs resulting from subscriptions or redemptions. In case of conversion between Sub-Funds (but not between classes of Shares within the same Sub-Fund), two Dealing Charges will be levied by the Company, the first in favour of the original Sub-Fund and the second in favour of the new Sub-Fund. The Dealing Charges, applicable at the discretion of the Directors will not exceed 3% or, with respect to Buy and Maintain Sub-Funds, 5%.

When the Directors decide to make a Dilution Adjustment, as defined in paragraph 15.1, no usual Dealing Charge will be levied on the

Shares nor will any class of Shares be subject to the Swing Pricing.

Discretionary Dealing Charges Imposed for Excessive Trading

The Directors are entitled to levy a discretionary dealing charge on the Shares of any Sub-Fund where they believe that excessive trading is being practiced. The Directors do not knowingly allow investments that are associated with excessive trading practices, as such practices may adversely affect the interests of all shareholders. Excessive trading includes investors whose securities transactions seem to follow a timing pattern or are characterized by excessively frequent or large trades. In case of excessive trading, the Redemption Price of the Shares will be reduced by the discretionary dealing charge, not exceeding 3% of the Redemption Price, in favor of the relevant Sub-Fund.

10.5 Annual Charges

10.5.1 Management Fee

For the R, P, I, H, M and N classes of Shares, the Management Company may be entitled to a Management Fee calculated and accrued at each Valuation Day by reference to the Net Asset Value of the relevant classes of Shares and Sub-Funds and payable monthly in arrears.

No Management Fee and Performance Fee are payable on the S and E classes of Shares. Investors willing to subscribe S Shares have to enter into a remuneration agreement with the Company, the Management Company or any other entity of the Lombard Odier Group. Invoices issued by the Management Company to the Company, according to the provisions of the Management Company Agreement (see Section 6), will be paid directly by such Institutional Investor.

The Management Fee payable to the Management Company for its services in respect of the different classes of Shares of each Sub-Fund can be found in Annex A.

The investment advisory fees are borne by the Investment Managers.

In respect of R, P, I, H, M and N classes of Shares, the Management Company pays the following fees out of the Management Fee:

- the investment management fees payable to the Investment Managers;
- fees in relation to sales and marketing activities, services to investors such as client relationship management services and services for the acquisition and disposal of Shares; and
- if applicable, rebates.

10.5.2 Distribution Fee

For the services provided in the promotion of the Company's shares, described in Section 11, the Management Company, as Global Distributor, is entitled to a Distribution Fee calculated and accrued at each Valuation Day by reference to the Net Asset Value of the P and R classes of Shares of the relevant Sub-Funds and payable monthly in arrears. No Distribution Fee is payable on N, S, I, H, M and E Shares.

The Distribution Fee serves to pay Distributors. The Global Distributor or the Distributor may, from time to time, rebate to local sub-distributors, sales agents, introducing brokers or to shareholders a portion or all of the fees, in accordance with all applicable laws.

The maximum Distribution Fee payable in respect of the P and R classes of Shares of each Sub-Fund is indicated in Annex A (the "Maximum Distribution Fee").

The Distribution Fee effectively paid in respect of the P and R classes of Shares of each Sub-Fund cannot exceed the Maximum Distribution Fee (the "Effective Distribution Fee"). The Effective Distribution Fee is disclosed in the semi-annual and annual reports.

In the event that the total remuneration paid by the Management Company as Global Distributor to Distributors out of its Distribution Fee exceeds the Effective Distribution Fee in respect of the P or R class of Shares of any Sub-Fund, the Management Company bears the excess amount. Conversely, should the total remuneration to Distributors be lower than the Effective Distribution Fee in respect of the P or R class of Shares of any Sub-Fund, the Management Company is entitled to retain such difference.

10.5.3 Performance Fee

Relative Performance Fee

For the R, P, I, N and M classes of Shares, the Management Company is entitled, in addition to the Management Fees described above, to a Performance Fee amounting to a percentage of the relative performance of the Sub-Fund compared to its benchmark during a reference period of at least 12 months. The excess performance is calculated gross of Performance Fee but net of all other costs.

Shareholders should be aware that under the Performance Fee mechanism disclosed hereinafter and further illustrated in the appendix of the relevant Sub-Fund in Annex A, a Performance Fee may be payable on the Crystallisation Date to the Management Company, even if there is a decrease of the Net Asset Value from one reference period to the next but always under the cumulative conditions that the performance of the Sub-Fund exceeds the performance of the benchmark and any underperformance previously incurred is recovered before a performance fee becomes payable.

Shareholders should also be aware that redemptions will cause a crystallisation of the Performance fee. Therefore, for Shares redeemed, any Performance Fee accrued for the relevant Sub-Fund at the date of redemption will be crystallized and will be payable to the Management Company in proportion to the Shares redeemed. Under the present Performance Fee mechanism, if the Sub-Fund underperforms its benchmark during a reference period, it has first to recoup this loss in the next reference period(s) before being entitled to a Performance Fee. In other words, the Sub-Fund must have generated a performance greater than the benchmark since the latest of (i) the last payment of the Performance Fee, or (ii) the introduction of the Performance Fee, in case such fee has never been paid yet.

Shareholders are also informed that the Management Company will not reset such mechanism at any time.

The Performance Fee is paid on the Crystallisation Date. It shall be calculated and accrued in the Net Asset Value on a daily basis.

The relevant percentage, benchmark and reference period of each Sub-Fund are indicated in the relevant appendix in Annex A.

Absolute Performance Fee

For the R, P, I, N and M classes of Shares, the Management Company is entitled, in addition to the Management Fee described above, to a Performance Fee when the Sub-Fund exhibits a positive absolute performance during a reference period of at least 12 months, subject to a "High Water Mark". The Performance Fee amounts to a percentage of the Sub-Fund's performance in excess of the hurdle rate (if any). The excess performance is calculated gross of Performance Fee but net of all other costs.

The High Water Mark is the greater of (i) the Net Asset Value per Share on a Crystallisation Date when a Performance Fee has been paid or (ii) the initial offer price per Share. Therefore a Performance Fee will be payable only where the new High Water Mark exceeds the last High Water Mark.

Shareholders are also informed that the Management Company will not reset the High Water Mark at any time.

The Performance Fee is payable on the Crystallisation Date. It shall be calculated and accrued in the Net Asset Value on a daily basis.

Shareholders should also be aware that redemptions will cause a crystallisation of the Performance Fee. Therefore, for shares redeemed, any Performance Fee accrued for the relevant Sub-Fund at the date of redemption will be crystallised and will be payable to the Management Company in proportion to the Shares redeemed.

The relevant percentage, hurdle rate (if any) and reference period of each Sub-Fund are indicated in the relevant appendix in Annex A.

General comment

Whether in the case of relative or absolute Performance Fee calculation, if the Net Asset Value is above the NAV of reference or the High Water Mark, the mechanism used to calculate the Performance Fee may require specific adjustment to ensure the Investment Manager does not benefit from any additional Performance Fee accruals on newly issued Shares.

For hedged Share classes where the Performance Fee is calculated using a methodology including a benchmark, either the equivalent hedged benchmark or the base currency-denominated benchmark adjusted to take into account the interest rates difference between the Reference Currency and the relevant Alternative Currency (cost of hedging) will be used.

When the Directors decide to apply the Swing Pricing, as defined in paragraph 15.1, any Performance Fee will be charged on the basis of the unswung NAV.

10.5.4 Fixed Rate of Operational Costs

For all classes of Shares, the Company bears the fixed and variable costs, charges, fees and other expenses incurred in the operation and administration of its activities ("Operational Costs").

The Operational Costs cover expenses directly incurred by the Company ("Direct Costs") and those resulting from the activities carried out by the Management Company on behalf of the Company ("Fund Servicing Costs").

Direct Costs include notably:

(i) Depositary, Administration, Registrar and Transfer Agent fees;

(ii) Fees and expenses of the Company's external auditors;

(iii) Directors fees, directors and officers insurance premiums, reasonable out-of-pocket expenses incurred by the Directors;

(iv) Government charges;

(v) Fees and expenses of its legal and tax advisers in Luxembourg and abroad;

(vi) *Taxe d'abonnement* (see Section 17 for further details);

(vii) Fees and expenses of any license / trademark used by the Company;

(viii) Domiciliary Agent fees;

(ix) Fees and expenses of any other service providers or officers appointed by the Company or by the Management Company on behalf of the Company.

The fees covered under item (vii) above are distinct from the Licence Fee of certain swap strategies mentioned in paragraph 10.5.5 below.

Fund Servicing Costs, as the remaining amount of Operational Costs after deduction of the Direct Costs, include notably:

(x) Fees related to the exercise of proxy voting;

(xi) Costs related to the registration and maintenance of such registration in all jurisdictions (including fees charged by the relevant supervisory authorities, translation costs and remuneration of Foreign Representatives and local paying agents);

(xii) Marketing fees, costs relating to the publication of offering / redemption prices, distribution of semi-annual and annual reports, other reporting expenses;

(xiii) Costs related to distribution of Shares through local clearing systems when according to local practice such costs are supported by the Company;

(xiv) Costs related to investment and performance reporting;

(xv) Fees and expenses charged by affiliated entities of the Lombard Odier Group in relation to legal, compliance, administrative and operational services, including accounting support, provided to the Management Company for the account of the Company;

(xvi) Fees and expenses related to the mailing / publication of notices to shareholders or any other type of communication to shareholders, regulatory authorities, service providers, etc.

(xvii) Any other fees and expenses charged to the Company in relation to its day-to-day operations;

(xviii) Any expenses in relation to liquidation procedures.

For the avoidance of doubt, the fees covered under items (xii) and (xiii) above are distinct from the Distribution Fee or the Initial Charge.

Other fees mentioned in paragraph 10.5.6 below such as transaction costs, stock lending charges, interest on bank overdraft and any other extraordinary fees and expenses are distinct from the Direct Costs and the Fund Servicing Costs.

To cover the Operational Costs, the Company pays to the Management Company a fixed rate of Operational Costs ("FROC") as an annual percentage of the Net Asset Value of the relevant class of Shares for each Sub-Fund.

The purpose of the FROC is to set a fixed rate of fees covering the Direct Costs and the Fund Servicing Costs which may be subject to fluctuation over time. The FROC ensures that the Company is protected from expenses fluctuation which would not be the case had the Company chosen to pay directly such charges.

The FROC effectively paid to the Management Company (the "Effective FROC") cannot exceed the maximum FROC (the "Maximum FROC") disclosed in Annex A for each Sub-Fund.

The Effective FROC for the relevant classes of Shares for each Sub-Fund is disclosed in the semi-annual and annual reports.

Within the Maximum FROC mentioned in Annex A for each Sub-Fund, the Directors reserve the right to adjust the Effective FROC from time to time. Any increase to the Maximum FROC is considered a material change and will be notified to the shareholders according to the procedure set forth in the preamble of the Prospectus. It should be noted that foreign jurisdictions where the Company may be registered might impose restrictions or additional requirements in case of a FROC increase.

In the event that the amount of the actual Operational Costs exceeds the Effective FROC for any class of Shares of any Sub-Fund, the Management Company bears the excess Operational Costs. Conversely, should the actual Operational Costs be lower than the Effective FROC for any class of Shares of any Sub-Fund, the Management Company is entitled to retain such difference.

10.5.5 Licence Fee in relation to certain proprietary indices strategies

The Commodity Swap strategy (see paragraph 3.3.1), the Backwardation Swap strategy (see paragraph 3.3.2), the Commodity Curve Arbitrage Swap strategy (see paragraph 3.3.3) and the Commodity Transition Materials Swap strategy (see paragraph 3.3.4) are strategies whereby a Sub-Fund and the swap counterparties (the "Swap Counterparties") agree to exchange all or part of the subscription monies against the performance of certain indices which are proprietary indices created, maintained or advised by Lombard Odier Asset Management (Switzerland) SA (the "Index" or "Indices").

By virtue of licence agreements concluded between Lombard Odier Asset Management (Switzerland) SA and each of the Swap Counterparties, the latter is granted the right to offer swap products with payouts linked to the performance of the relevant Index to other entities of the Lombard Odier Group or third entities subject to the payment of a fee (the "Licence Fee").

In the event that any Investment Manager other than Lombard Odier Asset Management (Switzerland) SA implements for a given Sub-Fund either the Commodity Swap strategy or the Backwardation Swap strategy, the Licence Fee shall be paid by such Sub-Fund to the Swap Counterparties who will ultimately remit to Lombard Odier Asset Management (Switzerland) SA the Licence Fee.

10.5.6 Other Fees

In addition to the Operational Costs described in paragraph 10.5.4 above, each Sub-Fund bears the transaction costs and other related costs as further described below.

Transaction costs cover all costs related to (i) the purchase and sale of securities or instruments on behalf of the relevant Sub-Funds, including, but not limited to, brokerage fees, clearing fees, exchange fees and transaction taxes (including stamp duty) and (ii) the trade management process which includes, but is not limited to, the matching of all orders executed on behalf of the relevant Sub-Funds and the respective settlement instructions.

Other related costs cover *inter alia* those arising from:

- position keeping and reconciliation of all positions and cash balances between the records of the relevant custodian bank, brokers and clearers and the information available in the front office systems (i. e. portfolio management and order management systems) of the relevant Investment Managers;
- valuation (including independent valuation of OTC derivatives);
- collateral management (including margin calls for listed derivatives);
- management and processing of corporate actions;
- reporting of derivatives transactions / positions to the relevant trade repositories under the applicable reporting regime;
- the duplication of NAV calculation by third party providers for oversight control;
- periodic charges related to research as mentioned in paragraph 10.5.7 below.

Furthermore, each class of Shares bears any extraordinary expenses incurred by external factors, some of which may not be reasonably foreseeable in the normal course of activity of the Company such as, without limitation, any litigation expenses (including expert opinions or appraisals) or the full amount of any tax, levy, duty or similar charge imposed on the Sub-Funds or their assets that would not be considered as ordinary expense.

The costs and expenses for the creation of any additional Sub-Fund, including fees and expenses of its legal and tax advisers in Luxembourg and abroad, will be borne by relevant the Sub-Fund and amortised over a period of up to five years.

Subject to the limitations mentioned in paragraph 4.1 (v), where a Sub-Fund invests in a UCITS or UCI or a Target Sub-Fund, the investment in the underlying funds may result in a double charging of fees and expenses, in particular a duplication of the fees payable to the custodian(s), transfer agent(s), Investment Manager(s) and other agents and, with exception of investments in a Target Sub-Fund, also subscription and redemption charges, which are generated both at the level of the Sub-Fund and of the underlying funds in which the Company invests. The maximum level of the management fee that may be charged both to a Sub-Fund and to such other UCITS or UCI or Target Sub-Fund is disclosed in Annex A for each Sub-Fund.

With respect to LO Funds – DataEdge Market Neutral, the Sub-Fund pays the Data & IT Fee whose percentage is given in the Sub-Fund's appendix. The Sub-Fund's strategy is heavily reliant on purchasing data to drive signals in the model and the Data & T Fee is only charged to pay the costs of acquiring such data. The data acquired by the Sub-Fund is only used by the Investment Manager for the Sub-Fund and is not shared with or used by another Sub-Fund or sub-fund of another undertaking for collective investment promoted or managed by the Lombard Odier Group.

10.5.7 Research Commissions and Charges

Subject to compliance by Investment Managers with applicable laws and regulations (and in particular for those Investment Managers located in the European Union, subject to compliance with MiFID II), Investment Managers and their delegates and affiliated persons may receive investment research from brokers, dealers and other third parties in connection with the management of a Sub-Fund which may be funded from either (i) transaction commissions ultimately borne by a Sub-Fund pursuant to soft commission, commission sharing and/or research charge collection arrangements with brokers, dealers and other third parties (collectively referred to as "Research Commission Arrangements"); or (ii) periodic charges made to a Sub-Fund by the Investment Manager at rates to be agreed by the Company and charged as other fees to the relevant Sub-Fund in accordance with paragraph 10.5.6. Where permitted by and subject to applicable laws and regulations, Investment Managers outside the European Union may receive research that is bundled with the trade execution services provided by a particular broker or dealer.

Investment Managers will provide reports to the Management Company with respect to the use of Research Commission Arrangements and will act at all times in the best interest of the Company, the Management Company and each relevant Sub-Fund when entering into Research Commission Arrangements or otherwise receiving research which is funded directly or indirectly by a Sub-Fund.

10.6 Total Expense Ratio

The costs and commissions charged on the management of each Sub-Fund will be disclosed using the internationally recognized Total Expense Ratio (TER). The TER is calculated twice a year by dividing the total operating costs and commissions, excluding securities transaction costs (brokerage), charged on an ongoing basis to the Sub-Fund's assets by the average assets of such Sub-Fund.

The TER for the Sub-Funds will be included in the semi-annual and annual reports.

11. DISTRIBUTION OF SHARES

The Company has entered into a Management Company Agreement with Lombard Odier Funds (Europe) S.A. whereby Lombard Odier Funds (Europe) S.A. is entrusted with the marketing and distribution of the Shares on a worldwide basis (the "Global Distributor"). The Global Distributor provides services in relation to the promotion of the Shares to other financial intermediaries.

The Company and/or the Global Distributor have entered into agreements with distributors, placement agents and other sales agents (the "Distributors") for the marketing and the sale of the Shares in certain OECD countries, in accordance with all applicable laws. The Global Distributor and the Distributors shall be entitled to receive the fees described under paragraphs 10.1 and 10.3 above and they may decide to rebate, from time to time, a portion or all of such fees to sub-distributors or shareholders, in accordance with all applicable laws.

For the purpose of assisting in the distribution of the Shares, the Company may decide to accept subscription, conversion or redemption orders from financial intermediaries in the countries in which the Company is registered. The financial intermediaries, and not the clients who have invested in the Company, shall be recorded in the register of shareholders and shall fall under one of the FATCA category compatible with the Company's FATCA status to the extent applicable. The financial intermediaries shall notify the Transfer Agent and either the Management Company or the Company as soon as possible in case their FATCA status changes, and in any case within 30 days of such change in a manner agreed between the Company and the financial intermediaries.

The Company's decision to accept subscription, conversion or redemption orders from financial intermediaries does not restrict the ability of investors to deal directly with the Transfer Agent when placing their subscription, conversion or redemption orders. By doing so, the investors shall be recorded in the shareholders' register.

12. ISSUE AND SALE OF SHARES

12.1 General Provisions

Shares shall be issued at the Issue Price.

The Issue Price shall be the Net Asset Value per Share for the relevant Sub-Fund calculated in the manner set out in paragraph 15.1. On subscription of P, R, N, I, H and M Shares, the Issue Price may be increased by the Initial Charge and for certain Sub-Funds (as mentioned in Annex A of a given Sub-Fund) by a Dealing Charge.

The latest Issue Prices are made public at the registered office of the Company.

The Issue Price shall be expressed in the Reference Currency and in the relevant Alternative Currency, in the case of Shares issued in an Alternative Currency, of the relevant Sub-Fund determined on each Valuation Day by the Central Administration Agent.

Shares can be subscribed in accordance with the Application Procedure set out in Section 20. Applications may be sent directly to the Company in Luxembourg. Investors may place orders for Shares with the Global Distributor or Distributors.

The initial minimum investment and holding amount in Shares of any one Sub-Fund is stated in Annex A. The Board may waive the initial minimum investment and minimum holding for all classes of Shares to the extent permissible by law and regulation.

Requests for subscriptions must be received by the Company no later than the Cut-off time, as set out in the table in Annex A in relation to a given Sub-Fund. All deals will be effected on a forward pricing basis.

Applications may be sent to the Global Distributor or the Distributor, who shall in such case transmit the substantive content thereof to the Company, or may be sent directly to the Company in Luxembourg. Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in the case of classes issued in an alternative currency, for value the Payment Date (as determined in Annex A in relation to a given Sub-Fund) to the Depositary, indicating the proper identity of the subscribers(s) and the relevant Sub-Fund(s) in which Shares are subscribed.

Requests for subscriptions received after the Cut-off time will be deferred to the next following Business Day.

Upon prior arrangement with the Company, encompassing a mandatory provision for the Global Distributor and the Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the subscription orders received by the Company later than such Cut-off time may be accepted from the Global Distributor and the Distributors.

The Issue Price may, upon approval of the Board, and subject to all applicable laws, namely with respect to a special audit report confirming the value of any assets contributed in kind, be paid by contributing to the Company securities acceptable to the Board, consistent with the investment policy and investment restrictions of the Company.

Investment in any Share class is subject to the conditions mentioned in paragraph 2.2 and Annex A in relation to a given Sub-Fund.

The Company may request from investors subscribing in Shares with eligibility criteria the provision of all documents or information evidencing that they meet the relevant criteria to invest in such classes of Shares. In addition, the Company may refuse applications to invest in those Shares as long as all the required information and documents above mentioned are not in its possession or for any other appropriate reasons.

Confirmation advices will be sent to shareholders the next Business Day following execution of the subscription order or, where the confirmation is received by the Management Company from a third party, the first Business Day following receipt of the confirmation from the third party. Registered share certificates ("Registered Share Certificates") are only issued at the request of shareholders. The cost relating to the issue of Registered Share Certificates will be borne by the requesting shareholders.

Registered Share Certificates (if specifically requested by investors) shall be sent to the subscribers within 30 days of the relevant Valuation Day.

The Company may restrict or prevent direct or indirect holding of Shares or the ownership of Shares by any person or group of persons, firm or corporate body, namely by (a) any person in breach of any law or requirement of any country or governmental or regulatory authority or (b) any person in circumstances which in the opinion of the Board might result in the Company incurring any breach or non-compliance with a given regulatory status or liability to taxation (including inter alia regulatory or tax liabilities that might derive inter alia from the requirements of FATCA or CRS (as defined in section 17) or any similar provision or any breach thereof) or other disadvantage which it would not otherwise have incurred or suffered (including a requirement to register under any securities or investment or similar laws or requirements of any country or authority) or (c) any person whose shareholding concentration could, in the opinion of the Board, jeopardise the liquidity of the Company or any of its Sub-Funds. The manner in which the Company may restrict the direct or indirect ownership of Shares by any person or group of persons, firm or corporate body, is described under the Articles.

The Board may also impose restrictions on the issuance of Shares of any Sub-Fund or class (also resulting from conversion requests) during any period, as determined by the Board.

The Company reserves the right to reject any application in whole or in part, in which event the application monies or the balance thereof will be returned forthwith to the applicant. The Company does not permit practices related to market timing and reserves the right to reject subscription and conversion orders from investors who the Company suspects of using such practices and to take the appropriate measures to protect other investors of the Company.

The applicable Cut-Off time, Valuation Day and Payment Date are set out in Annex A in relation to a given Sub-Fund.

12.2 Company's FATCA compliance program

Please also refer to paragraph "Regulatory Risk – United States of America" in the Risk Factors Annex for further details on FATCA.

The Company, through its Sub-Funds, qualifies as a FFI for FATCA purposes.

According to FATCA and the model 1 IGA entered into between the US and the Grand Duchy of Luxembourg, a FFI can qualify as either a "reporting" FFI or a "non-reporting" FFI.

The Company's FATCA status is "reporting FFI". Its Global Intermediary Identification Number (GIIN) is QWKBLP.99999.SL.442.

As part of its FATCA compliance program, the Company (or any third party providers to whom such tasks are delegated) may:

(i) request information or valid documentation evidencing the FATCA status of the Shareholder;

(ii) be under the obligation to report information concerning a Shareholder, his account holding in the Company and/or payments to such Shareholder to the Luxembourg tax authorities (Administration des Contributions Directes) if such account is deemed a FATCA reportable account or a non-participating FFI under FATCA;

(iii) be under the obligation to deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Company in accordance with FATCA;

(iv) be under the obligation to divulge any such personal information to any immediate payor of certain U.S. source income as may be required for withholding and reporting to occur with respect to the payment of such income.

The Company reserves the right to reject any subscription for Shares from a prospective shareholder or a Shareholder who fails to provide or renew upon request the satisfactory documentation referred to under (i) above. Also, the Company reserves the right to compulsory redeem all Shares held by a Shareholder who fails to provide or renew upon request the satisfactory documentation under (i) above.

Prospective investors should consult their own tax advisors regarding the impact of FATCA may have on their investment in the Company. The data and information pertaining to the Shareholders that the Company may disclose to third parties under FATCA is also subject to the provisions of Section 20.4 of this Prospectus "Personal Data".

Investors should also refer to Section 11 of this Prospectus for more information about the rights of investors holding Shares of the Company through an intermediary or a nominee.

13. REDEMPTION OF SHARES

13.1 General Provisions

Shares shall be redeemed at the Redemption Price.

The Redemption Price shall be the Net Asset Value per Share calculated in the manner set out in paragraph 15.1, reduced in the case of certain Sub-Funds (as mentioned in Annex A of a given Sub-Fund) by a Dealing Charge.

The latest Redemption Prices are made public at the registered office of the Company.

Shareholders' requests for redemption of Shares must be made to the Company in writing or by telex or facsimile, confirmed in writing by no later than the relevant Cut-off time. A request duly made shall be irrevocable, except in case of and during any period of suspension or deferment of redemptions. In all other cases, the Board may approve the withdrawal of a redemption request.

In compliance with the forward pricing principle, requests for redemption received after the Cut-off time will be deferred to the next following Business Day. Upon prior arrangement with the Company, encompassing a mandatory provision for the Global Distributor and the Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the redemption orders received by the Company later than such Cut-off time may be accepted from the Global Distributor and Distributors.

In case the residual value of the Shares held by an investor in a Sub-Fund falls below the minimum holding amount mentioned in Annex A in relation to a given Sub-Fund following a redemption request, the Company may redeem the remaining holding of the investor in the relevant Sub-Fund or may take the measures indicated under Conversion of Shares (Section 14).

Should the situation arise where Shares are held by a shareholder whose quality is deemed incompatible with the Company's FATCA status for the purpose of ensuring compliance with FATCA legislation, the Board shall have discretion to redeem such Shares in accordance with the Prospectus and the Articles.

Similarly, if there is a change of circumstances whereby an investor whose quality under FATCA legislation was previously deemed compatible with the Company's FATCA status becomes no longer eligible to hold Shares, such investor shall notify the Transfer Agent and either the Company or the Management Company as soon as practicable and no later than 30 days of such change. A change of circumstances is to be construed broadly so as to mean any event or situation where it appears that the Company can no longer rely on the documentation, declaration, representation or information (from the shareholder or from public sources) previously relied upon in the context of FATCA compliance. Once notified or becoming aware of such change of circumstances, the Board shall have discretion to redeem the Shares in accordance with the Prospectus and the Articles in case it appears that the non-compliance status of the shareholder will not be cured, or is unlikely to be cured, within a reasonable time frame decided discretionarily by the Board, so as to fulfill at all times the requirements relating the Company's status under FATCA.

The value of Shares at the time of their redemption may be more or less than the shareholder's cost, depending on the market values of the assets held by the Sub-Fund at such time. The value of Shares issued of a class with an Alternative Currency will also largely depend on the currency fluctuation of the Alternative Currency towards the Reference Currency of the Sub-Fund as well as on the hedging policy used to cover this exchange risk.

At the shareholders' request, the Company may elect to make an in kind distribution, having due regard to all applicable laws and regulations and to all shareholders' interest. Unless otherwise permitted by applicable laws and regulations or CSSF, such in kind distribution will be subject to a special audit report confirming the value of any assets distributed and the cost of such report is borne by the shareholder.

Shares shall be cancelled upon their redemption by the Company.

Payments will ordinarily be made in the Reference Currency before the Payment Date in Annex A in relation to a given Sub-Fund or on the date the Share Certificate(s) (if issued) have been returned to the Company, if later. For Shares issued of a class with an Alternative Currency, payments of redemption proceeds will ordinarily be made in such currency.

Receipt of the sale proceeds by the Company may, however, be delayed and the amount ultimately received may not necessarily reflect the Net Asset Value calculation made at the time of the relevant transactions because of possible fluctuations in the currency values and difficulties in repatriating funds from certain jurisdictions (see the Risk Factors Annex).

If in exceptional circumstances the liquidity of the portfolio of assets maintained in respect of the Sub-Fund the Shares of which are being redeemed is not sufficient to enable the payment to be made within such a period, such payment shall be made as soon as reasonably practicable thereafter, but without interest.

Payment of redemptions proceeds may be delayed if there are any specific statutory provisions such as foreign exchange restrictions, or any circumstances beyond the Company's control which make it impossible either to obtain payment for the sale or disposal of a Sub-Fund's assets or to transfer the redemption proceeds to the country where the redemption was requested.

Confirmation of the execution of a redemption order will be sent to the shareholder on the next Business Day following execution of the redemption order or, where the confirmation is received by the Management Company from a third party, the first Business Day following receipt of the confirmation from the third party.

13.2 Deferment of Redemptions

In order to ensure that shareholders who do not seek to have their Shares redeemed are not disadvantaged by the reduction of the liquidity of the Company's portfolio as a result of significant redemption applications received over a limited time frame, the Directors may apply the procedures set out below to permit the orderly disposal of securities to meet redemptions.

In case of redemption requests on any Valuation Day for Shares representing more than 10% of the Net Asset Value of a Sub-Fund, the Company shall not be bound to redeem on such Valuation Day or in any period of seven consecutive Valuation Days Shares representing more than 10% of the Net Asset Value of such Sub-Fund on such Valuation Day or at the commencement of such period. Redemption may accordingly be deferred for not more than seven Valuation Days after the date of receipt of the redemption request (but always subject to the foregoing 10% limit). In case of deferral of redemptions, the relevant Shares shall be redeemed at the Redemption Price on the Valuation Day on which the request is executed.

Deferred redemptions shall be dealt with in priority to redemption requests received subsequently.

In case of redemption requests on any Valuation Day for Shares representing more than 10% of the Net Asset Value of a Sub-Fund, the Company, having regard to the fair and equal treatment of shareholders, on receiving the redemption requests may elect to sell assets of that Sub-Fund representing, as nearly as practicable, the same proportion of the Sub-Fund's assets as the value of the Shares for which redemption applications have been received. If the Company exercises this option, then the amount due to the shareholders who have applied to have their Shares redeemed, will be based on the Net Asset Value per Share calculated after such sale or disposal. Payment will be made forthwith upon completion of the sales and the receipt by the Company of the proceeds of sale in a freely convertible currency.

Deferment of redemptions will also apply to conversions.

14. CONVERSION OF SHARES

As long as all conditions to subscribe in Shares relating to the class of Shares of a Sub-Fund are met and except the case of Short-Term Money Market Sub-Funds as further detailed below, holders of Shares of each Sub-Fund will be entitled to convert (switch) some or all of their holding into Shares of another Sub-Fund by making application to the Company's Transfer Agent in Luxembourg or through the Global Distributor or a Distributor by telex, facsimile, confirmed in writing by no later than the Cut-off time on which the Shares are to be converted provided that the Directors may impose restrictions on the issuance of Shares of a Sub-Fund resulting from conversion requests during a certain period. Such application must include the following information: the name of the holder, the number of Shares to be switched (if it is not the total holding) and, if possible, the reference number on any Share of each Sub-Fund to be switched and the proportion of value of those Shares to be allocated to each new Sub-Fund (if more than one). Shares from one class may be converted into Shares of another class as long as all conditions to subscribe in the new class of Shares are met. However, conversion into a class of Shares in "seeding" form is not allowed unless otherwise decided by the Board. As indicated in paragraph 2.2, shareholders can find the classes of Shares available for each Sub-Fund in the annual and semi-annual reports of the Company and on Lombard Odier Group website (www.loim.com) or can be obtained at the registered office of the Company or of the Foreign Representatives.

In case of conversion concerning Sub-Funds with different Cut-off times, the most restrictive Cut-off time shall apply to the conversion (see Annex A in relation to a given Sub-Fund).

It should be noted that given the Valuation Day applicable to the Short-Term Money Market Sub-Funds, conversions from a Sub-Fund other that a Short-Term Money Market Sub-Fund into a Short-Term Money Market Sub-Fund as well as conversions from a Short-Term Money Market Sub-Fund into another Sub-Fund are not possible. However, conversions amongst Short-Term Money Markets Sub-Funds and conversions amongst other Sub-Funds are possible provided the conditions mentioned above are fulfilled.

It should be noted that conversion of Shares cannot be made until the Company is in receipt of the relevant Share Certificate (if any).

A shareholder may request the conversion of his class of Shares into another class of Shares if the criteria described in paragraph 2.2 to invest in such class of Shares are met. However, the Directors may impose restrictions on such rights for conversion. The minimum initial investment and holding amount required for a particular class of Shares may have been reached after a subsequent subscription or due to market variations.

If a shareholder should request the conversion of only part of his holding in a given class of Shares of the original Sub-Fund and such conversion would, if carried out, leave the shareholder with less than the minimum holding applicable to the class of Shares of the original Sub-Fund or that of the class of Shares of the new Sub-Fund, the Directors may, if they think fit, refuse the request for conversion or convert the whole of that shareholder's holding in the original Sub-Fund.

The Company may convert Shares in a particular class held by an investor into Shares of another class if such investor does not meet any more one of the criteria applying to the relevant class of Shares described in paragraph 2.2. (for example, following a request to redeem part of its holding). However if the residual investment in the original class of Shares of a given Sub-Fund is reduced under the applicable minimum holding amount, by reason of market fluctuations or currency fluctuations, no conversion will be operated.

The Company will request from investors investing in Shares with eligibility criteria the provision of all documents or information evidencing that they meet the relevant criteria to invest in those Shares. In addition, the Company may refuse applications to convert into Shares with eligibility criteria as long as all the required information and documents above mentioned are not in its possession or for any other appropriate reasons.

The basis of conversion is related to the respective Net Asset Value per Share of the Sub-Fund concerned. The Company will determine the number of Shares into which a shareholder wishes to convert his existing Shares in accordance with the following formula:

$$A = \frac{(B \times C \times D) - F}{E}$$

The meanings are as follows:

A: the Number of Shares to be issued in the new Sub-Fund

B: the Number of Shares in the original Sub-Fund

C: Net Asset Value per Share to be converted

D: Currency Conversion Factor

E: Net Asset Value per Share to be issued

F: Conversion Charge of up to 0.50%.

Holders of S Shares will also be charged with Dealing Charges (see paragraph 10.4) in case of conversion between Sub-Funds (but not in respect of conversions between classes of Shares within the same Sub-Fund).

The Company will provide a Share Confirmation with details of the conversion to the shareholder concerned and issue new Share Certificates, if so requested by such shareholder.

Any conversion request shall be irrevocable, except in the event of a suspension of the calculation of the Net Asset Value of the class of Shares or of the Sub-Fund concerned or deferment.

In compliance with the forward pricing principle, requests for conversions received after the Cut-off time will be deferred to the next following Business Day. Upon prior arrangement with the Company, encompassing a mandatory provision for the Global Distributor and the Distributors not to send any order for their own account or any order received from investors on the same day after the Cut-off time, the conversion orders received by the Company later than such Cut-off time may be accepted from the Global Distributor and the Distributors.

Delayed payment of redemptions (see paragraph 13.1) and deferment of redemptions (see paragraph 13.2) will also apply to conversions.

15. NET ASSET VALUE

15.1 Net Asset Value Determination

The Net Asset Value of each Sub-Fund and the Net Asset Value per Share of each Sub-Fund will be determined in the relevant Reference Currency and, for the Net Asset Value per Share, in the relevant Alternative Currency, in the case of classes issued in an Alternative Currency, on each Valuation Day, except in case of a suspension as described below.

The Net Asset Value per Share of each Sub-Fund will be calculated in respect of any Valuation Day.

Swing Pricing

Swing Pricing is a mechanism designed to protect shareholders against the negative effects of trading for the account of a Sub-Fund when there are large flows into or out of a Sub-Fund.

In the event that net subscriptions or redemptions in a Sub-Fund exceed a certain threshold ("Swing Threshold") on any Valuation Day, the Net Asset Value of that Sub-Fund may be adjusted by a factor, normally expressed as a percentage of the Net asset Value of the Sub-Fund ("Swing Factor") to reflect the anticipated costs of dealing in the underlying securities of the Sub-Fund.

The Net Asset Value will be adjusted upwards by the Swing Factor when there are net subscriptions on any Valuation Day in excess of the Swing Threshold and downwards when they are net redemptions on any Valuation Day in excess of the Swing Threshold, the intention being to better allocate the dealing costs to those shareholders who are subscribing or redeeming, rather than shareholders who are not dealing in their shares on the relevant Valuation Day.

Swing Thresholds

The Swing Threshold for each Sub-Fund will be determined separately and may vary over time depending upon prevailing circumstances. Factors influencing the determination of the Swing Threshold may include:

- the size of the Sub-Fund
- the type and liquidity of securities in which the Sub-Fund invests
- the costs, and hence the dilution impact, associated with the markets in which the Sub-Funds invests
- the investment policy of a Sub-Fund and the extent to which a Sub-Fund can retain cash (or near cash) as opposed to always being fully invested
- market conditions (including market volatility)

Where the Swing Threshold is set at 0%, a "full" swing policy applies and the direction of the swing is determined by the net dealing activity for that Valuation Day (net subscriptions or net redemptions). Where the Swing Threshold is set above 0%, a "partial" swing policy applies and will only be triggered if the net dealing activity for the Valuation Day exceeds the Swing Threshold.

Swing Factors

The Swing Factor may normally not exceed 3% of the Net Asset Value of a Sub-Fund. However, in extraordinary market conditions and where the Directors determine that it is necessary to efficiently protect the interests of shareholders, the Directors may increase the maximum level of the Swing Factor for any Sub-Fund above 3% of the Net Asset Value of that Sub-Fund. In such case, affected shareholders shall be informed as soon as reasonably practicable thereafter. Extraordinary market conditions may include heightened market and sector volatility, a widening of bid/offer spreads of underlying investments and/or the increase of portfolio transaction costs associated with the securities trading.

It should be understood that:

(i) the Swing Factor applies to all Shares of the Sub-Fund subject to the Swing Pricing;

(ii) different Swing Factors may apply to different Sub-Funds.

Elements influencing the determination of the Swing Factor may include (list non-exhaustive):

- the bid/offer spreads for the underlying securities held within a Sub-Fund's investment portfolio
- broker commissions
- transaction taxes and other trading costs that may have a material impact
- other considerations which may exacerbate the dilution effect

The Management Company determines, and periodically reviews, under the responsibility of the Company, the operational decisions concerning Swing Pricing, including the determination of the applicable Swing Thresholds (if any) and Swing Factors for each Sub-Fund.

The calculation of the Net Asset Value, when using Swing Pricing as described above, shall be used to determine the Issue and Redemptions Prices of the Shares of each Sub-Fund.

It should be noted that as the Swing Pricing mechanism applies on the basis of net inflows or outflows, it does not address the specific circumstances of each individual shareholder transaction.

The Swing Pricing will apply to each Sub-Fund individually even though part or all of its assets is co-managed with assets belonging to other Luxembourg collective investment schemes or to other Sub-Funds (see paragraph 6.5).

In addition to the circumstances mentioned above in relation to net inflows and outflows, it should also be noted that, should a Sub-Fund be part of a merger as per one of the merger techniques set forth in the 2010 Law, its Net Asset Value may be adjusted through the Swing Pricing mechanism to net out any impact caused by the cash inflows or outflows occurring on the merger date.

Dilution Adjustment

Alternatively to the Swing Pricing mechanism described above, in order to avoid the dilution of the net asset value of a Sub-Fund resulting from large flows into or out of a Sub-Fund, the Directors may make any necessary dilution adjustment to the net asset value of any Sub-Fund (a "Dilution Adjustment"). The Dilution Adjustment may normally not exceed 3% of the Net Asset Value. However, such amount may be increased in extraordinary market conditions and if the best interest of the shareholders so requires. In such case, affected shareholders shall be informed as soon as reasonably practicable thereafter. Extraordinary market conditions may include heightened market and sector volatility, a widening of bid/offer spreads of underlying investments and/or the increase of portfolio transaction costs associated with the securities trading.

Elements influencing the Dilution Adjustment may include (list non-exhaustive):

- the bid/offer spreads for the underlying securities held within a Sub-Fund's investment portfolio
- broker commissions
- transaction taxes and other trading costs that may have a material impact
- other considerations which may exacerbate the dilution effect

Any communication to the shareholders in relation to the application of Swing Pricing or the Dilution Adjustment, including the Sub-Funds subject to such measure, will be published on www.loim.com and available on request at the registered office of the Company and the Management Company.

For the Sub-Funds whose Shares of a certain class can be subscribed and/or redeemed on a weekly basis, a calculation of the Net Asset Value may occur on each Business Day for indicative or reporting purposes (if applicable), but only on each relevant weekly Valuation Day for the determination of the Issue, Redemption and Conversion Prices of the Shares of this Sub-Fund (see Sections 12 and 13).

In case different classes of Shares have been issued within a Sub-Fund, the Net Asset Value per Share of each class of Shares in the relevant Sub-Fund will be determined, on any Valuation Day, by dividing the value of the total assets of that Sub-Fund attributable to such class of Shares less the liabilities of such Sub-Fund attributable to such class of Shares by the total number of Shares, outstanding on such Valuation Day, of such class of Shares.

The assets will be valued in accordance with principles laid down in the Articles and in accordance with the Valuation Regulations.

The value of all securities which are admitted to an Official Listing or traded on any other Regulated Market is determined on the basis of the last available price of the Valuation Day on the principal market on which such securities are traded, as furnished by a pricing service approved by the Directors. If such prices are not representative of their fair value, such securities as well as any of the portfolio securities which are not so listed and all other investments, including permitted financial futures contracts and options, will be valued on the reasonably foreseeable sales prices determined prudently and in good faith.

The value of money-market instruments held by Sub-Funds which do not qualify as MMF will be based either on market data or on valuation models including systems based on amortised costs if permitted. Where valuation models are used to value the money-market instruments, the Company will ensure that such models comply with the requirements imposed by Luxembourg law and in particular with the Circular of the CSSF 08/339 as completed by the Circular 08/380. In particular, where an amortization method is used to assess the value of money-market instruments, the Company will ensure that this will not result in a material discrepancy between the value of the money-market instrument and the value calculated according to the amortization method. Specific valuation rules apply to instruments held by Sub-Funds which qualify as MMF as per Section 15.3 below.

Any assets or liabilities expressed in terms of currencies other than the Reference Currency are translated into the Reference Currency at the prevailing market rate at the time of valuation.

The Net Asset Value per Share shall be rounded to four decimal places (except for JPY-denominated Shares).

The Net Asset Value per Share of each Sub-Fund as certified by a Director or by an authorized officer or representative of the Company shall be conclusive, except in the case of manifest error.

The Company shall include in the financial reports its audited consolidated accounts expressed in USD.

During the existence of any state of affairs which, in the opinion of the Directors, makes the determination of the Net Asset Value of a Sub-Fund in the designated currency either not reasonably practical or prejudicial to the shareholders of the Company, the Net Asset Value and the Issue Price and Redemption Price may be temporarily determined in such other currency as the Directors may determine.

The Issue Prices and Redemption Prices of any classes of Shares of the Sub-Funds which equal the Net Asset Value per Share in the Reference Currency and in the Alternative Currency, in the case of classes issued in an Alternative Currency, may be obtained at the registered office of the Company, at the offices of the Foreign Representatives and will be available on the Lombard Odier Group website (www.loim.com). At the discretion of the Directors, but always in compliance with regulatory requirements applying in each country of registration of the Company, this information may be published daily in various newspapers and financial journals as the Directors may determine. The Directors may also freely choose different newspapers and financial journals for each class of Shares. Each class of Shares shall be impacted by its respective costs of publication of Issue/Redemption Prices.

15.2 Suspension of the Calculation of the Net Asset Value, and of Issue, Redemption and Conversion of Shares

The Company may suspend the calculation of the Net Asset Value of any Sub-Fund and may suspend the issue, redemption and conversion of Shares of any relevant Sub-Fund:

(a) during any period when the dealing of the units/shares of an investment vehicle in which any substantial portion of assets of the relevant Sub-Fund is invested or the calculation of the net asset value of such investment vehicle is restricted or suspended;

(b) during any period when any market or stock exchange, which is the principal market or stock exchange on which a material part of a Sub-Fund's investments for the time being are quoted, is closed, otherwise than for ordinary holidays, or during which dealings are substantially restricted or suspended;

(c) during any period when a material part of a Sub-Fund's investments may not, using the standard valuation procedures, be promptly or accurately valued or is not valued at a fair market value;

(d) during any period when the net asset value of any subsidiary of the Company may not be determined accurately;

(e) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of the Company's assets attributable to any Sub-Fund is not reasonably practical;

(f) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments attributable to any Sub-Fund or the current prices on any market or stock exchange;

(g) during any period when remittance of monies which will or may be involved in the realization of, or in the payment for, any investments attributable to any Sub-Fund is not possible;

(h) during any period when, in the opinion of the Board there exist unusual circumstances where it would be impracticable or unfair towards the shareholders to continue dealing with Shares of any Sub-Fund;

(i) in the event of (i) the publication of the convening notice to a general meeting of shareholders the purpose of which is to propose the winding up of the Company or a Sub-Fund thereof or (ii) the decision of the Board to wind up one or more Sub-Funds;

(j) in accordance with the provisions on mergers of the 2010 Law, provided that any such suspension is justified for the protection of the shareholders;

(k) in case of a Feeder, during any relevant period when the determination of the net asset value of the Master is suspended.

The Articles provide that the Company may suspend the issue, redemption and conversion of the Shares forthwith, upon the occurrence of an event causing it to enter into liquidation.

Shareholders having requested issue, redemption or conversion of their Shares will be notified in writing of any such suspension within seven days of their request. Shareholders will be promptly informed of the termination of such suspension by (i) a notification in the same form as the notification of the suspension described above and/or (ii) any other alternative or additional means of conveyance of information the Board may deem more appropriate given the circumstances and the interest of the shareholders (e.g. via a website).

15.3 Specific Provisions Regarding the Net Asset Value Determination of MMF Sub-Funds

Sub-Funds that qualify as MMF shall calculate a Net Asset Value per Share as the difference between the sum of all assets and the sum of all of its liabilities valued as described below, divided by the number of its outstanding Shares.

The value of the assets of an MMF shall be valued by using mark-to-market whenever possible. Mark-to-model valuation is to be used when, for instance, assets do not have a regular market that provides accurate pricing.

At least weekly, the following information for each MMF is made available on a website (please consult https://www.lombardodier.com/funds then (i) enter the name of the Sub-Fund in the search menu, (ii) click on the relevant Share class, (iii) click on "Documentation" and (iv) Weekly Investor Report):

(a) the maturity breakdown of the portfolio of the MMF;

(b) the credit profile of the MMF;

(c) the WAM and WAL of the MMF;

(d) details of the ten largest holdings in the MMF, including the name, country, maturity and asset type, and the counterparty in the case of repurchase and reverse repurchase agreements;

(e) the total value of the assets of the MMF;

(f) the net yield of the MMF.

The Net Asset Value per Share is also published on the website indicated above.

The value of the assets of an MMF shall be determined on at least a daily basis as follows:

1. the value of any cash, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid, and not yet received shall be deemed to be the full amount thereof, unless, however, the same is unlikely to be paid or received in full, in which case the value thereof shall be determined after making such discount as the Board may consider appropriate in such case to reflect the true value thereof;

2. shares or units of MMFs shall be valued at their last available net asset value as reported by such money market funds;

3. liquid assets and money market instruments will be valued at mark-to-market and/or mark-to-model;

4. any assets or liabilities in currencies other than the base currency of the classes of Shares will be converted using the relevant spot rate quoted by a bank or other recognised financial institution.

5. when using mark-to-market:

   (a) the assets will be valued at the more prudent side of bid and offer unless they can be closed out at mid-market;

   (b) only good quality market data will be used, which will be assessed on the basis of all of the following factors:

   - the number and quality of counterparties;
   - the volume and turnover in the market of the assets;
   - the issue size and the portion of the issue that the relevant Sub-Fund plans to buy or sell.

6. when using mark-to-model, the model shall accurately estimate the intrinsic value of the assets, based on all of the following up-to-date key factors:

   - the volume and turnover in the market of those assets;
   - the issue size and the portion of the issue that the relevant Sub-Fund plans to buy or sell;
   - market risk, interest rate risk, credit risk attached to the assets.

   The Net Asset Value per Share shall be rounded to the nearest basis point or its equivalent when the Net Asset Value is published in a currency unit.

16. LIQUIDATION, COMPULSORY REDEMPTION AND AMALGAMATION OF SUB-FUNDS

(a) The Company can be liquidated by a shareholders' decision in accordance with the provisions of the 1915 Law. The same quorum and majority requirements for the shareholders' decision shall apply in case of merger, if as a result of such merger the Company will cease to exist.

(b) In the event that the Net Asset Value of the Company falls below USD 100 million or in case the Board deems it appropriate because of changes in the economical or political situation affecting the Company, or if the Board deems it to be in the best interests of the shareholders, the Board may, by giving notice to all holders of Shares, redeem on the Valuation Day indicated in such notice all (but not some) of the Shares not previously redeemed, at the Net Asset Value without any redemption charges. The Board shall, after the end of the notice period, forthwith convene an extraordinary shareholders' meeting to appoint a liquidator to the Company.

(c) In the event that the Net Asset Value of any particular Sub-Fund falls below USD 50 million or the equivalent in the Reference Currency of a Sub-Fund or if a redemption request is received that would cause any Sub-Fund's assets to fall under the aforesaid threshold, or if the Board deems it appropriate to rationalize the Sub-Funds offered to investors, or in case the Board deems it appropriate because of changes in the economic or political situation affecting the relevant Sub-Fund or if the Board deems it to be in the best interest of the shareholders concerned, the Board may, after giving notice to the shareholders concerned, to the extent required by Luxembourg laws and regulations, redeem all (but not some) of the Shares of that Sub-Fund on the Valuation Day provided in such notice at the Net Asset Value without any redemption charges. Unless the Board decides otherwise in the interest of, or in order to ensure equal treatment of, the shareholders, shareholders of the relevant Sub-Fund may continue to request redemption or conversion of their Shares free of any redemption or conversion charge, but taking into account actual realization prices of investments and realization expenses.

(d) If a Sub-Fund qualifies as a Feeder of a Master, the merger, split or liquidation of such Master, triggers liquidation of the Feeder, unless the Board decides, in accordance with article 16 of the Articles and the 2010 Law, to replace the Master with another Master or to convert the Feeder into a non feeder Sub-Fund.

(e) Termination of a Sub-Fund with compulsory redemption of all relevant Shares for other reasons than set out in the preceding paragraphs, may be effected only upon its prior approval by the shareholders of the Sub-Fund to be terminated at a duly convened general meeting of the Sub-Fund concerned which may be validly held without quorum and decided by a simple majority of the Shares present or represented.

(f) Liquidation proceeds not claimed by shareholders at the close of liquidation of a Sub-Fund will be deposited at the *Caisse de Consignation* in Luxembourg and shall be forfeited after thirty years.

(g) The provision for anticipated realization costs will be accounted for in the Net Asset Value from such date as may be defined by the Board and at the latest on the date of dispatch of the notice mentioned sub-paragraphs (b), (c), (d) and (e).

(h) In compliance with the provisions of the 2010 Law, the Board may decide to merge any Sub-Fund with another Sub-Fund or with another UCITS or a sub-fund thereof (whether established in Luxembourg or another Member State or whether such UCITS is incorporated as a company or is a contractual type fund) using any of the merger techniques set forth in the 2010 Law. The Board will give notice to shareholders concerned, as required by Luxembourg laws and regulations. Such notice shall be provided to the shareholders concerned at least thirty days before the last date for exercising their right to request the repurchase or redemption or conversion of their Shares without any charge other than those retained to meet disinvestment costs; such right shall cease to exist five working days before the date for calculating the exchange ratio referred to in article 75, paragraph (1) of the 2010 Law.

(i) Alternatively, the Board may propose to the shareholders of any Sub-Fund to merge the Sub-Fund with another Sub-Fund or with another UCITS or a sub-fund thereof (whether established in Luxembourg or another Member State or whether such UCITS is incorporated as a company or is a contractual type fund) under the provisions of the 2010 Law. In such case, the duly convened general meeting of the Sub-Fund concerned may be validly held without quorum and may decide by a simple majority of the Shares present or represented.

(j) If the Board determines that it is in the interests of the shareholders of the relevant Sub-Fund or that a change in the economic or political situation relating to the Sub-Fund concerned has occurred which would justify it, the reorganisation of one Sub-Fund, by means of a division into two or more Sub-Funds, may take place. This decision will be notified to shareholders as required. The notification will also contain information about the two or more new Sub-Funds. The notification will be made at least one month before the date on which the reorganisation becomes effective in order to enable the shareholders to request the redemption of their shares, free of any dealing or redemption charge, before the operation involving the division into two or more Sub-Funds becomes effective. Under the same circumstances, the Board may decide the division of a class of Shares into two or more classes of Shares.

17. TAXATION

The following summary is based on the law and practice currently in force in the Grand Duchy of Luxembourg and is subject to changes therein.

1) The Company

(a) **Luxembourg**

The Company is not liable for any Luxembourg income tax, nor are dividends paid by the Company liable to any Luxembourg withholding tax. No stamp or other tax is payable in Luxembourg on the issue of Shares.

In relation to each Sub-Fund, P, R, N, I, H, S, M and E classes of Shares may be issued. The classes of Shares that are not restricted to Institutional Investors are subject (except as indicated below) to a *taxe d'abonnement* of 0.05% per annum and the classes of Shares that are restricted to Institutional Investors are liable in Luxembourg to a *taxe d'abonnement* of 0.01% per annum, pursuant to articles 174 and following of the 2010 Law. The *taxe d'abonnement* is calculated on the Net Asset Value of the Sub-Funds represented by those Shares. Such tax shall be paid by the Company quarterly on the basis of the Net Asset Values at the end of the relevant calendar quarter.

The benefit of the 0.01% *taxe d'abonnement* is available to Institutional Investors on the basis of the Luxembourg legal, regulatory and tax provisions as these are known to the Company at the date of the Prospectus and at the time of admission of subsequent investors. However, such assessment is, for the past and for the future, subject to such interpretations on the status of an institutional investor by any competent authorities as will exist from time to time. Any reclassification made by an authority as to the status of an investor may submit the entire class of Shares of a Sub-Fund to a *taxe d'abonnement* of 0.05% per annum.

Classes of Shares that are not restricted to Institutional Investors may however be liable to the reduced 0.01% tax d'abonnement if held by Institutional Investors pursuant to articles 174 and following of the 2010 Law.

In relation to the Short-Term Money Market (EUR), Short-Term Money Market (USD), Short-Term Money Market (GBP) and Short-Term Money Market (CHF), Sub-Funds, the Shares are liable in Luxembourg to a *taxe d'abonnement* of 0.01% per annum. The benefit of the 0.01% *taxe d'abonnement* is available for all investors (with or without the status of Institutional Investors) on the basis of article 174 (2) (a) of the 2010 Law.

No Luxembourg tax is payable on the realized or unrealized capital appreciation of the assets of the Company.

(b) **Germany**

Certain Sub-Funds are managed in accordance with the so-called partial exemption regime for equity or mixed funds under section 20 paragraph 1 of the GITA. If applicable, the criteria to be met by the Sub-Funds in order to benefit from the partial exemption regime under the GITA are set out under paragraph 21.2.

(c) **General**

Dividends and/or interest received by the Company on its investments may be subject to non-recoverable withholding taxes in the countries of origin. As far as possible, these taxes will be reclaimed by the Management Company on behalf of the shareholders concerned, as appropriate, under the terms of double taxation treaties or other specific conventions.

2) Shareholders

(a) **Luxembourg**

Shareholders are not subject to any capital gains, income, withholding, gift, estate, inheritance or other tax in Luxembourg (except for shareholders domiciled, resident or having a permanent establishment in Luxembourg).

(b) **General**

Investors should ascertain from their professional advisers the consequences of their acquiring, holding, redeeming, converting, transferring or selling shares under the laws of the jurisdictions to which they are subject, including the tax consequences and any foreign-exchange-control requirements.

3) Automatic exchange of information in the field of taxation

The OECD received a mandate by the G8/G20 countries to develop a common reporting standard ("CRS") to achieve a comprehensive and multilateral automatic exchange of information (AEOI) in the future on a global basis. The CRS will require Luxembourg financial institutions to identify financial assets holders and establish if they are fiscally resident in countries with which Luxembourg has a tax information sharing agreement. Luxembourg financial institutions will then report financial account information of the assets holder to the Luxembourg tax authorities, which will thereafter automatically transfer this information to the competent foreign tax authorities on a yearly basis. Investors in the Company may therefore be reported to the Luxembourg and other relevant tax authorities under the applicable rules.

On this basis, the Euro-CRS Directive has been adopted on 9 December 2014 in order to implement the CRS among the member States of the European Union. Under the Euro-CRS Directive, the first AEOI must be applied by 30 September 2017 within the limit of the member States of the European Union for the data relating to calendar year 2016.

In addition, Luxembourg signed the OECD's multilateral competent authority agreement ("Multilateral Agreement") to automatically exchange information under the CRS. The Multilateral Agreement aims to implement the CRS among non EU member States; it requires agreements on a country by country basis.

Under the 2015 Law, implementing the Euro-CRS Directive, the Company is committed to report, by virtue of its status of Luxembourg Reporting Financial Institution as defined by the 2015 Law, the information listed under article 4 of the 2015 Law and related to Reportable Accounts (as such term is defined under the 2015 Law) such as the identity and residence of financial account holders (including certain entities and their controlling persons), account details, account balance/value and income/sale or redemption proceeds to the local tax authorities of the country of residency of the foreign investors to the extent that they are resident of another EU member State.

It is also possible that AEOI would occur at a later stage among non EU member States.

Investors should consult their professional advisors on the possible tax and other consequences with respect to the implementation of the CRS.

18. DOCUMENTS AVAILABLE TO INVESTORS

18.1 Documents available for inspection

Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Company:

(a) Management Company Agreement;

(b) Investment Management Agreements plus amendments thereto;

(c) Asset Allocation Agreement;

(d) Depositary and Central Administration Agreements;

(e) Co-management Agreements;

(f) the Articles.

The agreements under (a) to (f) above may be amended by mutual consent of the parties thereto.

18.2 Key information document

An up to date key information document relating to each Sub-Fund is available on the Lombard Odier Group website (www.loim.com). A hard copy can be supplied to investors on request and free of charge.

18.3 Other documents

The following documents are available on the Lombard Odier Group website (www.loim.com):

- the index rule book or equivalent explanatory document of the relevant Index under either the Commodity Swap (under 3.3.1), the Backwardation Swap (under 3.3.2), the Commodity Curve Arbitrage Swap (under 3.3.3) and the Commodity Transition Materials Swap (under 3.3.4) (a copy may be obtained at the registered office of the Company on request free of charge);
- the index rule book of the relevant underlying indices of the main index mentioned above, if applicable (a copy may be obtained at the registered office of the Company on request free of charge);
- the list of applicable Payment Date as mentioned in Annex A;
- summary description of the strategies for the exercise, to the exclusive benefit of the Sub-Funds concerned, of voting rights attached to instruments held in the portfolios managed by the Management Company;
- the disclosures to be made available to investors pursuant to SFDR, as further detailed in paragraph 3.1 (xi);
- the details of the up-to-date remuneration policy, including information on how the remuneration policy is consistent with the integration of sustainability risks.

19. MEETINGS, REPORTS AND INFORMATION TO SHAREHOLDERS

The annual general meeting of shareholders of the Company will be held, in accordance with Luxembourg law, in Luxembourg at the registered office of the Company, or at such other place in the Grand Duchy of Luxembourg at such date and time as may be specified in the notice of meeting within six months following the end of the financial year. Other general meetings of shareholders of the Company or of a Sub-Fund or class of Shares may be held at such time and place as are indicated in the notices of such meetings.

The shareholders of any Sub-Fund or any class of Shares may hold or be convened to, at any time, general meetings to decide on any matters which relate exclusively to such Sub-Fund or class of Shares.

Two or more Sub-Funds or classes of a Sub-Fund may be treated as a single Sub-Fund or class if such Sub-Funds or classes would be affected in the same way by the proposals requiring the approval of holders of Shares relating to separate Sub-Funds or classes.

Notices of general meetings and other notices shall be given in accordance with Luxembourg Law. If all Shares are in registered form and if no publications are required by any applicable law, convening notices may be mailed by registered mail only or in any manner as set forth in applicable law. If so permitted by law, the convening notice may be sent to a shareholder by any alternative means of communication having been accepted by such shareholder in the manner and conditions described in the Articles.

Notices will specify the place and time of the meeting, the conditions of admission, the agenda, the quorum and voting requirements, including that the quorum and majority rules of the meeting will be determined in respect of the Shares as issued at 12.00 p.m. Luxembourg time, five days preceding such meeting. Notices of all meetings shall be sent to holders of registered Shares at their address indicated in the register of shareholders of the Company.

All other notices are sent to registered shareholders and, if required, are published on Lombard Odier Group website (www.loim.com) and/or published in such newspapers as the Directors may determine. In the case of publication in foreign jurisdictions the Directors may apply the "home country rule" according to which a publication will be made in the relevant jurisdictions as long as such publication is required under Luxembourg law. In the absence of such requirement under Luxembourg law, the Directors may choose not to publish in foreign jurisdictions to the extent that this alternative is permitted under the local laws of the relevant foreign jurisdictions. In addition, the Directors may, given the circumstances and having regard to the interest of the shareholders, adopt complementary means of communication, including the Lombard Odier Group website (www.loim.com), to ensure a prompter and more efficient information of the shareholders.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, notably the right to participate in general shareholders' meetings if the investor is registered himself and in his own name in the register of shareholders of the Company. Every registered shareholder must provide the Company with an address and for shareholders that have individually accepted being notified via email, an email address, to which all notices and announcements from the Company may be sent. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

The financial period of the Company ends on 30 September of each year. The annual report containing the audited consolidated financial accounts expressed in USD of the Company in respect of the preceding financial period will be made available at the registered office of the Company at least 8 days before the annual general meeting. Unaudited semi-annual reports as at 31 March will be made available within two months of the end of the relevant date. Copies of all financial reports will be available at the registered office of the Company and from the Foreign Representatives.

The Directors may, at their discretion, decide that information regarding the Sub-Funds investments may be available for some or all investors of the Company. If this information is only provided to some investors, the Directors will ensure that (i) such investors need the information to comply with legal, regulatory, tax or other mandatory requirements, (ii) investors will keep the information confidential and (iii) investors will not use the information to take advantage of the expertise of the Investment Managers of the Company.

In compliance with the provisions of the 2010 Law, CSSF Regulation 10-4 and CSSF Circular 18/698, the Management Company has implemented and maintains effective certain policies, procedures and strategies including:

- a procedure for the reasonable and prompt handling of complaints received from shareholders: in this context, shareholders are given the opportunity to file complaints free of charge, in the official language(s) of their country of residence, to their respective local representatives or directly to the Management Company using the addresses and contact details provided in Section 1; the latter will take care of handling of clients complaints in the most diligent, transparent and objective manner possible;
- strategies for the exercise, to the exclusive benefit of the Sub-Funds concerned, of voting rights attached to instruments held in the portfolios managed by the Management Company: a summary description of these strategies are available on the Lombard Odier Group website www.loim.com and the details of the actions taken on the basis of those strategies can be supplied free of charge to investors upon request made to the Management Company;

- inducements: the essential terms of the arrangements relating to the fees, commissions or non-monetary benefits, the Management Company may receive in relation to the activities of investment management and administration of the Fund are disclosed in this Prospectus and/or in periodic reports, as the case may be. Further details can be supplied free of charge to investors upon request made to the Management Company; and
- procedures relating to the management of conflicts of interest - details of this procedure are available on the Lombard Odier Group website (www.loim.com).

20. APPLICATION PROCEDURE

Provided the conditions set forth in paragraph 12.2 are fulfilled, application may be made by investors in accordance with either of the methods described below:

(a) written application to the Company in Luxembourg c/o its Transfer Agent:

CACEIS Bank, Luxembourg Branch
5, allée Scheffer
2520 Luxembourg
Grand Duchy of Luxembourg
Telephone Number: (352) 47 67 59 99
Facsimile Number: (352) 47 67 70 63, or

(b) written application to the Global Distributor or any Distributor containing the required information.

In compliance with the forward pricing principle, written applications must be received by the Company not later than the Cut-off time (see Annex A in relation to a given Sub-Fund). Written applications must be accompanied by either a Bankers draft or a notification of a completed Swift transfer form, except otherwise agreed in writing with the Company. All deals will be effected on a forward pricing basis. Payment of the Issue Price must be made in full for value before the Payment Date mentioned in Annex A in relation to a given Sub-Fund, except otherwise agreed in writing with the Company. Other methods of payment are subject to the prior agreement by the Company. The allotment of Shares is conditional upon receipt by the Depositary of cleared monies within the time limit mentioned under Payment Date in Annex A in relation to a given Sub-Fund (or within such deadline previously agreed with an investor). If timely settlement is not made, an application may lapse and be cancelled.

Payment should be made in the Reference Currency or the Alternative Currency, in the case of classes issued in an alternative currency, of the relevant Sub-Fund in which Shares are subscribed by a telegraphic transfer in favor of CACEIS Bank, Luxembourg Branch on the following accounts:

USD JP Morgan Chase
Swift code: CHASUS33
Account Name: CACEIS Bank, Luxembourg Branch
Account Number: 796706786
Chips number: 0002
ABA number: 021000021

EUR Direct via TARGET II
Swift code: BSUILULLXXX
Account Name: CACEIS Bank, Luxembourg Branch

GBP HSBC Bank Plc, International
Swift code: MIDLGB22
IBAN: GB63MIDL40051535210915
Sort Code: 40-05-15
Account Number: 35210915 - CACEISBL

JPY Bank of Tokyo-Mitsubishi UFJ, Tokyo
Swift code: BOTKJPJT
Account Number: 653-0418285

CHF UBS Zürich
Swift code: UBSWCHZH80A
Account Number: 02300000060737050000Z
IBAN: CH540023023006073705Z

HKD Standard Chartered Bank, Hong Kong
Swift code: SCBLHKHH
Account Number: 44709404622

SEK Skandinaviska Enskilda Banken
Swift code: ESSESESS
Account Number: 52018532790
IBAN: SE5350000000052018532790

NOK Nordea Bank Norge
Swift code: NDEANOKK
Account Number: 60010209253
IBAN: NO4560010209253

CAD Canadian Imperial Bank of Commerce
Swift code: CIBCCATT
Account Number: 1811118

AUD Westpac Banking Corporation Intl Div.
Swift code: WPACAU2S
Account Number: AIS0020979

indicating the proper identity of the applicant(s) and the name of the relevant Sub-Fund in which Shares are subscribed.

20.1 Applications and Confirmations

(i) A corporation must execute any application under its common seal or under the hand of a duly authorized officer whose capacity should be stated;

(ii) if any application or confirmation is signed by proxy, the power of attorney must accompany the application;

(iii) notwithstanding i) and ii) above, an application signed by a bank or any other person on behalf of, or purportedly on behalf of, a corporation may be accepted.

20.2 General

The Company reserves the right to reject, at its sole discretion, any subscription request for Shares and to accept any application in part only.

The Directors may, at any time and in their discretion, impose restrictions on the issuance of Shares of a Sub-Fund (also resulting from conversion requests) for any period of time. In addition, the Directors may, in their discretion, decide to apply such restrictions to all investors or a determined category of investors. In these cases, the investors whose subscription request has been rejected will be properly informed.

Similarly, the Directors may, at any time and in their discretion, revoke totally or partially any restrictions taken by virtue of the preceding paragraph. In such event, the public may be informed by way of a publication on the Lombard Odier Group website (www.loim.com) of the decision taken by the Board in this respect.

If any application is not accepted in whole or in part, the application monies or the balance thereof will be posted forthwith to the applicant, at the risk of the person(s) entitled thereto.

The Company reserves the right to withhold Share Certificates and, if applicable, any excess application monies pending clearance of the application monies.

The applicant must provide the Global Distributor, the Distributor or the Central Administration Agent with all necessary information which the Global Distributor, the Distributor or the Central Administration Agent may reasonably require to verify the identity of the applicant and his/her eligibility to subscribe or hold Shares. Applicant is required to provide evidence of its status under FATCA by means of any relevant tax documents, such as a "W-8BEN" form of the US Internal Revenue Service (or an equivalent acceptable form, document or certification) that must be renewed on a regular basis according to applicable regulation and/or a global intermediary identification number as the case may be. Failure to do so may result in the Company refusing to accept the subscription for Shares in the Sub-Funds. The Company shall not be held liable for the consequences arising from any delay or rejection of a subscription order resulting from the applicant's failure to produce satisfactory information or documents in a timely fashion.

Applicants must indicate whether they invest on their own account or on behalf of a third party. Investments in I Shares and S Shares are subject to the conditions mentioned in paragraph 2.2. The Company may request from investors subscribing in I Shares or S Shares the provision of all documents or information evidencing that they meet the relevant criteria to invest in such classes of Shares. In addition, the Company may refuse applications to invest in I and S Shares as long as all the required information and documents abovementioned are not in its possession or for any other appropriate reasons.

Rules related to anti-money laundering/combating the financing of terrorism:

Pursuant to international rules and Luxembourg laws and regulations comprising, but not limited to, the Luxembourg law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended, CSSF Regulation 12-02 and circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the identity of the applicant must be ascertained in accordance with Luxembourg laws and regulations. Consequently, and except for companies who are regulated professionals of the financial sector, bound in their country by rules on the prevention of money laundering equivalent to those applicable in Luxembourg, any applicant applying in its own name is obliged to submit to the Global Distributor, the Distributor or the Central Administration Agent all necessary information which the Global Distributor, the Distributor or the Central Administration Agent may reasonably require to verify the identity of the applicant and in the case of it acting on behalf a third party, of the beneficial owner(s). Furthermore, any such applicant hereby undertakes that it will notify the Global Distributor, the Distributor or the Central Administration Agent prior to the occurrence of any change in the identity of any such beneficial owner. Also, such applicant hereby undertakes that it will notify the Transfer Agent and either the Company or the Management Company of a change of circumstances as further explained in paragraph 13.1 in the manner agreed between the Company and the applicant or disclosed in the Prospectus.

20.3 Key information document

According to the 2010 Law, the key information document must be provided to investors in good time before their proposed subscription for Shares.

Before investing, investors are invited to visit the Lombard Odier Group website (www.loim.com) and download the relevant key information document prior to his/her application. The same diligence is expected from the investor wishing to make additional subscriptions in the future since updated versions of the key information document will be published from time to time.

In case of written applications made directly to the Company in Luxembourg c/o its Transfer Agent, the Company and/or its Transfer Agent may require confirmation from the investor that he/she has consulted the relevant key information document before subscription.

The above shall apply *mutatis mutandis* in case of conversion.

20.4 Personal Data

The Company and the Management Company collect personal data of shareholders in accordance with GDPR as well as with any other applicable data protection laws or regulations to which they are subject (together the "Data Protection Laws").

Shareholders are informed that their personal data (as defined in GDPR) including, without limitation, information about their legal representatives (such as directors, officers, controlling persons, authorized signatories or employees) given in the subscription documents or otherwise in connection with an application to subscribe for Shares, as well as details of their shareholding, will be stored in digital form as well as in hard copies and may be collected, transferred, used or otherwise processed by the Company and Management Company, as well as their employees, officers or agents for achieving the specific purposes detailed hereunder in compliance with the provisions of the Data Protection Laws.

Shareholders must also be aware that telephone conversations with the Management Company, any entity of the Lombard Odier Group, the Depositary and the Central Administration Agent may be recorded. Recordings are considered as personal data and will be conducted in compliance with the Data Protection Laws. Recordings may be produced in court or other legal proceedings with the same value in evidence as a written document.

The processing of personal data is necessary for the following purposes (the "Purposes"):

(i) for the provision of services to the shareholders such as central administrative and transfer agent services (including the management of subscription, redemption or transfer of Shares, maintaining the register of shareholders' and clients records, shareholders' communications);

(ii) for compliance with applicable legal and regulatory obligations, including anti-money laundering, client identification or tax reporting obligations (such as, but not limited to, FATCA and CRS as further described below);

(iii) for the purposes of the legitimate interests pursued by the Company and Management Company (such as communication of information within the Lombard Odier Group to provide the above-mentioned services as well as for client relationship management and internal administrative purposes).

Personal data will only be processed for the Purposes for which it was collected, unless otherwise permitted under the Data Protection Laws.

In order to achieve the above-mentioned Purposes, shareholders should be aware that their personal data may be disclosed to other companies within the Lombard Odier Group, to CACEIS Bank, Luxembourg Branch as Central Administration Agent and Depositary and to any other member of the CACEIS Group and other parties which assist CACEIS Bank, Luxembourg Branch in carrying out its duties to the Company and Management Company. Personal Data may also be disclosed to other delegates, agents and other service providers engaged by the Company and Management Company as well as their employees, officers, agents and to tax, governmental, regulatory authorities when required by applicable laws or regulations.

Personal Data may, in connection with the above Purposes, be transferred outside of the EEA, where data protection laws may provide less protection than the laws of the EU. Reasonable measures are taken to ensure the security and confidentiality of any personal data transmitted. The Management Company and Company will ensure that any party based outside of the EEA to which personal data are disclosed apply an adequate level of protection, either because an adequacy decision has been adopted by the EU Commission in relation to such country or because such transfers will be subject to other appropriate safeguards authorised under EU law. Shareholders acknowledge and agree that the Company, the Management Company and other entities of the Lombard Odier Group limit their liability to the maximum extent permitted under applicable law in respect of personal data being obtained by unauthorised third parties.

The personal data shall be stored during the time required by law. The personal data shall not be held for longer than necessary with regard to the Purposes of the data processing.

In the manner and subject to the limitations prescribed in the Data Protection Laws, shareholders have a right of access, rectification and/or deletion of their personal data in cases where such data is incorrect, incomplete or outdated. Shareholders may also request restrictions in the use of their personal data and request to receive a copy of their personal data. Any request relating to the processing of personal data may be addressed by e-mail to luxembourg-funds@lombardodier.com or by letter at the registered office of the Company. A complaint can also be lodged with the public authority responsible for monitoring the application of GDPR in the relevant Member State. In the Grand Duchy of Luxembourg, the supervisory authority is the CNPD (Commission Nationale pour la Protection des Données).

If the shareholder is not a natural person, it undertakes to inform its legal representatives and beneficial owners about the abovementioned processing of personal data, purposes of the processing, recipients, possible transfer of personal data outside the EEA, retention period and rights in relation to such processing.

Data protection information in the context of CRS processing

By virtue of Chapter 3 of the 2015 Law (see Section 17 / 3. Automatic exchange of information in the field of taxation), the Company will gather and report personal information targeted by and in compliance with the 2015 Law. In this respect, shareholders are informed that:

- the Company is responsible for the treatment of personal data related to them;
- the personal data is gathered with a view to complying with the 2015 Law and serving its purpose,
- the data will be communicated to the Luxembourg tax authorities as well as to the authority of a Jurisdiction Subject to Reporting (as such term is defined in the 2015 Law);
- answer to questions asked by the Company or its delegate/agent is mandatory and, failing to provide the appropriate answer, the Company may reject any order submitted by the shareholders or proceed to the compulsory redemption of the Shares held by the shareholders;
- the shareholders concerned by the above measures have a right to access the data communicated to the Luxembourg tax authority and rectify such data.

21. SPECIFIC INFORMATION FOR INVESTORS IN FOREIGN COUNTRIES

21.1 Specific Information for Investors in France

For investors in France, the Europe All Cap Leaders, the Continental Europe Small & Mid Leaders and the Continental Europe Family Leaders Sub-Funds (individually a "PEA Eligible Sub-Fund" and collectively the "PEA Eligible Sub-Funds") are eligible investment for a PEA (Plan d'épargne en actions). This means the PEA Eligible Sub-Funds have at least 75% of their Net Asset Value invested in the equity of corporate issuers with their registered office in an EEA country.

The Directors reserve the right to cease managing any of the PEA Eligible Sub-Funds according to PEA requirements should they determine that maintaining the PEA compliance status of the relevant PEA Eligible Sub-Fund would (i) no longer enable the PEA Eligible Sub-Fund to comply with its investment objectives, (ii) not be in the interests of the shareholders in the PEA Eligible Sub-Fund or (iii) be impractical due to changing market conditions. Should the Directors decide to cease managing the PEA Eligible Sub-Fund so it is eligible for investment through a PEA, the Directors will notify the registered shareholders resident in France at least one month in advance of the relevant PEA Eligible Sub-Fund ceasing to be managed to be eligible for investment through a PEA.

21.2 Specific Information for Investors taxed in Germany

Certain Sub-Funds are managed in accordance with the so-called partial exemption regime for equity or mixed funds under section 20 paragraph 1 of the GITA. This means that these Sub-Funds invest permanently at least 50% ("Equity Fund") or 25% ("Mixed Fund") of their assets in equity participations (the "Equity Participation Ratio").

For the purpose of maintaining the Equity Participation Ratio of such Sub-Funds, "equity participations" include:

(1) shares of companies (excluding depository receipts) that are admitted to an Official Listing or dealt in on a Regulated Market; and/or

(2) shares of companies other than a real estate companies which are (i) having their registered office in a Member State, and where they are subject to, and not exempt from, corporate income tax or (ii) having their registered office in a non-Member State and subject to corporate income tax of at least 15%; and/or

(3) units of UCITS or UCIs not organized as partnerships, which qualify themselves as an Equity Funds or Mixed Funds provided that they either (i) invest permanently at least 50%, respectively 25 % of their assets in equity participation in accordance with their offering or constitutive documents or (ii) report their Equity Participation Ratio on a daily basis.

Except in cases mentioned above in paragraph (3), units of a UCITS or UCIs are not considered as equity participations.

For the avoidance of doubt, portfolio securities lent by the Sub-Funds in accordance with paragraph 4.5.1 are not taken into account for the purposes of computing the Equity Participation Ratio.

When a Sub-Fund qualifies as an Equity Fund or Mixed Fund, this will be disclosed in Annex A in relation to a Sub-Fund.

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* This Sub-Fund is dormant at the time of issuance of the Prospectus and may be launched at any time. Investors are prompted to consult the Lombard Odier Group website (www.loim.com) to find out whether the Sub-Fund has been launched in the period between the issuance of the Prospectus and its following review during which the list of dormant Sub-Funds is updated.

** Without prejudice to the provisions of the Section "Liquidation, Compulsory Redemption and Amalgamation of Sub-Funds", it is the intention to manage each of these Sub-Funds until sometime in the year indicated in the investment policy (hereafter referred as "the Term"), to liquidate it at the Term and to pay investors all the liquidation proceeds in cash thereafter. However, (i) should exceptional market conditions prevail at the Term and should the Investment Manager believe that the sale of the Sub-Fund's assets is not in the best interest of shareholders, the Board may decide to defer the sale and final payment of the liquidation proceeds by up to four months after the end of the year indicated in the investment policy, in which case the shareholders will be notified accordingly thirty day in advance or (ii) should the objective return be achieved before the Term and should the Investment Manager believe that the sale of the Sub-Fund's assets before the Term is in the best interest of shareholders, the Board may liquidate or merge the Sub-Fund before the Term, in which case the shareholders will be notified accordingly at least thirty days before the liquidation or (iii) should appropriate market conditions prevail close to the Term and should the Investment Manager believe that it is in the best interest of shareholders, the Board may decide to set up a new investment period (i.e., a new Term), in which case the shareholders will be notified accordingly at least thirty days before the end of the initial Term and will be offered the right to request the redemption of their Shares without redemption charge or the conversion of their Shares into Shares of another Sub-Fund at no cost. The name of the Sub-Fund will likely be modified to reflect the new Term.

Asset Allocation Sub-Fund

LO Funds – All Roads Conservative

Investment Objective and Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund implements an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies, including CNH and CNY. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.2). The Investment Manager uses its discretion with regard to the selection of issuers, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies).

The Sub-Fund may invest up to 10% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Up to 20% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The Investment Manager may implement qualitative and/or systematic strategies, such as risk-based methodologies. According to such methodology the weight of any given asset or Group of Assets is adjusted in order to control its contribution to the total portfolio risk. Other things equal, the higher the risk of loss of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing various data such as historical price movements.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) and indices (including commodity indices).

With respect to strategies involving exposure to commodities, their exposure is achieved through the use of a swap agreement as further explained under paragraph 3.3.1 and paragraph 3.3.2.

Also, as part of the implementation of its investment strategy, the Sub-Fund has been exposed on a continuous basis to an unfunded excess return swap agreement as further explained under paragraph 3.3.5. According to the Investment Manager, such unfunded excess return swap is an efficient tool to implement a long/short strategy on equity while reducing costs as well as liquidity risks.

The Sub-Fund will only enter into swap agreements with counterparties which are first-class financial institutions.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

The Sub-Fund's strategy aims at implementing a conservative risk profile. The level of expected leverage is deemed to remain relatively low.

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

With respect to the dividend policy of the Shares, in addition to the provisions set forth in the Dividend Policy Section of the Prospectus, the following principles may apply:

- there may be fixed distributions of dividend the amount of which is to be determined on the first distribution of a given year by the Board for the year to which they relate;
- the periodicity of distributions may be annual or semi-annual.

The Board has discretion to implement the above principles and amend or adjust the amount of the fixed distributions as well as the periodicity of their payments having regard to market events or other circumstances such as investors' requirements and their best interest.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

The Sub-Fund's leverage under the sum of notional of financial derivative instruments approach is expected to be around 130% of Net Asset Value.

The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to range between 5% and 20% of Net Asset Value. In cases where this range is exceeded, exposures should remain below 40%.

Investors should note that expected exposures and leverage may be exceeded.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Asset Allocation Sub-Fund

LO Funds – All Roads

Investment Objective and Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund implements an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies, including CNH and CNY. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.2). The Investment Manager uses its discretion with regard to the selection of issuers, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies).

The Sub-Fund may invest up to 10% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Up to 20% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The Investment Manager may implement qualitative and/or systematic strategies, such as risk-based methodologies. According to such methodology the weight of any given asset or Group of Assets is adjusted in order to control its contribution to the total portfolio risk. Other things equal, the higher the risk of loss of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing various data such as historical price movements.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) and indices (including commodity indices).

With respect to strategies involving exposure to commodities, their exposure is achieved through the use of a swap agreement as further explained under paragraph 3.3.1 and paragraph 3.3.2.

Also, as part of the implementation of its investment strategy, the Sub-Fund has been exposed on a continuous basis to an unfunded excess return swap agreement as further explained under paragraph 3.3.5. According to the Investment Manager, such unfunded excess return swap is an efficient tool to implement a long/short strategy on equity while reducing costs as well as liquidity risks.

The Sub-Fund will only enter into swap agreements with counterparties which are first-class financial institutions.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

The Sub-Fund's strategy aims at implementing a balanced risk profile. The level of expected leverage is deemed to remain relatively moderate.

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

With respect to the dividend policy of the Shares, in addition to the provisions set forth in the Dividend Policy Section of the Prospectus, the following principles may apply:

- there may be fixed distributions of dividend the amount of which is to be determined on the first distribution of a given year by the Board for the year to which they relate;
- the periodicity of distributions may be annual or semi-annual.

The Board has discretion to implement the above principles and amend or adjust the amount of the fixed distributions as well as the periodicity of their payments having regard to market events or other circumstances such as investors' requirements and their best interest.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

The Sub-Fund's leverage under the sum of notional of financial derivative instruments approach is expected to be around 250% of Net Asset Value.

The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to range between 10% and 60% of Net Asset Value. In cases where this range is exceeded, exposures should remain below 80%.

Investors should note that expected exposures and leverage may be exceeded.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Asset Allocation Sub-Fund

LO Funds – All Roads Growth

Investment Objective and Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund implements an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies, including CNH and CNY. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.2). The Investment Manager uses its discretion with regard to the selection of issuers, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies).

The Sub-Fund may invest up to 15% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Up to 35% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The Investment Manager may implement qualitative and/or systematic strategies, such as risk-based methodologies. According to such methodology the weight of any given asset or Group of Assets is adjusted in order to control its contribution to the total portfolio risk. Other things equal, the higher the risk of loss of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing various data such as historical price movements.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) and indices (including commodity indices).

With respect to strategies involving exposure to commodities, their exposure is achieved through the use of a swap agreement as further explained under paragraph 3.3.1 and paragraph 3.3.2.

Also, as part of the implementation of its investment strategy, the Sub-Fund has been exposed on a continuous basis to an unfunded excess return swap agreement as further explained under paragraph 3.3.5. According to the Investment Manager, such unfunded excess return swap is an efficient tool to implement a long/short strategy on equity while reducing costs as well as liquidity risks.

The Sub-Fund will only enter into swap agreements with counterparties which are first-class financial institutions.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

The Sub-Fund's strategy aims at implementing a growth risk profile. The level of expected leverage is deemed to remain relatively high.

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

With respect to the dividend policy of the Shares, in addition to the provisions set forth in the Dividend Policy Section of the Prospectus, the following principles may apply:

- there may be fixed distributions of dividend the amount of which is to be determined on the first distribution of a given year by the Board for the year to which they relate;
- the periodicity of distributions may be annual or semi-annual.

The Board has discretion to implement the above principles and amend or adjust the amount of the fixed distributions as well as the periodicity of their payments having regard to market events or other circumstances such as investors' requirements and their best interest.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

The Sub-Fund's leverage under the sum of notional of financial derivative instruments approach is expected to be around 350% of Net Asset Value.

The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to range between 20% and 105% of Net Asset Value. In cases where this range is exceeded, exposures should remain below 140%.

Investors should note that expected exposures and leverage may be exceeded.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Asset Allocation Sub-Fund

LO Funds – All Roads Enhanced

Investment Objective and Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund implements an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies, including CNH and CNY. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.2). The Investment Manager uses its discretion with regard to the selection of issuers, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies).

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Up to 45% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The Investment Manager may implement qualitative and/or systematic strategies, such as risk-based methodologies. According to such methodology the weight of any given asset or Group of Assets is adjusted in order to control its contribution to the total portfolio risk. Other things equal, the higher the risk of loss of an asset or Group of Assets, the lower its weight in the portfolio. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing various data such as historical price movements.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) and indices (including commodity indices).

With respect to strategies involving exposure to commodities, their exposure is achieved through the use of a swap agreement as further explained under paragraph 3.3.1 and paragraph 3.3.2.

Also, as part of the implementation of its investment strategy, the Sub-Fund has been exposed on a continuous basis to an unfunded excess return swap agreement as further explained under paragraph 3.3.5. According to the Investment Manager, such unfunded excess return swap is an efficient tool to implement a long/short strategy on equity while reducing costs as well as liquidity risks.

The Sub-Fund will only enter into swap agreements with counterparties which are first-class financial institutions.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

The Sub-Fund's strategy aims at implementing a growth risk profile. The level of expected leverage is deemed to remain relatively high.

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

With respect to the dividend policy of the Shares, in addition to the provisions set forth in the Dividend Policy Section of the Prospectus, the following principles may apply:

- there may be fixed distributions of dividend the amount of which is to be determined on the first distribution of a given year by the Board for the year to which they relate;
- the periodicity of distributions may be annual or semi-annual.

The Board has discretion to implement the above principles and amend or adjust the amount of the fixed distributions as well as the periodicity of their payments having regard to market events or other circumstances such as investors' requirements and their best interest.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

The Sub-Fund's leverage under the sum of notional of financial derivative instruments approach is expected to be around 500% of Net Asset Value.

The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to range between 100% and 200% of Net Asset Value. In cases where this range is exceeded, exposures should remain below 300%.

Investors should note that expected exposures and leverage may be exceeded.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Asset Allocation Sub-Fund

LO Funds – Event Driven

Objective

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund's objective is to generate returns by implementing an event driven strategy. Such strategy seeks to benefit from corporate events such as, but not limited to, reorganization, restructuring, merger, acquisition, spin-off and other corporate changes that offer capital structure arbitrage opportunities: depending on the regulatory environment and possible synergies from the corporate events mentioned above, the company's stock price may deviate from the consensus price established before the event takes place.

Strategies and portfolio construction

The Investment Manager combines securities across the capital structure of issuers to create asymmetric opportunities around events.

The investment approach enhances traditional fundamental event driven analysis with the convexity available from the combination of equities, credit and related financial derivatives. The strategy employs a methodical and disciplined investment process, which begins with screening and analysis systems to filter the universe of company events and dislocations, and results in a portfolio of positions with asymmetric trade structures. This strategy is based on the concept that markets may not be fully efficient and therefore, the Investment Manager will seek to layer the optionality from traditional fundamental corporate events, with inefficiencies across multiple asset classes (product convexity), aiming at creating a more predictable return profile.

Portfolio governance

Portfolio governance is ensured by applying pre-trade and post-trade reviews by the Investment Manager and the risk management department. These reviews are factored in the decision taking through ongoing discussions between the Investment Manager and the risk management department with each having well-delineated areas of responsibility.

On a daily basis, the Investment Manager reviews the portfolio to assess risk at portfolio and position level. Ensuing actions could include weight rebalancing, profit locking, loss limiting and premium recovery.

The risk management department provides advanced analytical insight and monitors respect of risk parameters.

Investment policy

The Sub-Fund may invest in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities and equity related securities (including, but not limited to warrants and, up to 10% of its net assets, in SPACs), commodities, Coco Bonds (which may represent up to 20% of the Sub-Fund's assets), currencies and/or Cash and Cash Equivalents, denominated in any currencies (including Emerging Market currencies). The instruments described above may be of any credit quality (including below investment-grade and Distressed Securities (up to 10% of its net assets) as described in paragraph 3.2).

The Investment Manager uses its discretion with regard to the selection of issuers, markets and currencies. The Investment Manager may implement qualitative and/or systematic strategies. The Investment Manager may use a wide range of financial derivative instruments (in particular, but not limited to CFDs, options, futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives) to take long and short positions on any of the above-mentioned asset classes, instruments, currencies, markets and/or indices (including commodity indices). In certain circumstances, the net exposure of the Sub-Fund to financial markets may be negative.

The use of financial derivative instruments as part of the investment strategy may result in a higher level of leverage and increase the overall risk exposure (i.e., the total exposure on derivatives, portfolio and other assets) of the Sub-Fund and the volatility of its Net Asset Value (see paragraph 2.10 of the Risk Factors Annex). Investments in SPACs entail certain risks (see paragraph 2.18 of the Risk Factors Annex).

The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.44%	0.40%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	2.00%	2.00%	2.00%	2.00%	N/A	2.20%	3.50%	N/A
Maximum Distribution Fee	2.00%	2.00%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	Yes. See below.							
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Performance Fee

Absolute Performance Fee		
Percentage	**Hurdle Rate**	**Reference period**
20%	None	1 January (or the first Valuation Day following the launch of a Share class, as applicable) to 31 December, it being noted that the first reference period cannot be shorter than (12) months.

Examples of Performance Fee calculation

	Sub-Fund's NAV at end of reference period (net of all costs, gross of Performance Fee)	Sub-Fund's performance compared to latest High Water Mark	Yearly hurdle rate	Performance Fee	NAV net of Performance Fee	High Water Mark
Y0	100	-	None	-	-	100
Y1	108	8%		1.60%	106.4	106.4
Y2	105	-1.32%		0	105	106.4
Y3	110	3.38%		0.68%	109.29	109.29

The Sub-Fund is launched at Y0 with a NAV of 100.

At the end of the first year (Y1), the NAV is 108 and the Sub-Fund exhibits an absolute positive performance of 8%. The Management Company is entitled to a Performance Fee of 1.6% (8% x 20%). The Performance Fee amounts to 1.6 (1.6% of 100). The Sub-Fund's NAV net of Performance Fee amounts to 106.4 (108 – 1.6) and the High Water Mark is set at 106.40.

At the end of the second year (Y2), the Sub-Fund exhibits a negative absolute performance of -1.32%. The Management Company is not entitled to a Performance Fee. The High Water Mark remains unchanged at 106.40.

At the end of the third year (Y3), the Sub-Fund exhibits an absolute positive performance of 3.38% compared to the latest High Water Mark. The Management Company is entitled to a Performance Fee of 0.68% (3.38% x 20%). The Performance Fee amounts to 0.71 (0.68% of 105). The Sub-Fund's NAV net of Performance Fee amounts to 109.29 (110 – 0.71) and the High Water Mark is set at 109.29.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

500%

Global Exposure and leverage

The Sub-Fund uses financial derivative instruments as part of its investment strategy and is expected to be leveraged. While leverage may present opportunities for increasing the Sub-Fund's total return, it also has the potential of increasing losses. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to the Sub-Fund's investments could result in a substantial loss to the Sub-Fund.

Leverage is defined as the sum of the absolute value of the notional of the financial derivative instruments held in each Sub-Fund’s portfolio (excluding the investment portfolio) divided by its total net assets and therefore does not take into account any netting and hedging arrangements. Leverage shall not be considered as unique risk indicator as a higher degree of leverage does not necessarily imply a higher degree of risk.

The Global Exposure of the Sub-Fund is calculated following the absolute VaR approach. The expected level of leverage is 500%. It should be noted that the strategy makes large use of derivatives for hedging purpose. Investors should note that the expected level of leverage can be exceeded in certain circumstances which are linked, for instance, to sudden changes of market conditions rather than an intent to take additional exposure.

Although this measure of gross notional leverage may in some instances reach what could be considered as high levels, the net (commitment) leverage taking into account netting and hedging shall be substantially lower.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-3 days	Weekly, each Wednesday	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Asset Allocation Sub-Fund

LO Funds – Multiadvisers UCITS

Investment Objective and Policy

The Sub-Fund is actively managed. The HFRI-I Liquid Alternative UCITS index is used for performance comparison only, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in a broad range of funds implementing alternative investment strategies such as, but not limited to, equity long/short, equity market neutral, global macro, convertible arbitrage, distressed, fixed income arbitrage, credit arbitrage, event driven, managed futures or commodities as well as in traditional long-only strategies through equity securities, fixed income securities, convertible securities, money market instruments.

The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies. For each asset or Group of Assets, the risk is calculated using proprietary models analyzing historical price movements amongst others. In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets) and indices (including commodity indices). The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to options, futures, credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-3 days	Weekly, each Tuesday	Up to T+5 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Global

LO Funds – Generation Global

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI World TR ND index is used for performance comparison only, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests, at least two-thirds (2/3rds) of its portfolio, in equity securities, preferred stocks and convertible securities issued by companies worldwide (including Emerging Markets). However, investment in convertible securities may not represent more than 25% of the Sub-Fund's net asset value. This Sub-Fund seeks to achieve superior investment performance by taking a long term investment view and integrating sustainability research within a rigorous fundamental equity analysis framework. Sustainable investing is the explicit recognition that economic, health, environmental, social and governance factors directly affect long term business profitability. The aim of this Sub-Fund is to select companies that demonstrate practices and processes that will sustain their profits in a changing environment. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies (including Emerging Market currencies). The Sub-Fund may invest in Emerging Markets. As part of its Emerging Market exposure, the Sub-Fund may invest up to 10% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, 2.12 with regard to such investments.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in accordance with the applicable diversification rules, hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	1.50%	N/A
Maximum Distribution Fee	0.50%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	Yes. See below.							

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Performance Fee

Relative Performance Fee (as an annual percentage of the performance compared to its benchmark)		
Percentage	**Benchmark**	**Reference period**
20%	MSCI World ND	1 October of year "Y" (or the first Valuation Day following the launch of a Share class, as applicable) to 30 September of the following year "Y+1", it being noted that the first reference period cannot be shorter than twelve (12) months.

Example of Performance Fee calculation

	Sub-Fund's NAV at end of reference period (net of all costs, gross of Performance Fee)	Benchmark's value	Sub-Fund's performance compared to latest reference Net Asset Value	Benchmark's performance compared to Benchmark's value associated with latest reference period when a Performance Fee was paid	Performance of Sub-Fund compared to Benchmark since launch or last reference period when a Performance Fee was paid	Performance Fee	Reference Net Asset Value	Reference Benchmark (ie, Benchmark's value associated with latest reference period when a Performance Fee was paid)
Y0	100	100	-	-	-	-	100	100
Y1	108	105	8.00%	5.00%	3.00%	0.60%	107.35	105
Y2	105	102.9	-2.19%	-2.00%	-0.19%	none	107.35	105
Y3	110	113.19	2.47%	7.80%	-5.33%	none	107.35	105
Y4	120	101.87	11.78%	-2.98%	14.76%	2.95%	116.46	101.87
Y5	128.1	112.06	10.00%	10.00%	0.00%	None	116.46	101.87
Y6	115	95	-1.25%	-6.74%	5.49%	1.10%	113.74	95.00

The Sub-Fund is launched at Y0 with a NAV of 100.

At the end of the first year (Y1), the NAV is 108 (gain of 8%) and the Benchmark is at 105 (gain of 5%). As the Sub-Fund has outperformed its Benchmark by 3%, the Management Company is entitled to a Performance Fee of 0.60% (20% x 3%). The Performance Fee amounts to 0.65 (0.60% x 108). The Sub-Fund's NAV net of Performance Fee amounts to 107.35 (108 – 0.65) and the reference NAV is set at 107.35 and the reference Benchmark is set at 105.

At the end of the second year (Y2), the Sub-Fund has underperformed its Benchmark and the Sub-Fund's NAV has remained below the last reference NAV. Thus, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (107.35 and 105 respectively).

At the end of the third year (Y3), the Sub-Fund's NAV (110) has exceeded the last reference NAV (110 against 107.35) but the Sub-Fund has underperformed the Benchmark. Thus, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (107.35 and 105 respectively)

At the end of the fourth year (Y4), the Sub-Fund exhibits a performance of 11.78% (from 107.35 to 120) and the Benchmark exhibits a performance of –2.98% (from 105 to 101.87). As the Sub-Fund has outperformed its Benchmark by 14.76% (11.78 – (–2.98)), the Management Company is entitled to a Performance Fee of 2.95% (20% x 14.76%). The Performance Fee amounts to 3.54 (2.95% x 120). The Sub-Fund's NAV net of Performance Fee amounts to 116.46 (120 – 3.54), the new reference NAV is set at 116.46 and the reference Benchmark is set at 101.87.

At the end of the fifth year (Y5), the Sub-Fund exhibits a performance of 10% (from 116.46 to 128.10) and the Benchmark exhibits a performance of 10% (from 101.87 to 112.06). As the performance of the Sub-Fund equals the performance of the Benchmark, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (116.46 and 101.87 respectively).

At the end of the sixth year (Y6), the Sub-Fund exhibits a performance of –1.25% (from 116.46 to 115) and the Benchmark exhibits a performance of –6.74% (from 101.87 to 95). As the Sub-Fund has outperformed its Benchmark by 5.49% (–1.25 – (–6.74)), the Management Company is entitled to a Performance Fee of 1.10% (20% x 5.49%). The Performance Fee amounts to 1.26 (1.10% x 115). The Sub-Fund's NAV net of Performance Fee amounts to 113.74 (115 – 1.26), the reference NAV is set at 113.74 and the reference Benchmark is set at 95.

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation".

Prior to 1 January 2021, MSCI Limited was an EU regulated benchmark administrator authorized under the Benchmark Regulation by the UK FCA and on the ESMA register for benchmark administrators.

As of 1 January 2021, MSCI Limited is and remains authorized as a UK benchmark administrator regulated by the UK FCA (and can be found on the FCA Financial Services Register), but is considered a "third country" UK administrator vis-a-vis the EU and will not appear on the ESMA register for benchmark administrators unless and until the EU grants the UK "equivalence" or until MSCI is granted "endorsement" or "recognition".

Additional information on the Benchmark can be found on the website of the administrator: www.msci.com/index-regulation.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Global

LO Funds – TargetNetZero Global Equity

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI World TR ND index is used to define the initial investment universe for individual security selection, for performance comparison as well as for internal risk monitoring purposes. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but the security weightings are expected to differ to a limited extent.

Securities in the above-mentioned index might be excluded from the Sub-Fund's portfolio depending on their involvement in specific activities listed in the SFDR Annex.

Each remaining security is weighted according to the market capitalization of its issuer, its ITR (Implied Temperature Rise) and its carbon footprint, in order to increase significantly the exposure of the Sub-Fund's portfolio to issuers which can contribute to a reduction in global CO_2 emissions and the eventual achievement of net zero CO_2 emissions by 2050. The Sub-Fund's portfolio will aim for a faster rate of reduction in CO_2 emissions when compared to the above-mentioned index. The Sub-Fund's portfolio aims for a significantly reduced carbon footprint when compared to the above-mentioned index.

While the Investment Manager intends to maintain a low tracking error through controlled style, sector and country biases, the level of active risk associated with the realization of the investment objectives is likely to vary over time and is dependent on regulatory, technological and commercial developments external to the Investment Manager, that could significantly impact the temperature alignment or carbon footprint of securities in the Sub-Fund's portfolio.

The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets).

The Sub-Fund may invest up to 10% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The investment approach applied by the Investment Manager to select securities is based on proprietary tools which aim to reduce the risk of climate transition. Moreover, the Sub-Fund seeks to select and allocate to issuers with the objective to form a universe compatible with the fight against global warming. It integrates a wide range of climate objectives covering the risk of transition, the opportunities and the physical risk linked to climate change.

The Sub-Fund's investment portfolio will include issuers already targeting net zero CO_2 emissions by 2050, as well as issuers that may not yet have set such targets but that progressively may be brought into alignment, including through regulatory action, investor engagement and market changes. The achievement of the Sub-Fund's aims are dependent on regulatory, technological and commercial developments external to the Investment Manager and there can be no guarantee that they will be achieved in respect of the above referenced aims.

The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies to select equity securities and allocate capital across sectors.

The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies (including Emerging Market currencies).

Some of the equity securities in the Sub-Fund's portfolio may embed a conversion component which, if exercised, will lead the Sub-Fund to hold fixed-income type securities. Should such an event occur, the Investment Manager will aim to limit such securities to 5% of the Sub-Fund's assets and will endeavor to dispose of such securities, it being understood that the decision to dispose of these securities and the timing of such disposal remain within the discretion of the Investment Manager taking due account of the interests of the investors.

As mentioned in paragraph 3.1, the Sub-Fund may (i) hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	1.50%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation".

Prior to 1 January 2021, MSCI Limited was an EU regulated benchmark administrator authorized under the Benchmark Regulation by the UK FCA and on the ESMA register for benchmark administrators.

As of 1 January 2021, MSCI Limited is and remains authorized as a UK benchmark administrator regulated by the UK FCA (and can be found on the FCA Financial Services Register), but is considered a "third country" UK administrator vis-a-vis the EU and will not appear on the ESMA register for benchmark administrators unless and until the EU grants the UK "equivalence" or until MSCI is granted "endorsement" or "recognition".

Additional information on the Benchmark can be found on the website of the administrator: www.msci.com/index-regulation.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Global

LO Funds – DataEdge Market Neutral

Investment Objective and Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, futures, swaps and options) issued by companies worldwide (including Emerging Markets), as well as in Cash and Cash Equivalents.

The Investment Manager will implement its strategy by getting exposure to companies that it believes to be undervalued and by getting short exposure to companies that it believes to be overvalued. However, the aim of the Investment Manager is to remain market neutral by targeting, under feasibility constraints, a net zero dollar exposure at the global portfolio level, and sector level. LOIM will use its proprietary optimization tool to target this objective.

The Investment Manager will determine the securities selection and allocation based on proprietary quantitative models. The investment approach is systematic and leverages the latest breakthroughs in big data and predictive analytics to identify key business trend inflections in a more accurate and timely manner. The strategy relies on the use, acquisition, and analysis of alternative data points across multiple geographies, sectors, and sources, such as but not limited to credit card transactions, digital receipts, web traffic, application activity or geolocation. These data have for objective to provide an information edge on companies, including but not limited to sales, revenues, new customers and engagement patterns that are key performance indicators (KPI) of a company influencing its share price. From a geographic perspective, the investment universe is predominantly focused on the United States. With the amount of alternative data available projected to grow further over the future, the coverage universe, either in terms of number of stocks, regions or sectors, is expected to expand accordingly.

The Investment Manager may follow a long/short sector neutral portfolio construction approach.

The Sub-Fund bears the Data & IT Fees for the acquisition and processing of data (see paragraph 10.5.6 for more information).

When using financial derivative instruments to increase or reduce exposure to specific markets, sectors, issuers and currencies, the Investment Manager will use a wide range of financial derivative instruments, such as options, futures (including, but not limited to equity indices, and currencies), CFD and swaps (including TRS on a continuous basis). In certain circumstances, the net exposure of the Sub-Fund to financial markets may be negative.

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

Notwithstanding the limit above, the Investment Manager may fully invest the Sub-Fund's portfolio in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents), in accordance with the applicable diversification rules, (i) when the Investment Manager deems it appropriate for the implementation of the investment policy (such as investment in derivatives) or (ii) temporarily, in times of increasing volatility when, for instance, it considers the Sub-Fund should be positioned in a defensive way.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of SFIs is described in paragraph 3.1.

The Sub-Fund is not managed in reference to a benchmark.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Data & IT Fee	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Maximum Management Fee	1.50%	1.50%	1.50%	1.50%	N/A	1.60%	1.50%	N/A
Maximum Distribution Fee	1.50%	1.50%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	Yes. See below.							
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Performance Fee

Absolute Performance Fee		
Percentage	**Hurdle Rate**	**Reference period**
15%	None	1 October of year "Y" (or the first Valuation Day following the launch of a Share class, as applicable) to 30 September of the following year "Y+1", it being noted that the first reference period cannot be shorter than twelve (12) months.

Examples of Performance Fee calculation

	Sub-Fund's NAV at end of reference period (net of all costs, gross of Performance Fee)	**Sub-Fund's performance compared to latest High Water Mark**	**Yearly hurdle rate**	**Performance Fee**	**NAV net of Performance Fee**	**High Water Mark**
Y0	100	-	None	-	-	100
Y1	108	8%		1.20%	106.8	106.8
Y2	105	-1.69%		0	105	106.8
Y3	110	3%		0.45%	109.53	109.53

The Sub-Fund is launched at Y0 with a NAV of 100.

At the end of the first year (Y1), the NAV is 108 and the Sub-Fund exhibits an absolute positive performance of 8%. The Management Company is entitled to a Performance Fee of 1.2% (8% x 15%). The Performance Fee amounts to 1.2 (1.2% of 100). The Sub-Fund's NAV net of Performance Fee amounts to 106.8 (108 – 1.2) and the High Water Mark is set at 106.80.

At the end of the second year (Y2), the Sub-Fund exhibits a negative absolute performance of -1.69%. The Management Company is not entitled to a Performance Fee. The High Water Mark remains unchanged at 106.40.

At the end of the third year (Y3), the Sub-Fund exhibits an absolute positive performance of 3% compared to the latest High Water Mark. The Management Company is entitled to a Performance Fee of 0.45% (3% x 15%). The Performance Fee amounts to 0.47 (0.45% of 105). The Sub-Fund's NAV net of Performance Fee amounts to 109.53 (110 – 0.47) and the High Water Mark is set at 109.53.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

The Sub-Fund's leverage under the sum of notional of financial derivative instruments approach is expected to be around 300% of Net Asset Value.

The Sub-Fund exposure to TRS expressed as the sum of notional is expected to range between 100% and 200% of Net Asset Value. In cases where this range is exceeded, exposures should remain below 300%.

Investors should note that expected exposures and leverage may be exceeded.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-2 days	Daily	Up to T+3 days[4]

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[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Continental Europe Family Leaders

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI Europe ex-UK Small Cap TR ND index is used for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in equity securities issued by companies directly or indirectly owned, controlled and/or managed by families.

The Sub-Fund may be fully invested in small and mid-cap companies.

At least 75% of the Sub-Fund's assets will be exposed to equity of corporate issuers having their registered office in the EEA, excluding the UK.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, excluding the UK, including in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The Investment Manager will use its discretion with regard to the selection of markets (including Emerging Markets), sectors, size of companies and currencies.

The Investment Manager may implement qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.15%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	Yes. See below.							

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Performance Fee

Relative Performance Fee (as an annual percentage of the performance compared to its benchmark)		
Percentage	**Benchmark**	**Reference period**
15%	MSCI Europe ex-UK Small Cap	1 October of year "Y" (or the first Valuation Day following the launch of a Share class, as applicable) to 30 September of the following year "Y+1", it being noted that the first reference period cannot be shorter than twelve (12) months.

Example of Performance Fee calculation

	Sub-Fund's NAV at end of reference period (net of all costs, gross of Performance Fee)	Benchmark's value	Sub-Fund's performance compared to latest reference Net Asset Value	Benchmark's performance compared to Benchmark's value associated with latest reference period when a Performance Fee was paid	Performance of Sub-Fund compared to Benchmark since launch or last reference period when a Performance Fee was paid	Performance Fee	Reference Net Asset Value	Reference Benchmark (ie, Benchmark's value associated with latest reference period when a Performance Fee was paid)
Y0	100	100	-	-	-	-	100	100
Y1	108	105	8.00%	5.00%	3.00%	0.45%	107.51	105
Y2	105	102.9	-2.34%	-2.00%	-0.34%	none	107.51	105
Y3	110	113.19	2.31%	7.80%	-5.49%	none	107.51	105
Y4	120	101.87	11.61%	-2.98%	14.59%	2.19%	117.37	101.87
Y5	129.11	112.06	10.00%	10.00%	0.00%	None	117.37	101.87
Y6	115	95	-2.02%	-6.74%	4.72%	0.71%	114.19	95.00

The Sub-Fund is launched at Y0 with a NAV of 100.

At the end of the first year (Y1), the NAV is 108 (gain of 8%) and the Benchmark is at 105 (gain of 5%). As the Sub-Fund has outperformed its Benchmark by 3%, the Management Company is entitled to a Performance Fee of 0.45% (15% x 3%). The Performance Fee amounts to 0.49 (0.45% x 108). The Sub-Fund's NAV net of Performance Fee amounts to 107.51 (108 – 0.49) and the reference NAV is set at 107.51 and the reference Benchmark is set at 105.

At the end of the second year (Y2), the Sub-Fund has underperformed its Benchmark and the Sub-Fund's NAV has remained below the last reference NAV. Thus, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (107.51 and 105 respectively).

At the end of the third year (Y3), the Sub-Fund's NAV (110) has exceeded the last reference NAV (110 against 107.51) but the Sub-Fund has underperformed the Benchmark. Thus, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (107.51 and 105 respectively)

At the end of the fourth year (Y4), the Sub-Fund exhibits a performance of 11.61% (from 107.51 to 120) and the Benchmark exhibits a performance of –2.98% (from 105 to 101.87). As the Sub-Fund has outperformed its Benchmark by 14.59% (11.61 – (–2.98)), the Management Company is entitled to a Performance Fee of 2.19% (15% x 14.76%). The Performance Fee amounts to 2.63 (2.19% x 120). The Sub-Fund's NAV net of Performance Fee amounts to 117.37 (120 – 2.63), the new reference NAV is set at 117.37 and the reference Benchmark is set at 101.87.

At the end of the fifth year (Y5), the Sub-Fund exhibits a performance of 10% (from 117.37 to 129.11) and the Benchmark exhibits a performance of 10% (from 101.87 to 112.06). As the performance of the Sub-Fund equals the performance of the Benchmark, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (117.37 and 101.87 respectively).

At the end of the sixth year (Y6), the Sub-Fund exhibits a performance of –2.02% (from 117.37 to 115) and the Benchmark exhibits a performance of –6.74% (from 101.87 to 95). As the Sub-Fund has outperformed its Benchmark by 4.72% (–2.02 – (–6.74)), the Management Company is entitled to a Performance Fee of 0.71% (15% x 4.72%). The Performance Fee amounts to 0.81 (0.71% x 115). The Sub-Fund's NAV net of Performance Fee amounts to 114.19 (115 – 0.81), the reference NAV is set at 114.19 and the reference Benchmark is set at 95.

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation".

Prior to 1 January 2021, MSCI Limited was an EU regulated benchmark administrator authorized under the Benchmark Regulation by the UK FCA and on the ESMA register for benchmark administrators.

As of 1 January 2021, MSCI Limited is and remains authorized as a UK benchmark administrator regulated by the UK FCA (and can be found on the FCA Financial Services Register), but is considered a "third country" UK administrator vis-a-vis the EU and will not appear on the ESMA register for benchmark administrators unless and until the EU grants the UK "equivalence" or until MSCI is granted "endorsement" or "recognition".

Additional information on the Benchmark can be found on the website of the administrator: www.msci.com/index-regulation.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Golden Age

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI World TR ND index is used for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in equity securities, equity related securities (including, but not limited to, warrants) issued by companies worldwide, the future growth of which is significantly driven by the theme of the ageing population. Within this investment universe, the Investment Manager may invest in small and mid cap companies (as considered in their respective markets), as well as in companies incorporated or exercising a prominent part of their business activities in Emerging Markets.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in accordance with the applicable diversification rules, hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – World Brands

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI World TR ND index is used for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in equities, equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets) with leading / premium brand recognition in the opinion of the Investment Manager and/or offering luxury, premium and prestige products and/or services, or which obtain the majority of their revenues by advising, supplying, manufacturing or financing such activities.

The Sub-Fund may invest up to one-third (1/3rd) of its assets (i) outside these parameters and/or (ii) in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies to select equity securities and allocate capital across sectors and/or countries.

The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies).

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Transition Materials

Objective

The Sub-Fund is actively managed. The Bloomberg Commodity TR index is used for performance comparison only, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index. In addition to the above-mentioned index, the Bloomberg Industrial Metals Subindex Total Return may also be used for performance comparison as well as for internal risk monitoring purposes.

The Sub-Fund's main objective is to replicate the performance of a proprietary commodity index (the "Proprietary Index").

Authorised investments

To achieve the above objective, the Sub-Fund will enter with one or several first-class financial institutions into one or several swap agreements, the underlying of which will be the Proprietary Index (the "**Commodity Transition Materials Swap**" whose mechanism is referenced below).

Assets of the Sub-Fund will be invested in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. In addition, subscriptions and redemptions in the Sub-Fund shall determine the Swaps' notional which will be adapted accordingly by the Investment Manager.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

Mechanism of the Commodity Transition Materials Swap

Please refer to paragraph 3.3.4.

Risks

Investors should note that the value of their investment could fall as well as rise and should accept that there is no guarantee that they will recover their initial investment.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	1.50%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation".

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.3 Commodity indices and other strategies – use of swaps/TRS.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

The Sub-Fund's leverage under the sum of notional of financial derivative instruments approach is expected to be around 175% of Net Asset Value.

The Sub-Fund exposure to TRS expressed as the sum of notionals is expected to be around 100% of Net Asset Value. In cases where this range is exceeded, exposures should remain below 125%.

Investors should note that expected exposures and leverage may be exceeded.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Global FinTech

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI ACWI TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the above-mentioned index.

The Sub-Fund invests primarily in equity and equity related securities (including, but not limited to, warrants) of companies worldwide (including Emerging Markets) that are active in the research, development, production, promotion and/or distribution of digital financial services and/or technologies. The Sub-Fund may invest across all economic sectors (including, but not limited to, companies that support the supply chain of, and provide services for, these companies).

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies).

At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Circular Economy

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI World SMID Cap TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulations, innovations, services or products favoring the transition to a more circular economy and to an economy that values natural capital.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies), and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

The Sub-Fund may invest in Emerging Markets. As part of its Emerging Market exposure, the Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, 2.12 with regard to such investments.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	1.50%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	*N/A*	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days [4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Global HealthTech

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI ACWI TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the above-mentioned index.

The Sub-Fund invests primarily in equity and equity related securities (including, but not limited to, warrants) of companies worldwide (including Emerging Markets) that are active in the research, development, production, promotion and/or distribution of digital healthcare products, services and/or technologies. The Sub-Fund may invest across all economic sectors (including, but not limited to, companies that support the supply chain of, and provide services for, these companies).

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies).

At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Future Electrification

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI ACWI TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. The Sub-Fund's positioning will deviate substantially, and therefore the performance of the Sub-Fund, may differ materially from that of the above-mentioned index.

The Sub-Fund invests primarily in equity and equity related securities (including, but not limited to, warrants) of companies worldwide (including Emerging Markets) whose growth will benefit from opportunities resulting from regulations, innovations, services or products related to more environmentally-friendly power production, storage, distribution and consumption aligned with the transition to a more circular, leaner, more inclusive and cleaner world. At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets (in particular, the Sub-Fund may be fully invested in Emerging Markets), sectors, size of companies and currencies (including Emerging Market currencies).

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	1.50%	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – New Food Systems

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI ACWI TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. The Sub-Fund's positioning will deviate substantially, and therefore the performance of the Sub-Fund may differ materially, from that of the above-mentioned index.

The Sub-Fund invests primarily in equity and equity related securities (including, but not limited to, warrants) of companies worldwide (including Emerging Markets) whose growth will benefit from opportunities resulting from regulations, innovations, services or products related to more environmentally-friendly agricultural and food production, distribution and diets aligned with the transition to a more circular, leaner, more inclusive and cleaner world. At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets (in particular, the Sub-Fund may be fully invested in Emerging Markets), sectors, size of companies and currencies (including Emerging Market currencies).

The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Sector / Thematic

LO Funds – Biosphere

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI World SMID Cap TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulatory moves and global frameworks to protect land and other ecosystems, and address water challenges. These companies provide innovation, services or products that can help reduce adverse impact on ecosystems.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long-term structural trends using its LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies), and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

Up to 20% of the Sub-Fund's net assets may be invested in Emerging Markets. The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges, purchased directly or indirectly via market access products. The China A-Shares may be acquired via Stock Connect.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund. In addition to the general risks described, the Sub-Fund faces a number of specific risks. Please have regard to the risk factor "Emerging Market Risk".

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days [4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – China High Conviction

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI China All Shares TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly in China, currencies and/or Cash and Cash Equivalents. Up to 100% of the Sub-Fund's portfolio may be invested in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect) as further detailed in the Risk Factors Annex under paragraph 2.12. Up to 10% of the Sub-Fund's portfolio may be invested in P-Notes as further detailed in the Risk Factors Annex under paragraph 2.17. Up to one-third (1/3rd) of the Sub-Fund's portfolio may be invested in similar securities as described above but issued by companies not incorporated or exercising a prominent part of their business activities in China. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies).

The Investment Manager may implement qualitative and/or systematic strategies.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets), sectors, issuers and indices.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, swaps (in particular CFD), currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.50%	0.63%	0.38%	0.34%	0.16%	0.50%	0.63%	0.50%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – TargetNetZero Europe Equity

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI Europe TR ND index is used to define the initial investment universe for individual security selection, for performance comparison as well as for internal risk monitoring purposes. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but the security weightings are expected to differ to a limited extent.

Securities in the above-mentioned index might be excluded from the Sub-Fund's portfolio depending on their involvement in specific activities listed in the SFDR Annex.

Each remaining security is weighted according to the market capitalization of its issuer, its ITR (Implied Temperature Rise) and its carbon footprint, in order to increase significantly the exposure of the Sub-Fund's portfolio to issuers which can contribute to a reduction in global CO_2 emissions and the eventual achievement of net zero CO_2 emissions by 2050. The Sub-Fund's portfolio will aim for a faster rate of reduction in CO_2 emissions when compared to the above-mentioned index. The Sub-Fund's portfolio aims for a significantly reduced carbon footprint when compared to the above-mentioned index.

While the Investment Manager intends to maintain a low tracking error through controlled style, sector and country biases, the level of active risk associated with the realization of the investment objectives is likely to vary over time and is dependent on regulatory, technological and commercial developments external to the Investment Manager, that could significantly impact the temperature alignment or carbon footprint of securities in the Sub-Fund's portfolio.

The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in Europe with at least 75% of the Sub-Fund's net assets exposed to equity of corporate issuers having their registered office in Europe. The investment approach applied by the Investment Manager to select securities will be based on proprietary responsible criteria which includes social, environmental, ethical and/or corporate governance factors.

The investment approach applied by the Investment Manager to select securities is based on proprietary tools which aim to reduce the risk of climate transition. Moreover, the Sub-Fund seeks to select and allocate to issuers with the objective to form a universe compatible with the fight against global warming. It integrates a wide range of climate objectives covering the risk of transition, the opportunities and the physical risk linked to climate change.

The Sub-Fund's investment portfolio will include issuers already targeting net zero CO_2 emissions by 2050, as well as issuers that may not yet have set such targets but that progressively may be brought into alignment, including through regulatory action, investor engagement and market changes. The achievement of the Sub-Fund's aims are dependent on regulatory, technological and commercial developments external to the Investment Manager and there can be no guarantee that they will be achieved in respect of the above referenced aims.

The Investment Manager may implement qualitative and/or systematic strategies, including risk-based allocation methodologies to select equity securities and allocate capital across sectors and/or countries. The Investment Manager will use its discretion with regard to the selection of markets, sectors and currencies.

Some of the equity securities in the Sub-Fund's portfolio may embed a conversion component which, if exercised, will lead the Sub-Fund to hold fixed-income type securities. Should such an event occur, the Investment Manager will aim to limit such securities to 5% of the Sub-Fund's assets and will endeavor to dispose of such securities, it being understood that the decision to dispose of these securities and the timing of such disposal remain within the discretion of the Investment Manager taking due account of the interests of the investors.

As mentioned in paragraph 3.1, the Sub-Fund may (i) hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation"

Prior to 1 January 2021, MSCI Limited was an EU regulated benchmark administrator authorized under the Benchmark Regulation by the UK FCA and on the ESMA register for benchmark administrators.

As of 1 January 2021, MSCI Limited is and remains authorized as a UK benchmark administrator regulated by the UK FCA (and can be found on the FCA Financial Services Register), but is considered a "third country" UK administrator vis-a-vis the EU and will not appear on the ESMA register for benchmark administrators unless and until the EU grants the UK "equivalence" or until MSCI is granted "endorsement" or "recognition".

Additional information on the Benchmark can be found on the website of the administrator: www.msci.com/index-regulation.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Europe All Cap Leaders

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI Europe TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in a broad range of equity securities issued by small, mid and large cap companies exercising a prominent part of their business activities in countries of the EEA and Switzerland.

At least 75% of the Sub-Fund's net assets will be exposed to equity of corporate issuers having their registered office in EEA.

Up to 15% of the Sub-Fund's net assets may be exposed to equity securities issued by companies incorporated in Emerging Markets.

Up to 25% of the Sub-Fund's net assets may be exposed Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Due to investments in small and medium sized capitalization companies and as a result of corporate events on such securities, the Sub-Fund may have to accept delivery of convertible bonds and bonds attached with warrants which, combined, are not expected to exceed 5% of the Sub-Fund's net assets.

The Investment Manager will implement its strategy primarily by identifying companies capable of generating excess economic returns, reviewing companies' business practices and analyzing companies' business models resilience and exposure to long-term trends.

The Sub-Fund will be managed with a high degree of flexibility and the Investment Manager will use its discretion with regard to the selection of markets (including Emerging Markets), sectors, size of companies and currencies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	*1.00%*	N/A	1.10%	2.00%	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Europe High Conviction

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI Europe TR ND index is used for performance comparison, for internal risk monitoring purposes as well as for performance fee calculation, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in equity securities issued by companies incorporated or exercising a prominent part of their business activities in Europe.

The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies and currencies.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in accordance with the applicable diversification rules hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	Yes. See below.							

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Performance Fee

Relative Performance Fee (as an annual percentage of the performance compared to its benchmark)		
Percentage	**Benchmark**	**Reference period**
15%	MSCI Europe ND	1 October of year "Y" (or the first Valuation Day following the launch of a Share class, as applicable) to 30 September of the following year "Y+1", it being noted that the first reference period cannot be shorter than (12) months.

Example of Performance Fee calculation

	Sub-Fund's NAV at end of reference period (net of all costs, gross of Performance Fee)	**Benchmark's value**	**Sub-Fund's performance compared to latest reference Net Asset Value**	**Benchmark's performance compared to Benchmark's value associated with latest reference period when a Performance Fee was paid**	**Performance of Sub-Fund compared to Benchmark since launch or last reference period when a Performance Fee was paid**	**Performance Fee**	**Reference Net Asset Value**	**Reference Benchmark (ie, Benchmark's value associated with latest reference period when a Performance Fee was paid)**
Y0	100	100	-	-	-	-	100	100
Y1	108	105	8.00%	5.00%	3.00%	0.45%	107.51	105
Y2	105	102.9	-2.34%	-2.00%	-0.34%	none	107.51	105
Y3	110	113.19	2.31%	7.80%	-5.49%	none	107.51	105
Y4	120	101.87	11.61%	-2.98%	14.59%	2.19%	117.37	101.87
Y5	129.11	112.06	10.00%	10.00%	0.00%	None	117.37	101.87
Y6	115	95	-2.02%	-6.74%	4.72%	0.71%	114.19	95.00

The Sub-Fund is launched at Y0 with a NAV of 100.

At the end of the first year (Y1), the NAV is 108 (gain of 8%) and the Benchmark is at 105 (gain of 5%). As the Sub-Fund has outperformed its Benchmark by 3%, the Management Company is entitled to a Performance Fee of 0.45% (15% x 3%). The Performance Fee amounts to 0.49 (0.45% x 108). The Sub-Fund's NAV net of Performance Fee amounts to 107.51 (108 – 0.49) and the reference NAV is set at 107.51 and the reference Benchmark is set at 105.

At the end of the second year (Y2), the Sub-Fund has underperformed its Benchmark and the Sub-Fund's NAV has remained below the last reference NAV. Thus, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (107.51 and 105 respectively).

At the end of the third year (Y3), the Sub-Fund's NAV (110) has exceeded the last reference NAV (110 against 107.51) but the Sub-Fund has underperformed the Benchmark. Thus, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (107.51 and 105 respectively)

At the end of the fourth year (Y4), the Sub-Fund exhibits a performance of 11.61% (from 107.51 to 120) and the Benchmark exhibits a performance of –2.98% (from 105 to 101.87). As the Sub-Fund has outperformed its Benchmark by 14.59% (11.61 – (–2.98)), the Management Company is entitled to a Performance Fee of 2.19% (15% x 14.76%). The Performance Fee amounts to 2.63 (2.19% x 120). The Sub-Fund's NAV net of Performance Fee amounts to 117.37 (120 – 2.63), the new reference NAV is set at 117.37 and the reference Benchmark is set at 101.87.

At the end of the fifth year (Y5), the Sub-Fund exhibits a performance of 10% (from 117.37 to 129.11) and the Benchmark exhibits a performance of 10% (from 101.87 to 112.06). As the performance of the Sub-Fund equals the performance of the Benchmark, no Performance Fee is payable. The reference NAV and reference Benchmark remain unchanged (117.37 and 101.87 respectively).

At the end of the sixth year (Y6), the Sub-Fund exhibits a performance of –2.02% (from 117.37 to 115) and the Benchmark exhibits a performance of –6.74% (from 101.87 to 95). As the Sub-Fund has outperformed its Benchmark by 4.72% (–2.02 – (–6.74)), the Management Company is entitled to a Performance Fee of 0.71% (15% x 4.72%). The Performance Fee amounts to 0.81 (0.71% x 115). The Sub-Fund's NAV net of Performance Fee amounts to 114.19 (115 – 0.81), the reference NAV is set at 114.19 and the reference Benchmark is set at 95.

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation".

Prior to 1 January 2021, MSCI Limited was an EU regulated benchmark administrator authorized under the Benchmark Regulation by the UK FCA and on the ESMA register for benchmark administrators.

As of 1 January 2021, MSCI Limited is and remains authorized as a UK benchmark administrator regulated by the UK FCA (and can be found on the FCA Financial Services Register), but is considered a "third country" UK administrator vis-a-vis the EU and will not appear on the ESMA register for benchmark administrators unless and until the EU grants the UK "equivalence" or until MSCI is granted "endorsement" or "recognition".

Additional information on the Benchmark can be found on the website of the administrator: www.msci.com/index-regulation.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Continental Europe Small & Mid Leaders

Investment Objective and Policy

The Sub-Fund is actively managed. The Stoxx ex-UK Small Return TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests, at least 75% of its assets, in equity securities of corporate issuers having their registered office in the EEA, excluding the UK.

At least 60% of the Sub-Fund's portfolio is invested in equity securities issued by small and mid cap companies, incorporated or exercising a prominent part of their business activities in EEA, excluding the UK. The Sub-Fund may invest up to 40% of its portfolio outside these parameters, in particular in companies incorporated or exercising a prominent part of their business activity in other European countries, excluding the United Kingdom, in equity securities issued by large companies (as considered in their respective markets) and also in warrants on securities where the underlying aim is to acquire an equity investment.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in accordance with the applicable diversification rules hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.15%	0.44%	0.56%	0.44%
Maximum Management Fee	0.90%	0.90%	0.90%	0.90%	N/A	1.00%	1.80%	N/A
Maximum Distribution Fee	0.90%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Emerging High Conviction

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI Emerging Market TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Sub-Fund invests in equities, equity related securities (including, but not limited to, warrants, swaps providing long and/or short exposure to equity securities or options providing sovereign market exposure for hedging) issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly, in Emerging Markets. The Investment Manager may invest up to 20% of the Sub-Fund's portfolio outside these parameters, in particular (i) in companies exercising a prominent part of their business activities outside of Emerging Markets and/or (ii) in currencies (including Emerging Market currencies).

Investments in retail, and consumer related industries/companies may represent an important theme within the strategy.

The Investment Manager may invest up to 10% of the Sub-Fund's assets in convertible bonds. Up to 20% of the Sub-Fund may be invested in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect) as further detailed in the risk factor 2.12 of the Risk Factors Annex.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of assessing compliance with the investment policy, including its limits or restrictions.

The Investment Manager will implement its strategy primarily by investing in securities, listed derivatives, and synthetic derivative instruments of companies that it believes to be undervalued. The Investment Manager may use a wide range of financial derivative instruments, such as options, futures and swaps (in particular CFD) in order to increase or reduce its exposure to specific markets, sectors, issuers and currencies. The Investment Manager will use its discretion with regard to the selection of markets, sectors, categories of financial derivative instruments, size of companies and currencies. The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum FROC	0.50%	0.63%	0.38%	0.34%	0.16%	0.50%	0.63%	0.50%
Maximum Management Fee	0.85%	0.85%	0.85%	0.85%	N/A	0.95%	1.70%	N/A
Maximum Distribution Fee	0.85%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Asia High Conviction

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI ACF Asia ex-Japan TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly, in Asia. Up to 20% of the Sub-Fund's portfolio may be invested in China A-Shares which are shares issued by mainland China-based companies that trade on regulated exchanges but only available for purchase through certain trading facilities (such as Stock Connect) as further detailed in the Risk Factors Annex under paragraph 2.12. Up to one-third (1/3rd) of the Sub-Fund's portfolio may be invested in similar securities as described above but issued by companies not incorporated or exercising a prominent part of their business activities in Asia.

The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Investment Manager may implement qualitative and/or systematic strategies.

In addition to the above-mentioned investments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes, markets (including Emerging Markets), sectors, issuers and indices.

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to futures, swaps (in particular CFD), currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.50%	0.63%	0.38%	0.34%	0.16%	0.50%	0.63%	0.50%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – TerreNeuve

Investment Objective and Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets), as well as in Cash and Cash Equivalents. The Investment Manager may invest up to one-third (1/3rd) of the Sub-Fund's portfolio outside these parameters, in particular in i) bonds and fixed or floating-rate securities and/or ii) convertible bonds. Non-investment grade debt securities may not be purchased. The Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, paragraph 2.12 with regard to such investments.

The Investment Manager will implement its strategy by investing in companies that it believes to be undervalued and by using short derivative instruments to seek exposure to companies that it believes to be overvalued.

The investment approach applied by the Investment Manager to select securities will be based on proprietary responsible criteria which includes environmental, social, ethical and/or corporate governance factors. In addition to these selection criteria, the Investment Manager may apply a screen to exclude certain companies from the investment universe based on a specific environmental, social, ethical and/or corporate governance scoring methodology of companies.

The Investment Manager may use a wide range of financial derivative instruments, such as options, futures (including, but not limited to, equity indices, commodity indices and currencies), CFD and swaps (including, but not limited to, CDS) in order to increase or reduce its exposure to specific markets, sectors, issuers, credit, interest rates and currencies. In certain circumstances, the net exposure of the Sub-Fund to financial markets may be negative.

Notwithstanding the limit above, the Investment Manager may fully invest the Sub-Fund's portfolio in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents), in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.44%	0.40%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	2.00%	2.00%	2.00%	2.00%	N/A	2.20%	3.50%	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Distribution Fee	2.00%	2.00%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	Yes. See below.							
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Performance Fee

Absolute Performance Fee		
Percentage	**Hurdle Rate**	**Reference period**
20%	None	1 January (or the first Valuation Day following the launch of a Share class, as applicable) to 31 December, it being noted that the first reference period cannot be shorter than twelve (12) months.

Examples of Performance Fee calculation

	Sub-Fund's NAV at end of reference period (net of all costs, gross of Performance Fee)	Sub-Fund's performance compared to latest High Water Mark	Yearly hurdle rate	Performance Fee	NAV net of Performance Fee	High Water Mark
Y0	100	-	None	-	-	100
Y1	108	8%		1.60%	106.4	106.4
Y2	105	-1.32%		0	105	106.4
Y3	110	3.38%		0.68%	109.29	109.29

The Sub-Fund is launched at Y0 with a NAV of 100.

At the end of the first year (Y1), the NAV is 108 and the Sub-Fund exhibits an absolute positive performance of 8%. The Management Company is entitled to a Performance Fee of 1.6% (8% x 20%). The Performance Fee amounts to 1.6 (1.6% of 100). The Sub-Fund's NAV net of Performance Fee amounts to 106.4 (108 – 1.6) and the High Water Mark is set at 106.40.

At the end of the second year (Y2), the Sub-Fund exhibits a negative absolute performance of -1.32%. The Management Company is not entitled to a Performance Fee. The High Water Mark remains unchanged at 106.40.

At the end of the third year (Y3), the Sub-Fund exhibits an absolute positive performance of 3.38% compared to the latest High Water Mark. The Management Company is entitled to a Performance Fee of 0.68% (3.38% x 20%). The Performance Fee amounts to 0.71 (0.68% of 105). The Sub-Fund's NAV net of Performance Fee amounts to 109.29 (110 – 0.71) and the High Water Mark is set at 109.29.

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

400%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-3 days	Weekly, each Wednesday	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Swiss Equity

Investment Objective and Policy

The Sub-Fund is actively managed. The SPI TR index is used to define the initial investment universe for individual security selection, for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but the security weightings are expected to differ materially. The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities.

The Sub-Fund invests in equity securities issued by companies incorporated or exercising a prominent part of their business activities in Switzerland. Up to 10% of portfolio may be invested in other equity securities outside these parameters.

The Investment Manager will use its discretion with regard to the selection of markets, sectors, size of companies and currencies.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in accordance with the applicable diversification rules hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

CHF

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation"

The Benchmark has been endorsed by SIX Financial Information Nordic AB as endorsing administrator for indices administered by SIX a benchmark administrator located outside of the EU. The Benchmark is included on the ESMA register for third country benchmarks.

Additional information on the Benchmark can be found on the website: https://www.six-group.com/en/products-services/financial-information/indices.html/

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Swiss Small & Mid Caps

Investment Objective and Policy

The Sub-Fund is actively managed. The SPI Extra TR index is used to define the initial investment universe for individual security selection, for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but the security weightings are expected to differ materially. The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities.

The Sub-Fund invests in equity securities (including, but not limited to, warrants) issued by small and mid cap companies incorporated or exercising a prominent part of their business activities in Switzerland as listed in the SPI Extra Index (the "Benchmark"). Up to 10% of portfolio may be invested in other equity securities outside these parameters.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in accordance with the applicable diversification rules hold up to 15% of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments within Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund is managed in reference to the Benchmark for portfolio composition and performance objective and measures. The majority of the Sub-Fund equity securities will be component of the Benchmark. The Investment Manager may use discretion to invest in equities not included in the Benchmark in order to take advantage of specific investment opportunities. The investment strategy will restrict the extent to which the portfolio holdings may deviate from the Benchmark. This deviation may be material.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

CHF

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	2.00%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation"

The Benchmark has been endorsed by SIX Financial Information Nordic AB as endorsing administrator for indices administered by SIX a benchmark administrator located outside of the EU. The Benchmark is included on the ESMA register for third country benchmarks.

Additional information on the Benchmark can be found on the website: https://www.six-group.com/en/products-services/financial-information/indices.html/

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – Planetary Transition

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI World TR ND index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulations, innovations, services or products related to the global fight against or adaptation to climate change.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies), and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

The Sub-Fund may invest in Emerging Markets. As part of its Emerging Market exposure, the Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares) that trade on exchanges. The China A-Shares will be acquired via Stock Connect. Please have regard to the Risk Factors Annex, in particular, 2.12 with regard to such investments.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	1.50%	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Equity Sub-Fund / Regional

LO Funds – US Transition

Investment Objective and Policy

The Sub-Fund is actively managed. The MSCI USA TR ND is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests at least 75% of its net assets in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in the United States and whose growth will benefit from regulations, innovations, services or products addressing environmental challenges such as, but not limited to, climate change.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies, and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

Up to 25% of the Sub-Fund's assets may be invested outside of these parameters, including but not limited to Cash and Cash Equivalents (including short-term ABS/MBS, which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The Sub-Fund qualifies as an Equity Fund under GITA.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	1.00%	1.00%	1.00%	1.00%	N/A	1.10%	1.50%	N/A
Maximum Distribution Fee	1.00%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek capital appreciation over the long-term; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Government

LO Funds – Global Government Fundamental

Investment Objective and Policy

The Sub-Fund is actively managed. The Bloomberg Barclays Global Treasury TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities issued or guaranteed by sovereign issuers participating in the OECD and/or by supranational institutions. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities issued or guaranteed by sovereign issuers not participating in the OECD (including Emerging Market issuers), (ii) debt securities issued by non-sovereign/supranational institutions, (iii) currencies (including Emerging Market currencies) and/or (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. Up to 15% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of assessing compliance with the investment policy, including its limits or restrictions.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.2. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The Investment Manager will use its discretion with regard to the maturity of the portfolio, the selection of currencies, the categories of financial derivative instruments and their underlying.

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund in particular 2.12 with regard to investments in Emerging Markets.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.31%	0.44%	0.21%	0.17%	0.10%	0.31%	0.44%	0.31%
Maximum Management Fee	0.375%	0.375%	0.375%	0.375%	N/A	0.45%	0.75%	N/A
Maximum Distribution Fee	0.375%	1.125%	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Bloomberg Barclays Global Treasury TR

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Aggregate

LO Funds – Global Climate Bond

Investment Objective and Policy

The Sub-Fund is actively managed. The Bloomberg Barclays Global Aggregate TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities issued by sovereign, corporate or supranational entities and where the use of all or part of the proceeds of the sale of debt securities will be used to finance projects that favor the environment.

These projects may include, but are not limited to:

- mitigation projects against climate change such as wind farms, solar and other renewable energy plants, clean transportation, energy and resource efficiency, recycling and circular economy;
- adaptation projects against climate change such as building sea walls in cities threatened by rising sea levels, flood protection, water filtration infrastructure.

The Sub-Fund may invest up to 25% in bonds, other fixed or floating-rate debt securities and short-term debt securities issued by sovereign, corporate or supranational entities and where the use of all or part of the proceeds of the sale of debt securities will be used to finance social projects designed to help build resilient communities and economies, such as giving access to essential healthcare, school, electricity or housing.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers, independently of their rating. This Sub-Fund is therefore not subject to the minimum rating described in paragraph 3.2. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Sub-Fund may invest up to 10% of its net assets in securities issued by corporate issuers graded less than BBB- or equivalent by the rating agencies described in paragraph 3.2 of the Prospectus or of equivalent quality in the opinion of the Investment Manager.

The Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The Investment Manager will use its discretion with regard to the selection of instruments, sectors, geographical exposure (including Emerging Markets), currencies (including Emerging Market currencies) and maturity of the portfolio.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – TargetNetZero Global IG Corporate

Investment Objective and Policy

The Sub-Fund is actively managed. The Bloomberg Barclays Global Aggregate Corporates TR index is used to define the initial investment universe for individual security selection, for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but the security weightings are expected to differ materially. The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities.

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers (including Emerging Market corporate issuers) and graded from AAA to BBB or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager.

Up to 20% of the Sub-Fund's assets may be invested in debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager.

Up to 1/3 of the Sub-Fund's assets may be invested in debt securities issued or guaranteed by sovereign (including Emerging Market sovereign issuers) and/or supranational issuers.

Up to 10% of the Sub-Fund's assets may be invested in Coco Bonds.

Up to 10% of the Sub-Fund's assets may be invested in currencies (including Emerging Market currencies).

Up to 10% of the Sub-Fund's assets may be invested in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The investment approach applied by the Investment Manager to select securities will be based on responsible criteria which includes social, environmental, ethical and/or corporate governance factors and on a fundamental analysis of issuers. Moreover, the Sub-Fund seeks to invest in issuers with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will aim to invest in securities of issuers which can contribute to a reduction in global CO_2 emissions and the eventual achievement of net zero CO_2 emissions by 2050. This will include issuers already targeting such net zero CO_2 emissions by 2050, as well as issuers that may not yet have set such targets but that progressively may be brought into alignment, including through regulatory action, investor engagement and market changes. The Investment Manager will aim to ensure a faster rate of reductions in CO_2 emissions in the Sub-Fund's investment portfolio when compared to the Bloomberg Barclays Global Aggregate Corporates TR index. The achievement of these aims are dependent on regulatory, technological and commercial developments external to the Investment Manager and there can be no guarantee that they will be achieved in respect of the above referenced aims.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of assessing compliance with the investment policy, including its limits or restrictions.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to the maturity of the portfolio, the selection of currencies, the categories of financial derivative instruments and their underlying.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.55%	0.55%	0.55%	0.55%	N/A	0.65%	1.10%	N/A
Maximum Distribution Fee	0.55%	1.15%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation"

Bloomberg Index Services Limited is the administrator of the Benchmark. Bloomberg Index Services Limited is listed on the ESMA register for benchmark administrators.

Additional information on the Benchmark can be found on the website of the administrator: https://www.bloomberg.com/professional/product/indices/

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Bloomberg Barclays Global Aggregate Corporates TR

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – TargetNetZero Euro IG Corporate

Investment Objective and Policy

The Sub-Fund is actively managed. The Bloomberg Barclays Euro-Aggregate Corporates TR index is used to define the initial investment universe for individual security selection, as well as for performance and internal risk monitoring purposes. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but their allocations may differ. The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities. It is the intention of the Investment Manager to build a diversified portfolio selecting securities using fundamentals criteria including extra financial data (i.e., responsible criteria) as a result the allocation to sectors and issuers will likely deviate from those of the above-mentioned index. Especially under a low volatility environment, the performance of the Sub-Fund may be close to that of the above-mentioned index.

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers denominated in EUR (including Emerging Market corporate issuers) and graded from AAA to BBB or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager.

Up to 20% of the Sub-Fund's assets may be invested in debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager.

Up to 1/3 of the Sub-Fund's assets may be invested in debt securities issued or guaranteed by sovereign (including Emerging Market sovereign issuers) and/or supranational issuers.

Up to 10% of the Sub-Fund's assets may be invested in debt securities denominated in other currencies (including Emerging Market currencies).

Up to 10% of the Sub-Fund's assets may be invested in Coco Bonds

Up to 10% of the Sub-Fund's asset may be invested in Currencies (including Emerging Market currencies). Up to 10% of the Sub-Fund's assets may be invested in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The investment approach applied by the Investment Manager to select securities will be based on responsible criteria which includes social, environmental, ethical and/or corporate governance factors and on a fundamental analysis of issuers. Moreover, the Sub-Fund seeks to invest in issuers with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will aim to invest in securities of issuers which can contribute to a reduction in global CO_2 emissions and the eventual achievement of net zero CO_2 emissions by 2050. This will include issuers already targeting such net zero CO_2 emissions by 2050, as well as issuers that may not yet have set such targets but that progressively may be brought into alignment, including through regulatory action, investor engagement and market changes. The Investment Manager will aim to ensure a faster rate of reductions in CO_2 emissions in the Sub-Fund's investment portfolio when compared to the Bloomberg Barclays Euro-Aggregate Corporates TR index. The achievement of these aims are dependent on regulatory, technological and commercial developments external to the Investment Manager and there can be no guarantee that they will be achieved in respect of the above referenced aims.

The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of assessing compliance with the investment policy, including its limits or restrictions.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

The Investment Manager will use its discretion with regard to sectors, geographical exposure and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.45%	0.45%	0.45%	0.45%	N/A	0.50%	0.90%	N/A
Maximum Distribution Fee	0.45%	0.90%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation"

Bloomberg Index Services Limited is the administrator of the Benchmark. Bloomberg Index Services Limited is listed on the ESMA register for benchmark administrators.

Additional information on the Benchmark can be found on the website of the administrator: https://www.bloomberg.com/professional/product/indices/

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Bloomberg Barclays Euro-Aggregate Corporates TR

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – Global BBB-BB Fundamental

Investment Objective and Policy

The Sub-Fund is actively managed. The Bloomberg Barclays Global Aggregate Corporates 500MM TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in any currencies (including Emerging Market currencies) and graded either BBB, BB or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities of governmental issuers, (ii) debt securities graded above BBB or below BB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iii) Coco Bonds (which may represent up to 10% of the Sub-Fund's assets) and/or in (iv) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. The debt securities graded below BBB or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager may not represent more than 40% of the Sub-Fund's assets. The Investment Manager will use its discretion with regard to sectors, geographical exposure (in particular, the Sub-Fund may be fully invested in Emerging Markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.65%	0.65%	0.65%	0.65%	N/A	0.75%	1.30%	N/A
Maximum Distribution Fee	0.65%	1.25%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Bloomberg Barclays Global Aggregate Corporates 500MM TR

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – Euro BBB-BB Fundamental

Investment Objective and Policy

The Sub-Fund is actively managed. The Bloomberg Barclays Euro-Aggregate Corporates 500MM TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in EUR and graded either BBB, BB or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities of governmental issuers, (ii) debt securities denominated in other currencies (including Emerging Market currencies), (iii) debt securities graded above BBB or below BB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iv) Coco Bonds (which may represent up to 10% of the Sub-Fund's assets) and/or in (v) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. The debt securities graded below BBB or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager may not represent more than 40% of the Sub-Fund's assets. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including Emerging Markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.50%	0.50%	0.50%	0.50%	N/A	0.55%	1.00%	N/A
Maximum Distribution Fee	0.50%	1.00%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Bloomberg Barclays Euro-Aggregate Corporates 500MM TR

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
12 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – Swiss Franc Credit Bond (Foreign)

Investment Objective and Policy

The Sub-Fund is actively managed. The SBI Foreign A-BBB TR index is used to define the initial investment universe for individual security selection, for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but the security weightings are expected to differ materially. The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating rate debt securities and short-term debt securities denominated in CHF and graded from A to BBB or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager, it being precised that if a security is rated by more than one rating agency the lowest rating is considered as the valid one. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) debt securities denominated in other currencies (including Emerging Market currencies), (ii) debt securities graded above A or of equivalent quality in the opinion of the Investment Manager, (iii) debt securities graded below BBB but not lower than B, or of equivalent quality in the opinion of the Investment Manager, (iv) Coco Bonds (which may represent up to 10% of the Sub-Fund's assets), (v) currencies (including Emerging Market currencies) and/or in (vi) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. The Investment Manager will use its discretion with regard to sectors, geographical exposure, maturity of the portfolio and the selection of currencies. The Sub-Fund may be exposed to a limited number of issuers. The unrealized gain and loss of financial derivative instruments on currency shall be taken into account for the purpose of assessing compliance with the investment policy, including its limits or restrictions.

The investment approach applied by the Investment Manager is based on qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

CHF

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.35%	0.35%	0.35%	0.35%	N/A	0.40%	0.70%	N/A
Maximum Distribution Fee	0.35%	0.70%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation"

The Benchmark has been endorsed by SIX Financial Information Nordic AB as endorsing administrator for indices administered by SIX a benchmark administrator located outside of the EU. The Benchmark is included on the ESMA register for third country benchmarks.

Additional information on the Benchmark can be found on the website: https://www.six-group.com/en/products-services/financial-information/indices.html/

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

SBI Foreign A-BBB TR

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – Ultra Low Duration (USD)

Investment Objective and Policy

The Sub-Fund is actively managed. The SOFR Compounded Index is used for performance comparison, without implying any particular constraints to the Sub-Fund's investments.

The Sub-Fund invests, for at least two-thirds (2/3rds) of its assets, in bank deposits, money market instruments (including short-term ABS/MBS which may represent up to 10% of investments), bonds, other fixed or floating-rate debt securities and short-term debt securities of governmental and/or corporate issuers rated BBB or above by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in convertible bonds. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including Emerging Markets), maturity of the portfolio and currencies (including Emerging Market currencies). The Sub-Fund may be exposed to a limited number of issues and issuers. The maximum weighted average duration of the portfolio is no more than 365 days. Instruments may have a maximum residual maturity of three years, except for (i) regularly amortizing structured finance instruments (such as ABS/MBS) which must have an average life of 2 years or less and (ii) non-amortizing or scheduled amortizing structured finance instruments (such as ABS/MBS) which must have an expected final maturity of maximum 3 years. It is the intention of the Investment Manager to target an average rating of A at the portfolio level, however without any guarantee.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.31%	0.44%	0.21%	0.17%	0.10%	0.31%	0.44%	0.31%
Maximum Management Fee	0.45%	0.45%	0.45%	0.45%	N/A	0.50%	0.90%	N/A
Maximum Distribution Fee	0.45%	0.90%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
2 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – Ultra Low Duration (EUR)

Investment Objective and Policy

The Sub-Fund is actively managed. The ESTR Compounded Index is used for performance comparison, without implying any particular constraints to the Sub-Fund's investments.

The Sub-Fund invests, for at least two-thirds (2/3rds) of its assets, in bank deposits, money market instruments (including short-term ABS/MBS which may represent up to 10% of investments), bonds, other fixed or floating-rate debt securities and short-term debt securities of governmental and/or corporate issuers rated BBB or above by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in convertible bonds. The Investment Manager will use its discretion with regard to sectors, geographical exposure (including Emerging Markets), maturity of the portfolio and currencies (including Emerging Market currencies). The Sub-Fund may be exposed to a limited number of issues and issuers. The maximum weighted average duration of the portfolio is no more than 365 days. Instruments may have a maximum residual maturity of three years, except for (i) regularly amortizing structured finance instruments (such as ABS/MBS) which must have an average life of 2 years or less and (ii) non-amortizing or scheduled amortizing structured finance instruments (such as ABS/MBS) which must have an expected final maturity of maximum 3 years. It is the intention of the Investment Manager to target an average rating of A at the portfolio level, however without any guarantee.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.31%	0.44%	0.21%	0.17%	0.10%	0.31%	0.44%	0.31%
Maximum Management Fee	0.45%	0.45%	0.45%	0.45%	N/A	0.50%	0.90%	N/A
Maximum Distribution Fee	0.45%	0.90%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
2 p.m. on T	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Credit

LO Funds – Fallen Angels Recovery

Investment Objective and Policy

The Sub-Fund is actively managed. The Bloomberg Barclays Global Corporate ex-EM Fallen Angels 3% Issuer Capped TR Index is used to define the initial investment universe for individual security selection, for performance comparison as well as for internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. The Sub-Fund's securities will generally be similar to those of the above-mentioned index but the security weightings are expected to differ materially. The Investment Manager may also select securities not included in the above-mentioned index in order to take advantage of investment opportunities. In addition to the above-mentioned index, the Bloomberg Barclays Global High Yield Corporate ex-EM Total Return Index may also be used for performance comparison as well as for internal risk monitoring purposes.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds, other fixed or floating-rate debt securities and short-term debt securities of "Fallen Angels" issuers; that is, issuers that were previously rated investment grade and that are now rated below investment grade and which one or more of their issues are part of the Bloomberg Barclays Global Corporate ex-EM Fallen Angels 3% Issuer Capped TR index, denominated in any currencies (including Emerging Market currencies).

Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in (i) bonds, other fixed or floating-rate debt securities and short-term debt securities of issuers which issues are not part of the above-mentioned index, (ii) bonds, other fixed or floating-rate debt securities and short-term debt securities of emerging market issuers, (iii) debt securities of governmental issuers (iv) Coco Bonds (which may represent up to 10% of the Sub-Fund's assets) and/or in (v) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Debt securities cannot be graded lower than B, or of equivalent quality in the opinion of the Investment Manager. In case of a downgrade of a debt security below B, the Investment Manager will sell the position within 12 months.

The use of financial derivative instruments will not be considered within these limits. The Investment Manager will use its discretion with regard to sectors, geographical exposure (in particular, the Sub-Fund may be fully invested in Emerging Markets) and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issues and issuers.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. In addition, the Investment Manager may also apply other qualitative and/or systematic strategies.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	0.65%	0.65%	0.65%	0.65%	N/A	0.75%	1.30%	N/A
Maximum Distribution Fee	0.65%	1.30%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Benchmark Regulation

See the general part of the Prospectus: "3. Investment Objectives and Policies" / 3.1 "General Provisions Common to all Sub-Funds" / "(x) Benchmark Regulation"

Bloomberg Index Services Limited is the administrator of the Benchmark. Bloomberg Index Services Limited is listed on the ESMA register for benchmark administrators.

Additional information on the Benchmark can be found on the website of the administrator: https://www.bloomberg.com/professional/product/indices/

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Bloomberg Barclays Global High Yield Corporate ex-EM TR USD

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
15 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Emerging

LO Funds – Emerging Local Currency Bond Fundamental

Investment Objective and Policy

The Sub-Fund is actively managed. The JP Morgan GBI-EM Global Diversified TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by Emerging Market sovereign entities or corporate entities incorporated or exercising a prominent part of their business activities in Emerging Markets, denominated in OECD currencies and/or Emerging Market currencies. In specific market conditions or where the Investment Manager considers it appropriate, the Sub-Fund may also invest in bonds, other fixed or floating-rate debt instruments and short-term debt instruments issued or guaranteed by sovereign OECD entities, denominated in OECD currencies. The instruments described above may be of any credit quality (including below investment-grade securities as described in paragraph 3.2). The Investment Manager uses its discretion with regard to the selection of issuers and countries. Up to 35% of the Sub-Fund's portfolio may be invested in bonds issued or guaranteed by the Russian State admitted to Official Listing or dealt in a Regulated Market. Direct investments in Russian markets (other than investments traded on the Moscow Exchange) together with other investments traded through markets which are not Regulated Markets but which are, inter alia, transferable, liquid and have a value which can be accurately determined at any time shall in aggregate not exceed 10% of the Sub-Fund's net assets. Up to 20% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect.

In addition to the investments in bonds and other debt securities and instruments, the Investment Manager may use financial derivative instruments (i) to take long and short positions on currencies (OECD currencies and/or Emerging Market currencies) and/or (ii) to increase or reduce its exposure to specific asset classes (including equities), markets (including Emerging Markets) and indices (including commodity indices).

The Sub-Fund may also be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. The Sub-Fund may be fully invested in Emerging Markets. Please have regard to the Risk Factors Annex, in particular, 2.12 with regard to such investments.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate, inflation, currency and volatility derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

JPMorgan GBI-EM Global Diversified TR

Expected level of leverage

300%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Emerging

LO Funds – Asia Value Bond

Investment Objective and Policy

The Sub-Fund is actively managed. The JP Morgan Asia Credit TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests in (i) bonds, other fixed or floating-rate debt securities, convertible bonds, bonds with attached warrants on transferable securities and short-term debt instruments, issued or guaranteed by sovereign entities or corporate entities worldwide, (ii) currencies and (iii) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

While investing worldwide, the Investment Manager maintains a clear and distinct focus on Asia by investing in issuers having their main activity in Asia-Pacific (including Japan).

The Sub-Fund may invest up to:

(i) 5% of its net assets in UCIs;

(ii) 40% of its net assets in debt securities graded below BBB- or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager, it being precised that if a security is rated by more than one rating agency the highest rating is considered as the valid one;

(iii) 20% of its net assets in convertible bonds, bonds with attached warrants on transferable securities;

(iv) 25% of its net assets in Coco Bonds; and

(v) 25% of its net assets in non-Asia-Pacific (including Japan) bonds.

The Sub-Fund may also invest in Emerging Market currencies including CNH and CNY. Up to 25% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect.

The Investment Manager will use its discretion with regard to the selection of issuers, instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets), maturity and currencies (including Emerging Market currencies).

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Emerging

LO Funds – Asia Investment Grade Bond

Investment Objective and Policy

The Sub-Fund is actively managed. The JP Morgan JACI Investment Grade TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests at least 70% of its net assets in (i) bonds, other fixed or floating-rate debt securities, convertible bonds, bonds with attached warrants on transferable securities and short-term debt instruments, issued or guaranteed by sovereign entities or corporate entities having their main activity in the Asia-Pacific region (including Japan and Australia), (ii) currencies and (iii) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The Sub-Fund may invest up to:

(i) 5% of its net assets in UCIs;

(ii) 20% of its net assets in Coco Bonds; and

(iii) 30% of its net assets in non-Asia-Pacific debt securities.

Should securities held by the Sub-Fund be downgraded below BBB- or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager, the following principles will apply:

- in case the downgraded securities are rated BB+, BB or BB- (or equivalent as per the above), the Sub-Fund may hold up to 10% of its net assets in such securities pending their disposal having regard to the market conditions and the best interest of the shareholders;
- in case the downgraded securities are rated below BB- (or equivalent as per the above), the Sub-Fund will dispose of such securities forthwith.

The Sub-Fund may also invest in Emerging Market currencies including CNH and CNY. Up to 25% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect.

The Investment Manager will use its discretion with regard to the selection of issuers, instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets), maturity and currencies (including Emerging Market currencies).

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Emerging

LO Funds – Asia Diversified High Yield Bond

Investment Objective and Policy

The Sub-Fund is actively managed. The JP Morgan JACI Non-Investment Grade Total Return Index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests primarily in (i) bonds, other fixed or floating-rate debt securities, convertible bonds, bonds with attached warrants on transferable securities and short-term debt instruments graded below BBB- or equivalent by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager, issued or guaranteed by Asia-Pacific sovereign or corporate entities, including entities incorporated or exercising a prominent part of their business activities in the Asia-Pacific region (including Japan and Australia), denominated in USD. The Sub-Fund also may invest in (ii) currencies (including Emerging Market currencies) and (iii) Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

The Sub-Fund may invest up to:

(i) 10% of its net assets in UCIs;

(ii) 50% of its net assets in debt securities graded BBB-;

(iii) 1/3rd of its net assets in convertible bonds, bonds with attached warrants on transferable securities;

(iv) 20% of its net assets in Coco Bonds; and

(v) 1/3rd of its net assets in Emerging Market Bonds outside of Asia-Pacific (including Japan and Australia).

The Sub-Fund may also invest in Emerging Market currencies including CNH and CNY. Up to 25% of the Sub-Fund's portfolio may be invested in bonds of CIBM, notably through the Bond Connect.

The Investment Manager will use its discretion with regard to the selection of issuers, instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets), maturity and currencies (including Emerging Market currencies).

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.31%	0.27%	0.13%	0.44%	0.56%	0.44%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the global exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Convertibles

LO Funds – Convertible Bond

Investment Objective and Policy

The Sub-Fund is actively managed. The Refinitiv Global Convertible Composite Hedged TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in other transferable securities and/or in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. The Sub-Fund may not hold more than 10% of its net assets in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of verifying compliance with the two-thirds ratio of the investment policy described above.

The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Investment Manager may invest up to 5% of the Sub-Fund's assets in Chinese convertible bonds through the QFI regime.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund, in particular 2.12 with regard to investments in Emerging Markets.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.65%	0.65%	0.65%	0.65%	N/A	0.75%	1.30%	N/A
Maximum Distribution Fee	0.65%	1.15%	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Thomson Reuters Global Convertible Composite Index Hedged EUR TR

Expected level of leverage

125%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Convertibles

LO Funds – Global Convertible Bond Defensive Delta

Investment Objective and Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in other transferable securities and/or in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. The Sub-Fund may not hold more than 10% of its net assets in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of verifying compliance with the two-thirds ratio of the investment policy described above. The Investment Manager will seek to keep the weighted average delta of the Sub-Fund at or below 40%. The delta refers to the sensitivity of the price of a convertible bond to the change in price of the underlying equities.

The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies).

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.65%	0.65%	0.65%	0.65%	N/A	0.75%	1.30%	N/A
Maximum Distribution Fee	0.65%	1.15%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Absolute VaR

Reference portfolio used to assess the Global Exposure only

Not applicable

Expected level of leverage

The Sub-Fund's leverage under the sum of notional of financial derivative instruments approach is expected to be around 125% of Net Asset Value.

Investors should note that expected exposures and leverage may be exceeded.

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Convertibles

LO Funds – Convertible Bond Asia

Investment Objective and Policy

The Sub-Fund is actively managed. The Refinitiv Convertible Asia Ex-Japan TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund invests, at least two-thirds (2/3rds) of its portfolio, in bonds convertible into equities of companies incorporated or exercising a prominent part of their business activities in the Asian area, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. The Sub-Fund may invest up to one-third (1/3rd) of its portfolio in other transferable securities. The Sub-Fund may not hold more than 10% of its net assets in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of verifying compliance with the two-thirds ratio of the investment policy described above. The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded B or better by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Investment Manager may invest up to 15% of the Sub-Fund's assets in Chinese convertible bonds through the QFI regime.

As mentioned in paragraph 3.1, the Sub-Fund may (i) in accordance with the applicable diversification rules hold up to one-third (1/3rd) of its net assets in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) and (ii) hold up to 10% of its net assets in UCIs. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, credit derivatives and interest rate derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund, in particular 2.12 with regard to investments in Emerging Markets.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.55%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Thomson Reuters Convertible Asia ex Japan Index (USD) TR

Expected level of leverage

125%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Convertibles

LO Funds – TargetNetZero Global Convertible Bond

Investment Objective and Policy

The Sub-Fund is actively managed. The Refinitiv Global Focus Convertible Bond TR index is used for performance comparison as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. Securities targeted by the Sub-Fund can be similar to those of the index to an extent that varies over time but their weighting is expected to differ materially. The performance of the Sub-Fund may deviate materially from that of the index.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will aim to invest in securities of issuers which can contribute to a reduction in global CO_2 emissions and the eventual achievement of net zero CO_2 emissions by 2050. This will include issuers already targeting such net zero CO_2 emissions by 2050, as well as issuers that may not yet have set such targets but that may progressively be brought into alignment, including through regulatory action, investor engagement and market changes. The Investment Manager will aim to ensure a faster rate of reductions in CO_2 emissions in the Sub-Fund's investment portfolio when compared to the MSCI World TR index. The achievement of these aims is dependent on regulatory, technological and commercial developments external to the Investment Manager and there can be no guarantee that they will be achieved in respect of the above referenced aims.

The Sub-Fund invests, at least two-thirds (2/3rds) of its assets, in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds. Up to one-third (1/3rd) of the Sub-Fund's assets may be invested in other transferable securities and/or in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments in Cash and Cash Equivalents) in accordance with the applicable diversification rules. The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. The Sub-Fund may not hold more than 10% of its net assets in equity securities. The market value of the optional part of the synthetic convertible bonds shall be taken into account for the purpose of verifying compliance with the two-thirds ratio of the investment policy described above.

The Investment Manager may invest the assets of the Sub-Fund in securities or issuers graded CCC+ or better by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. The Investment Manager will use its discretion with regard to the selection of instruments, markets (in particular, the Sub-Fund may be fully invested in Emerging Markets) and currencies (including Emerging Market currencies). The Sub-Fund may invest up to 10% of its net assets in Chinese convertible bonds through the QFI regime.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to, forwards, futures, credit derivatives and interest rate derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

The use of structured financial instruments is described in paragraph 3.1.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum FROC	0.44%	0.56%	0.28%	0.24%	0.10%	0.44%	0.56%	0.44%
Maximum Management Fee	0.75%	0.75%	0.75%	0.75%	N/A	0.85%	1.50%	N/A
Maximum Distribution Fee	0.75%	1.50%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Relative VaR

Reference portfolio used to assess the Global Exposure only

Refinitiv Global Focus Convertible Bond TR

Expected level of leverage

125%

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Buy and Maintain

LO Funds – High Yield 2024

Please see the note regarding "Buy and Maintain" Sub-Funds after the list of Sub-Funds under "Annex A: Sub-Funds offered for subscriptions" above. In addition, to achieve the Sub-Fund's investment objective as described below, the Board may decide to cease issuing Shares in the Sub-Fund at any time following the launch of the Sub-Fund, as well as to resume issuing Shares for a period it deems appropriate.

Investment Objective

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund primary objective is to build a buy and maintain portfolio set up for a period ending in the course of the year 2024 (hereafter referred as "the Term").

The concept of a buy and maintain strategy refers to a portfolio mainly invested in debt securities which are initially purchased with the intention to hold them until their respective maturity ("Buy Process"). However, the portfolio is monitored/maintained ("Maintain Process") so that the replacement of one or several of these debt securities is triggered in the case of a significant increase in the risk of default and/or relative value opportunities, in the opinion of the Investment Manager.

Buy and Maintain Investment Process

The Buy Process is composed of two steps:

1. a systematic/rule-based process that aims to allocate to sectors considered as contributing the most to the economy and at reducing the default risk and reflect the issuers' fundamentals within portfolio weightings;
2. a credit overlay aiming at selecting issuers based on the Investment Manager’s views and conviction.

The Maintain Process is based on the Investment Manager’s credit research expertise aiming at making sure bonds are replaced in case of:

a) a deterioration of the issuer’s fundamentals leading to a material increase in the risk of default;

b) a breach of the investment guidelines (for example a rating downgrade);

c) relative value opportunities.

Investment Policy

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate, sovereign and/or supranational entities denominated in EUR, USD, GBP and/or CHF. However, the Investment Manager will seek to fully hedge the portfolio against currency risk.

At least 50% of the Sub-Fund’s assets are invested in debt securities graded either BB or above by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager.

Up to 50% of the Sub-Fund’s assets may be invested in debt securities graded B by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. In case of a downgrade of a debt security below B, the Investment Manager will sell the position within 12 months.

The use of financial derivative instruments must not be considered within these limits.

The Investment Manager will target an average rating at the portfolio level of BB.

Up to 50% of the Sub-Fund’s assets may be invested in callable debt securities with a call date on or before June 2025 and extended maturity date after June 2025. The maximum maturity date of any debt securities without a call option is 28 December 2025.

At the discretion of the Investment Manager, the Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments within Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. In particular, while approaching the Term, positions in Cash and Cash Equivalents will tend to grow and gradually represent most part of the assets.

The Investment Manager will seek to remain diversified at the sector/industry level.

The Investment Manager will seek to invest in at least 70 distinct underlying positions. While approaching the Term, the number of positions will tend to reduce.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments within the authorized 100% commitment (leverage including netting and hedging arrangements) limit and within a gross leverage (sum of notionals in absolute value approach) budget of 150% (up to 50% of the Sub-Fund's assets in CDS and CDS options and up to 100% in forex forwards):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy Yes

Investors should note that indicative levels of leverage can be exceeded in certain circumstances which are linked, for instance, to sudden changes of market conditions rather than an intent to take additional exposure.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund and in particular the risk factor under 2.19 "Buy-and-maintain strategies".

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

With respect to the dividend policy of the Shares, in addition to the provisions set forth in the Dividend Policy Section of the Prospectus, the following principles may apply:

- there may be fixed distributions of dividend the amount of which is to be determined on the first distribution of a given year by the Board for the year to which they relate;
- the periodicity of distributions is annual.

The Board has discretion to implement the above principles and amend or adjust the amount of the fixed distributions as well as the periodicity of their payments having regard to market events or other circumstances such as investors' requirements and their best interest.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.31%	0.44%	0.22%	0.22%	0.08%	0.31%	0.44%	0.44%
Maximum Management Fee	0.40%	0.40%	0.40%	0.40%	N/A	0.44%	0.80%	N/A
Maximum Distribution Fee	0.40%	0.80%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Buy and Maintain

LO Funds – Asia Income 2024

Please see the note regarding "Buy and Maintain" Sub-Funds after the list of Sub-Funds under "Annex A: Sub-Funds offered for subscriptions" above. In addition, to achieve the Sub-Fund's investment objective as described below, the Board may decide to cease issuing Shares in the Sub-Fund at any time following the launch of the Sub-Fund, as well as to resume issuing Shares for a period it deems appropriate.

Investment Objective

The Sub-Fund primary objective is to build a buy and maintain portfolio set up for a period ending in November 2024 (hereafter referred as "the Term"). The concept of a buy and maintain strategy refers to a portfolio mainly invested in debt securities which are initially purchased with the intention to hold them until their respective maturity. However, the portfolio of securities is monitored/maintained so that the replacement of one or several of these debt securities can occur at the discretion of the Investment Manager in the case of a significant increase in the risk of default or downgrade in credit ratings, and/or presence of relative value opportunities, in the opinion of the Investment Manager.

Investment Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund invests at least two-thirds (2/3rds) of its assets in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate, sovereign and/or supranational entities of Asian issuers, including entities incorporated or exercising a prominent part of their business activities in Asia-Pacific region (including Japan and Australia), denominated in USD. Up to two-thirds (2/3rds) of the Sub-Fund's assets may be invested in debt securities grade below BBB but not lower than B. In the instance of debt security downgrade lower than B, the Investment Manager reserves the right to continue holding on to these debt securities.

At the discretion of the Investment Manager, the Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments within Cash and Cash Equivalents). The Sub-Fund may hold Cash and Cash Equivalents in order to achieve its investment goals, for treasury purposes or in case of unfavorable market conditions. In particular, while approaching the Term, positions in Cash and Cash Equivalents will tend to grow.

The Sub-Fund has been set up for a period ending on the Term.

The Investment Manager will use its discretion with regard to sectors, geographical exposure and maturity of the portfolio. The Sub-Fund may be exposed to a limited number of issuers, especially as the Sub-Fund approaches its Term.

The investment approach applied by the Investment Manager to select securities is mainly based on a fundamental analysis of issuers. The Investment Manager may also apply qualitative and/or systematic strategies.

The Sub-Fund will not invest in units or shares of UCIs or in any Sub-Funds (except, in money market UCIs included in the definition of Cash and Cash Equivalents).

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments (in particular, but not limited to credit (including CDS), interest rate and currency derivatives):

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund and in particular the risk factor under 2.19 "Buy-and-maintain strategies".

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum FROC	0.31%	0.44%	0.22%	0.22%	0.08%	0.31%	0.44%	0.44%
Maximum Management Fee	0.50%	0.50%	0.50%	0.50%	N/A	0.55%	1.00%	N/A
Maximum Distribution Fee	0.50%	0.80%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Buy and Maintain

LO Funds – Global Income 2029

Please see the note regarding "Buy and Maintain" Sub-Funds after the list of Sub-Funds under "Annex A: Sub-Funds offered for subscriptions" above. In addition, to achieve the Sub-Fund's investment objective as described below, the Board may decide to cease issuing Shares in the Sub-Fund at any time following the launch of the Sub-Fund, as well as to resume issuing Shares for a period it deems appropriate.

Investment Objective

The Sub-Fund primary objective is to build a buy and maintain portfolio set up for a period ending in the course of the year 2029 (hereafter referred as "the Term").
The concept of a buy and maintain strategy refers to a portfolio mainly invested in debt securities which are initially purchased with the intention to hold them until their respective maturity ("Buy Process"). However, the portfolio is monitored/maintained ("Maintain Process") so that the replacement of one or several of these debt securities is triggered in the case of a significant increase in the risk of default and/or relative value opportunities, in the opinion of the Investment Manager.

Buy and Maintain Investment Process

The Buy Process is composed of two steps:

1. a systematic/rule-based process that aims to allocate to sectors considered as contributing the most to the economy and at reducing the default risk and reflect the issuers' fundamentals within portfolio weightings;
2. a credit overlay aiming at selecting issuers based on the Investment Manager's views and conviction.

The Maintain Process is based on the Investment Manager's credit research expertise aiming at making sure bonds are replaced in case of:

a) a deterioration of the issuer's fundamentals leading to a material increase in the risk of default;

b) a breach of the investment guidelines (for example a rating downgrade);

c) relative value opportunities.

Investment Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate, sovereign and/or supranational entities denominated in EUR, USD, GBP and/or CHF. However, the Investment Manager will seek to fully hedge the portfolio against currency risk.

At least 50% of the Sub-Fund's assets may be invested in debt securities graded either BB or above by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager.

Up to 50% of the Sub-Fund's assets may be invested in debt securities graded B by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. In case of a downgrade of a debt security below B, the Investment Manager will sell the position within 24 months. The use of financial derivative instruments must not be considered within these limits.

The maximum maturity date of any debt securities is31 December 2029.

At the discretion of the Investment Manager, the Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments within Cash and Cash Equivalents). In particular, while approaching the Term, positions in Cash and Cash Equivalents will tend to grow and gradually represent most part of the assets.

The Investment Manager will seek to remain diversified at the sector/industry level.

The Investment Manager will seek to invest in at least 70 distinct underlying positions. While approaching the Term, the number of positions will tend to reduce below the threshold of 70 distinct underlying positions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments.

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund and in particular the risk factor under 2.19 "Buy-and-maintain strategies".

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

With respect to the dividend policy of the Shares, in addition to the provisions set forth in the Dividend Policy Section of the Prospectus, the following principles may apply:

- there may be fixed distributions of dividend the amount of which is to be determined on the first distribution of a given year by the Board for the year to which they relate;
- the periodicity of distributions is annual.

The Board has discretion to implement the above principles and amend or adjust the amount of the fixed distributions as well as the periodicity of their payments having regard to market events or other circumstances such as investors' requirements and their best interest.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.31%	0.44%	0.22%	0.22%	0.08%	0.31%	0.44%	0.44%
Maximum Management Fee	0.40%	0.40%	0.40%	0.40%	N/A	0.44%	0.80%	N/A
Maximum Distribution Fee	0.40%	0.80%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Fixed-Income Sub-Fund / Buy and Maintain

LO Funds – Global Income 2030

Please see the note regarding "Buy and Maintain" Sub-Funds after the list of Sub-Funds under "Annex A: Sub-Funds offered for subscriptions" above. In addition, to achieve the Sub-Fund's investment objective as described below, the Board may decide to cease issuing Shares in the Sub-Fund at any time following the launch of the Sub-Fund, as well as to resume issuing Shares for a period it deems appropriate.

Investment Objective

The Sub-Fund primary objective is to build a buy and maintain portfolio set up for a period ending in the course of the year 2030 (hereafter referred as "the Term").
The concept of a buy and maintain strategy refers to a portfolio mainly invested in debt securities which are initially purchased with the intention to hold them until their respective maturity ("Buy Process"). However, the portfolio is monitored/maintained ("Maintain Process") so that the replacement of one or several of these debt securities is triggered in the case of a significant increase in the risk of default and/or relative value opportunities, in the opinion of the Investment Manager.

Buy and Maintain Investment Process

The Buy Process is composed of two steps:

1. a systematic/rule-based process that aims to allocate to sectors considered as contributing the most to the economy and at reducing the default risk and reflect the issuers' fundamentals within portfolio weightings;
2. a credit overlay aiming at selecting issuers based on the Investment Manager's views and conviction.

The Maintain Process is based on the Investment Manager's credit research expertise aiming at making sure bonds are replaced in case of:

a) a deterioration of the issuer's fundamentals leading to a material increase in the risk of default;

b) a breach of the investment guidelines (for example a rating downgrade);

c) relative value opportunities.

Investment Policy

The Sub-Fund is actively managed. The Sub-Fund is not managed in reference to an index.

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate, sovereign and/or supranational entities denominated in EUR, USD, GBP and/or CHF. However, the Investment Manager will seek to fully hedge the portfolio against currency risk.

At least 50% of the Sub-Fund's assets may be invested in debt securities graded either BB or above by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager.

Up to 50% of the Sub-Fund's assets may be invested in debt securities graded B by the rating agencies described in paragraph 3.2 or of equivalent quality in the opinion of the Investment Manager. In case of a downgrade of a debt security below B, the Investment Manager will sell the position within 24 months. The use of financial derivative instruments must not be considered within these limits.

The maximum maturity date of any debt securities is31 December 2030.

At the discretion of the Investment Manager, the Sub-Fund may be fully invested, in accordance with the applicable diversification rules, in Cash and Cash Equivalents (including short-term ABS/MBS which may represent up to 10% of investments within Cash and Cash Equivalents). In particular, while approaching the Term, positions in Cash and Cash Equivalents will tend to grow and gradually represent most part of the assets.

The Investment Manager will seek to remain diversified at the sector/industry level.

The Investment Manager will seek to invest in at least 70 distinct underlying positions. While approaching the Term, the number of positions will tend to reduce below the threshold of 70 distinct underlying positions.

As mentioned in paragraph 3.1, the Sub-Fund may hold up to 10% of its net assets in UCIs.

Subject to the limits permitted by the Investment Restrictions described in Section 4 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments.

- for hedging purposes Yes
- for EPM Yes
- as part of the investment strategy No

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund and in particular the risk factor under 2.19 "Buy-and-maintain strategies".

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

With respect to the dividend policy of the Shares, in addition to the provisions set forth in the Dividend Policy Section of the Prospectus, the following principles may apply:

- there may be fixed distributions of dividend the amount of which is to be determined on the first distribution of a given year by the Board for the year to which they relate;
- the periodicity of distributions is annual.

The Board has discretion to implement the above principles and amend or adjust the amount of the fixed distributions as well as the periodicity of their payments having regard to market events or other circumstances such as investors' requirements and their best interest.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.31%	0.44%	0.22%	0.22%	0.08%	0.31%	0.44%	0.44%
Maximum Management Fee	0.40%	0.40%	0.40%	0.40%	N/A	0.44%	0.80%	N/A
Maximum Distribution Fee	0.40%	0.80%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%	Up to 2%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income and potentially capital gains from their investment; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
3 p.m. on T-1 day	Daily	Up to T+3 days[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Short-Term Money Market Sub-Fund

LO Funds – Short-Term Money Market (EUR)

The Sub-Fund is actively managed. The ESTR Compounded Index is used for performance comparison, without implying any particular constraints to the Sub-Fund's investments.

This Sub-Fund qualifies as a Short-Term VNAV MMF under the MMF Regulation.

Investment Objective and Policy

The Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have a WAL of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The WAM of the portfolio is no more than 60 days. Up to 20% of the Sub-Fund's assets may be invested in ABCPs.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs.

Subject to the limits permitted by the Investment Restrictions Applicable to MMFs described in Section 4.6 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM No
- as part of the investment strategy No

The Sub-Fund may use financial derivative instruments for the purpose of only hedging the interest rate or exchange rate risks; underlying of those financial derivative instruments consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories.

Investments in currencies other than the Reference Currency are hedged against exchange risk.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

EUR

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.14%	0.25%	0.08%	0.08%	0.08%	0.14%	0.25%	0.14%
Maximum Management Fee	0.30%	0.30%	0.30%	0.30%	N/A	0.35%	0.60%	N/A
Maximum Distribution Fee	0.30%	0.40%	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income, where both capital security and liquidity are prime consideration; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
2 p.m. on T	Daily	Up to T+1 day[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Short-Term Money Market Sub-Fund

LO Funds – Short-Term Money Market (USD)

The Sub-Fund is actively managed. The SOFR Compounded Index is used for performance comparison, without implying any particular constraints to the Sub-Fund's investments.

This Sub-Fund qualifies as a Short-Term VNAV MMF under the MMF Regulation.

Investment Objective and Policy

The Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have a WAL of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The WAM of the portfolio is no more than 60 days. Up to 20% of the Sub-Fund's assets may be invested in ABCPs.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs.

Subject to the limits permitted by the Investment Restrictions Applicable to MMFs described in Section 4.6 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM No
- as part of the investment strategy No

The Sub-Fund may use financial derivative instruments for the purpose of only hedging the interest rate or exchange rate risks; underlying of those financial derivative instruments consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories.

Investments in currencies other than the Reference Currency are hedged against exchange risk.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

USD

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.19%	0.25%	0.08%	0.08%	0.08%	0.19%	0.25%	0.19%

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum Management Fee	0.30%	0.30%	0.30%	0.30%	N/A	0.35%	0.60%	N/A
Maximum Distribution Fee	0.30%	0.40%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income, where both capital security and liquidity are prime consideration; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
2 p.m. on T	Daily	Up to T+1 day[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Short-Term Money Market Sub-Fund

LO Funds – Short-Term Money Market (GBP)

The Sub-Fund is actively managed. The SONIA Compounded Index is used for performance comparison, without implying any particular constraints to the Sub-Fund's investments.

This Sub-Fund qualifies as a Short-Term VNAV MMF under the MMF Regulation.

Investment Objective and Policy

The Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have a WAL of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The WAM of the portfolio is no more than 60 days. Up to 20% of the Sub-Fund's assets may be invested in ABCPs.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs.

Subject to the limits permitted by the Investment Restrictions Applicable to MMFs described in Section 4.6 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM No
- as part of the investment strategy No

The Sub-Fund may use financial derivative instruments for the purpose of only hedging the interest rate or exchange rate risks; underlying of those financial derivative instruments consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories.

Investments in currencies other than the Reference Currency are hedged against exchange risk.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

GBP

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"): see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.19%	0.25%	0.08%	0.08%	0.08%	0.19%	0.25%	0.19%
Maximum Management Fee	0.30%	0.30%	0.30%	0.30%	N/A	0.35%	0.60%	N/A
Maximum Distribution Fee	0.30%	0.40%	N/A	N/A	N/A	N/A	N/A	N/A
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income, where both capital security and liquidity are prime consideration; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
2 p.m. on T	Daily	Up to T+1 day[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

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[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

Short-Term Money Market Sub-Fund

LO Funds – Short-Term Money Market (CHF)

The Sub-Fund is actively managed. The SARON Compounded Index is used for performance comparison, without implying any particular constraints to the Sub-Fund's investments.

This Sub-Fund qualifies as a Short-Term VNAV MMF under the MMF Regulation.

Investment Objective and Policy

The Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates. The entire portfolio of the Sub-Fund may not have a WAL of more than 120 days. Instruments are of high quality and may have a maximum residual maturity of 397 days. The WAM of the portfolio is no more than 60 days. Up to 20% of the Sub-Fund's assets may be invested in ABCPs.

The Sub-Fund has to invest in securities of high quality as determined by the Investment Manager. In order to determine the high quality credit factor, the Investment Manager assesses the attributes of each security before any purchase, including but not limited to the rank (senior, subordinated, covered), the type of coupon (fixed, floating, zero), the size of the issue, the size of the issuer, the number of quotations in the market (liquidity impact), the liquidity of proxies, the market of the issue, the type of guarantee, the currency, the country of the issuer, the country of the issue, the maturity of the issue and the available rating of the issue and the issuer. Moreover the Investment Manager monitors this credit assessment on an ongoing basis.

The Sub-Fund will not invest in units of UCIs.

Subject to the limits permitted by the Investment Restrictions Applicable to MMFs described in Section 4.6 of the Prospectus, the Investment Manager is authorized to use financial derivative instruments:

- for hedging purposes Yes
- for EPM No
- as part of the investment strategy No

The Sub-Fund may use financial derivative instruments for the purpose of only hedging the interest rate or exchange rate risks; underlying of those financial derivative instruments consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories.

Investments in currencies other than the Reference Currency are hedged against exchange risk.

The attention of investors is drawn to the Risk Factors Annex which sets out the risk factors applicable to the Sub-Fund.

Reference Currency

CHF

Classes of Shares available for subscription

Shares can also be in different forms (i.e., Alternative Currencies, dividend policy, currency hedging policy, seeding, "Connect"):
see paragraph 2.2.

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Type of investor	See table in paragraph 2.2. of the general part of the Prospectus							
Minimum initial investment and minimum holding	Equivalent of EUR 3,000	Equivalent of EUR 1,000	Equivalent of CHF 1,000,000	Equivalent of CHF 1,000,000	t.b.d.	Equivalent of EUR 3,000	Equivalent of EUR 3,000	None
Maximum FROC	0.14%	0.25%	0.08%	0.08%	0.08%	0.14%	0.25%	0.14%
Maximum Management Fee	0.30%	0.30%	0.30%	0.30%	N/A	0.35%	0.60%	N/A
Maximum Distribution Fee	0.30%	0.40%	N/A	N/A	N/A	N/A	N/A	N/A

	P Shares	R Shares	N Shares	I Shares	S Shares	M Shares	H Shares	E Shares
Performance Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Maximum level of management fees when the Sub-Fund invests its assets in other UCITS or UCIs or Target Sub-Fund*	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%	Up to 3.5%
Dealing Charge	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%	Up to 3%

* Notwithstanding any performance fee that may be levied in addition to this limit

Investment Manager

See paragraph 6.3

Approach used to calculate the Global Exposure of the Sub-Fund

Commitment approach

Profile of typical investor

The Sub-Fund may be appropriate for investors, who:

- seek regular income, where both capital security and liquidity are prime consideration; and
- are willing to take on the increased risks associated with the categories of assets described in the investment objective and policy; and
- can withstand volatility in the value of their Shares.

Application procedure

Application monies are to be sent in accordance with the application procedure set out in Section 20 of the Prospectus.

Requests for subscriptions must be received by the Company no later than the Cut-off time.

Payment of the subscription monies must be made in the Reference Currency, or in the Alternative Currency, in case of classes issued in any Alternative Currency, for value before the Payment Date to the Depositary, indicating the proper identity of the subscriber(s) and the Sub-Fund in which Shares are subscribed.

Cut-off time

Cut-off time [1] (Luxembourg time) (Subscriptions, redemptions and conversions)	Valuation Day [2] ("T")	Payment Date [3]
2 p.m. on T	Daily	Up to T+1 day[4]

NB: any reference to a day shall be construed as a reference to a Business Day

[1] If such day is not a Business Day, the first Business Day in Luxembourg preceding this day.

[2] If such Valuation Day is not a Business Day, the Valuation Day will be the next Business Day or the previous Business Day in case of a bi-monthly valuation.

[3] For redemptions, payments will ordinarily be made in the Reference Currency.

[4] Shareholders are prompted to consult the Lombard Odier Group website (www.loim.com) for the applicable Payment Date.

For more details, please refer to paragraph 12.1 "General Provisions" of Section 12 "Issue and Sale of Shares".

ANNEX B: RISK FACTORS

The list of risk factors detailed below does not claim to be an exhaustive description of the risks involved in investing in the Sub-Funds' Shares. Before deciding to subscribe to or purchase Shares, potential investors should read the whole Prospectus carefully and contact their professional advisers to understand the fiscal and other consequences of such an investment based on their personal situation.

Past performance is no guarantee for future returns and the investor may consequently get back less than he/she invested. There is no assurance that the investment objective of the Sub-Funds will actually be achieved or that any appreciation in the value of the assets will occur.

The table below is a summary of the main risks relating to the core portfolio of each Sub-Fund as of the date of the Prospectus. It is not a rigid and exhaustive list of all the potential risks. Investors should bear in mind that risks are interrelated and that the Sub-Funds can be sensitive to any of the risk factors, especially in turbulent market conditions.

Summary of main risks																	
Risks / Sub-Funds	General	Equities	Small and Medium Sized Capitalisations	Fixed-Income Securities	Currencies	Below Investment Grade and Distressed Securities	Convertible Securities	Contingent Convertible Bonds	Commodities	Undertakings for Collective Investments (above 10%)	ABS/MBS (above 10%)	Emerging Markets	Russian Registration / Investment in Russia	Regional or sectorial concentration	Derivatives (Hedging / Efficient Portfolio Mgt)	Derivatives (Investment Strategy)	Model
Asset Allocation Sub-Funds																	
All Roads Conservative	X	X	X	X	X	X	X		X			X			X	X	X
All Roads	X	X	X	X	X	X	X		X			X			X	X	X
All Roads Growth	X	X	X	X	X	X	X		X			X			X	X	X
All Roads Enhanced	X	X	X	X	X	X	X		X			X			X	X	X
Event Driven	X	X	X	X	X	X	X	X	X			X		X	X	X	X
Multiadvisers UCITS	X	X	X	X	X	X	X		X	X		X		X	X	X	X
Equity Sub-Funds																	
Generation Global	X	X			X		X					X		X	X		
TargetNetZero Global Equity	X	X	X		X							X		X	X	X	X
DataEdge Market Neutral	X	X	X		X							X		X	X	X	X
Continental Europe Family Leaders	X	X	X		X									X	X	X	
Golden Age	X	X	X		X							X		X	X		
World Brands	X	X	X		X							X		X	X		
Transition Materials	X				X				X					X	X	X	X
Global FinTech	X	X	X		X							X		X	X		
Circular Economy	X	X	X		X							X		X	X		
Global HealthTech	X	X	X		X							X		X	X		
Future Electrification	X	X	X		X							X		X	X		
New Food Systems	X	X	X		X							X		X	X		
Biosphere	X	X	X		X							X		X	X		
Emerging High Conviction	X	X	X		X		X					X		X	X		
China High Conviction	X	X	X		X							X		X	X		
TargetNetZero Europe Equity	X	X	X		X									X	X		X
Europe All Cap Leaders	X	X	X		X		X					X		X	X		
Europe High Conviction	X	X			X									X	X		
Continental Europe Small & Mid Leaders	X	X	X		X									X	X		

Summary of main risks																	
Risks / Sub-Funds	General	Equities	Small and Medium Sized Capitalisations	Fixed-Income Securities	Currencies	Below Investment Grade and Distressed Securities	Convertible Securities	Contingent Convertible Bonds	Commodities	Undertakings for Collective Investments (above 10%)	ABS/MBS (above 10%)	Emerging Markets	Russian Registration / Investment in Russia	Regional or sectorial concentration	Derivatives (Hedging / Efficient Portfolio Mgt)	Derivatives (Investment Strategy)	Model
Asia High Conviction	X	X	X		X							X		X	X	X	X
TerreNeuve	X	X	X	X	X		X					X			X	X	
Swiss Equity	X	X	X											X	X		
Swiss Small & Mid Caps	X	X	X											X	X		
Planetary Transition	X	X	X		X							X		X	X		
US Transition	X	X	X											X	X		
Fixed-Income Sub-Funds																	
Global Government Fundamental	X			X	X	X						X			X	X	X
Global Climate Bond	X			X	X	X						X		X	X		X
TargetNetZero Global IG Corporate	X			X	X	X		X				X		X	X	X	X
TargetNetZero Euro IG Corporate	X			X	X	X		X				X			X	X	X
Global BBB-BB Fundamental	X			X	X	X		X				X		X	X	X	X
Euro BBB-BB Fundamental	X			X	X	X		X				X		X	X	X	X
Swiss Franc Credit Bond (Foreign)	X			X	X	X		X				X			X	X	X
Ultra Low Duration (USD)	X			X										X	X		
Ultra Low Duration (EUR)	X			X										X	X		
Fallen Angels Recovery	X			X	X	X		X				X		X	X	X	
Emerging Local Currency Bond Fundamental	X			X	X	X			X			X	X	X	X	X	
Asia Value Bond	X			X	X	X	X	X				X		X	X		
Asia Investment Grade Bond	X			X	X		X	X				X		X	X		
Asia Diversified High Yield Bond	X			X	X	X	X	X				X		X	X		
Convertible Bond	X	X		X	X	X	X					X			X	X	
Global Convertible Bond Defensive Delta	X	X		X	X	X	X					X			X	X	
Convertible Bond Asia	X	X		X	X	X	X					X		X	X	X	
TargetNetZero Global Convertible Bond	X	X		X	X	X	X					X			X	X	
High Yield 2024	X			X	X	X									X		
Asia Income 2024	X			X		X						X		X	X		
Global Income 2029	X			X	X	X									X		
Global Income 2030	X			X	X	X									X		
Short-Term Money Market Sub-Funds																	
Short-Term Money Market (EUR)[1]	X			X											X		
Short-Term Money Market (USD)[1]	X			X											X		
Short-Term Money Market (GBP)[1]	X			X											X		
Short-Term Money Market (CHF)[1]	X			X											X		

[1] See also specific risk factor under 2.16

1. General Risks

General risks may become correlated in a harmful manner in particular when the Sub-Funds do not face normal market conditions. Therefore, in turbulent market times an increase of one of those risks may not only increase the Sub-Funds exposure to other general risks but may also trigger other risks.

1.1 Credit Risk

Credit risk is a general risk that applies to all investments. It is the risk of loss due a debtor's non-payment of a loan or other obligation (either the principal or interest or both). For the Sub-Funds, the debtor may be either the issuer of an underlying security (the "issuer risk") or the counterparty to a transaction, such as an OTC derivative contract, a repurchase or reverse repurchase agreement or a loan of portfolio securities (the "counterparty risk"). The debtor may be a government (the "sovereign risk"). Credit risk is also the risk of loss due to a credit event, other than the debtor's default of payment, such as, but not limited to, the downgrading of a debtor's credit rating or the rescheduling of a debtor's debt.

Issuer risk - If an issuer of an underlying fixed income or equity security defaults, the Sub-Fund may lose the full amount invested in such security.

Counterparty risk - The Sub-Funds may effect "over-the-counter" transactions or deal in "interdealer" markets. This exposes the Sub-Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Sub-Funds to suffer a loss which may correspond to the full amount exposed with such counterparty. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Sub-Funds have concentrated their transactions with a single or small group of counterparties.

Sovereign risk - Where the issuer of the underlying fixed income security is a government or other sovereign issuer, there is a risk that such government is unable or unwilling to meet its obligations, therefore exposing the Sub-Funds to a loss corresponding to the amount invested in such security.

Systemic risk - Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the Sub-Funds interacts on a daily basis.

1.2 Market and Volatility Risk

Market risk is a general risk that applies to all investments. It is the risk that the value of an investment will decrease due to moves in market factors such as exchange rate, interest rate, equity or volatility.

Volatility risk is the likelihood of fluctuations in prices, rates or currencies quoted on different markets. Volatility may impact the Net Asset Value of the Sub-Funds in several ways. As market volatility increases so does the volatility of the Net Asset Value per Share.

1.3 Interest Rate Risk

Interest rate risk is the risk that the value of an investment will decrease, due to the variability of interest rates. When interest rates tend to rise, the value of debt securities tend to fall, as does the Net Asset Value per Share of the Sub-Funds invested in debt securities. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is a measure of sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates.

1.4 Exchange Rate Risk

Exchange rate risk is a general risk that applies to all Sub-Funds investing in assets in a currency other than the Reference Currency (the "foreign currency"). It is the risk that the value of those assets will decrease, as will the Net Asset Value of the Sub-Funds, due to unfavorable exchange rates. If the currency in which a security is denominated appreciates against the Reference Currency, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security. Currency risks are proportional to the amount of assets of each Sub-Fund held in foreign currencies.

The Sub-Funds may offer classes of Shares in an Alternative Currency. Changes in the exchange rate between the Reference Currency and such Alternative Currency may lead to a depreciation of the value of such Shares as expressed in the Alternative Currency. Even when the exchange rate risk is hedged, there can remain a residual exchange rate risk. Although hedging strategies may not necessarily be used in relation to each class of Share within a Sub-Fund, the financial instruments used to implement such strategies shall be assets/liabilities of the Sub-Fund as a whole (no segregation between classes within a Sub-Fund).

1.5 Liquidity Risk

Liquidity risk is the risk that a given asset can not be traded quickly enough without affecting the price of the asset. In normal market conditions, liquidity risk is low as the Sub-Funds may only invest in eligible assets mentioned in paragraph 4.1. In turbulent market times however, low-volume markets make it difficult for the Sub-Funds to sell their assets at their fair price or to sell them at all. Should the Sub-Funds face large redemption requests in turbulent market times, the Directors may take appropriate measures to protect shareholders interests.

1.6 Unlisted and/or Illiquid Securities Risk

Sub-Funds may invest or hold a limited part of their net assets (max 10%) in securities that are not (or no longer) listed on exchanges or on a Regulated Market or which may be considered illiquid due to the lack of an active trading market. The Sub-Funds may encounter substantial delays and could incur losses in attempting to sell such securities. Where appropriate, positions in the Sub-Funds' portfolio that are illiquid and do not actively trade will be marked to market, taking into account current market prices, market prices of comparable investments and/or such other factors (e.g. the tenor of the respective instrument) as may be appropriate. To the extent that marking an illiquid investment to market is not practicable, an investment will be carried at fair value, as reasonably determined by the Directors or their delegate. There is no guarantee that fair value will represent the value that will be realized by the Sub-Funds on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. As a result, an investor redeeming his/her Shares from the Sub-Funds prior to realization of such an investment may not participate in gains or losses thereof.

1.7 Large Redemption Risk

Large redemptions of Shares in any of the Sub-Funds within a limited period of time might result in the Sub-Fund being forced to liquidate positions more rapidly than would otherwise be desirable, adversely affecting the value of both the Shares being redeemed and the remaining outstanding Shares.

1.8 Hedging Transactions Risk

The Sub-Funds may hold financial instruments, both for investment purposes and for hedging or EPM purposes. The success of the Sub-Funds' or Share classes' hedging strategy will depend, in part, upon the Investment Manager's ability correctly to assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Sub-Funds' or Share classes' hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Sub-Funds or Share classes may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Sub-Funds or Share classes than if it had not engaged in such hedging transactions. For a variety of reasons, the Investment Manager may not seek to establish a perfect correlation between the hedging instrument utilised and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Sub-Funds or Share classes from achieving the intended hedge or expose the Sub-Funds or Share classes to risk of loss. The Investment Manager may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk.

1.9 SFIs Risk

SFIs are subject to the risks associated with the underlying investments. Investments in SFIs may entail the risk of loss of principal and/or interest payment as a result of movements in the underlying investments. As such underlying investments may combine financial derivative instruments, SFIs may be subject to greater volatility than direct investments in fixed income and equity securities. In addition, investments in SFIs will expose the Sub-Funds to the credit risk of the counterparty issuing the SFI. In the event of a bankruptcy or insolvency of such counterparty or when the financial institutions issuing such SFIs are facing difficult market conditions, the Sub-Funds may experience delays in liquidating the positions and significant losses as a result of declines in value of the SFIs. The SFIs also entail liquidity risk, as they may not be as liquid as their underlying assets, depending on the market conditions.

1.10 Fiscal Risk

Investors should note in particular that the proceeds from the sale of securities in some markets or the receipt of any dividends or other income may be or may become subject to tax, levies, duties or other fees or charges imposed by the authorities in that market, including taxation levied by withholding at source. Tax law and practice in certain countries into which the Sub-Funds invest or may invest in the future cannot be definitively established. It is possible therefore that the current interpretation of the law or understanding of practice might change, or that the law might be changed retroactively. It is therefore possible that the Sub-Funds could become subject to additional taxation in such countries where this is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

1.11 Administrative Agent and Depositary Risk

The Sub-Funds' operations are carried out by the service providers described in the Prospectus. In the event of bankruptcy or insolvency of a service provider, investors could experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Shares) or other disruptions.

The Sub-Funds' assets are held in custody by the Depositary and the duly appointed sub-custodians, which expose the Sub-Funds to risks of loss associated to the depositary function if (1) the Depositary/sub-custodian fails to perform its duties (improper performance) and (2) if the Depositary/sub-custodian defaults.

1.12 Performance Risk in respect of the use of EPM techniques

While the Sub-Funds seek to generate additional revenues, the overall performance of the Sub-Funds employing such techniques may be adversely affected in the event that one of the risks mentioned above materializes and leads to a loss.

1.13 Operational Risk

Operational risk is a general risk that applies to all Sub-Funds when carrying operations on behalf of these Sub-Funds as part of their respective investment policy. Such risk materializes through operational errors which includes, inter alia, trading errors and similar human errors, such as keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements. The Management Company or, as the case may be the Investment Managers, their members, directors, shareholders, officers, employees and affiliates, their respective legal representatives (each, an "Indemnified Party"), shall not be liable to the Company or its shareholders for any losses resulting from operational errors, except such losses resulting from fraud, wilful default or negligence of the Indemnified Party. The foregoing provisions shall not be construed to relieve any Indemnified Party of any liability, to the extent that such liability may not be waived, modified or limited under applicable law, but shall be construed so as to effectuate these provisions to the fullest extent permitted by law and regulations.

1.14 Regulatory Risk

General - Due to numerous regulatory reforms currently undertaken, there is a risk that the investment policy of the Sub-Funds may be affected and that further restrictions may limit the ability of the Sub-Funds to hold certain instruments or enter into certain transactions and impair the Sub-Funds' capability of achieving their initial respective investment objectives. In order to comply with new or modified laws, rules and regulations it cannot be excluded that restructuring or termination of a given Sub-Fund may be necessary and additional costs may be incurred. A non-exhaustive list of potential regulatory changes in the EU and the United States of America are listed below.

EU - The EU is currently addressing the following topics (list not exhaustive):

- the consultation initiated by the European Commission on product rules, liquidity management, depositary, money market funds, long-term investments in view to another UCITS directive ("UCITS VI Directive");
- specific matters relating to UCITS and dealt with by ESMA - the role of ESMA is to achieve greater consistency in day to day application of EU legislation in the security markets field and it plays an active role in building a common EU supervisory culture and consistent supervisory practice, including by providing opinions and issuing guidelines and recommendations which are a central reference for the work of national regulators; and
- the proposal for the EU Financial Transaction Tax ("EU FTT").

United States of America - Regulators in the United States are taking or have taken actions on the following topics (list not exhaustive)

- the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") imposed the so-called "Volcker Rule" which restricts, "banking entities" and "non-bank financial companies" from engaging in certain activities, such as proprietary trading and investing in, sponsoring, or holding interests in investment funds;
- the Hiring Incentives to Restore Employment Act (the "Hire Act") was signed into US law in March 2010. It includes provisions on FATCA. The purpose of FATCA is to reduce tax evasions by US citizens by having details of US investors holding assets outside the US reported by FFIs to the US Internal Revenue Service. As a result of the Hire Act, and to discourage FFIs from staying outside this regime, all US securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on gross sales proceeds as well as income (the "FATCA Withholding"). This regime has become effective in phases between 1 July 2014 and 2017. On 28 March 2014, the US and the Grand Duchy of Luxembourg entered into a model 1 intergovernmental agreement ("IGA") and a memorandum of understanding in respect thereof in order to facilitate the compliance with the provisions of FATCA. On 29 July 2015, the law of 24 July 2015 approving the IGA between the Grand Duchy of Luxembourg and the US was published (the "FATCA Luxembourg Law"). The Company, through its Sub-Funds, qualifies as a FFI. According to FATCA, the IGA and the FATCA Luxembourg Law, a FFI can qualify as either a "reporting" FFI or a "non-reporting" FFI. Depending on the status of "reporting" or "non-reporting" FFI attributable to the Company, it may be obliged to require all shareholders to provide mandatory documentary evidence of their tax residence and report certain data to the Luxembourg authority on reportable accounts and/or impose restrictions on the offering and selling of Shares to certain categories of investors with no duty to report or withhold on US source gross sales proceeds or income (see paragraph 13.2). It should also be noted that although the Company will make all reasonable efforts to comply with all FATCA obligations, no assurance can be given that it will be able to satisfy such obligations and therefore avoid the FATCA Withholding which may have adverse impact on all shareholders. Investors are further advised to consult their own legal and tax advisor regarding the possible implications of FATCA on their investment in the Company.

1.15 Dilution Risk

Investors may reasonably expect to incur costs caused by an investment manager's trading activities in pursuit of the investment objectives of the Sub-Fund but may not reasonably expect to suffer a reduction in shareholder value (dilution) influenced by other shareholders excessively trading into or out of the Sub-Fund causing the Sub-Fund to significantly invest/disinvest in securities or markets.

Dilution can occur, for example, due to:

- buying securities at a higher offer-price;
- selling securities at a lower bid-price;
- increased explicit transaction costs including brokerage fees, commissions and taxes
- market impacts as a result of purchasing or selling down securities due to the effects on the supply and demand curves of those securities in the market.

Anti-dilution mechanisms such as Swing Pricing purport to provide reasonable protection to existing shareholders in a Sub-Fund against the negative dilution impact on the NAV occurring when a Sub-Fund invests/disinvests in securities or markets as a result of shareholder activity. This is achieved by transferring the estimated dilution impact to those shareholders who are subscribing or redeeming.

However, it should be noted that the application of anti-dilution mechanisms may not completely cancel out the adverse effects on the Sub-Fund's NAV caused by shareholder activity, especially during stressed market conditions. It should also be noted that a Sub-Fund's short-term performance may experience greater volatility as a result of the anti-dilution mechanisms.

1.16 Sustainability Risk

Sustainability risks mean an environmental, social, or governance event or condition that, if it occurs, could potentially or actually cause a material negative impact on the value of a Sub-Fund's investment. Sustainability risks can either represent a risk of its own or have an impact on other risks and may contribute significantly to risks, such as market risks, operational risks, liquidity risks or counterparty risks.

Assessment of sustainability risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

The integration of sustainability risks in the investment decision process may have the effect of excluding profitable investments from the investment universe of the Sub-Funds and may also cause the Sub-Funds to sell investments that will continue to perform well.

Appreciation of sustainability risk is to a degree subjective and there is no guarantee that all investments made by the Sub-Funds will reflect beliefs or values of any particular investor on sustainable investments.

Sustainability risks can manifest themselves in different ways and can lead to a significant deterioration in the financial profile, profitability or reputation of an underlying investment and thus may materially impact its market price or liquidity.

The results of the assessment of the likely impacts of sustainability risks on the returns of the Sub-Fund are addressed under the Section "SFDR".

1.17 Key Person Risk

Key person risk refers to the situation where the lead investment manager of a given Sub-Fund is no longer in charge with such consequence that the management of the Sub-Fund is discontinued. The investment teams of the Investment Managers or the Management Company work on an integrated basis so that reliance on any given individual is reduced. Whilst the lead investment manager may be a significant element in the management of a given Sub-Fund, the remaining investment managers within the team, together with a replacement of the lead investment manager (to the extent possible), can continue to manage the Sub-Fund. However, it may be the case that the largest shareholder or a group of shareholders considers the departure of the lead investment manager as a decisive factor in connection with a possible large redemption. In such case, the Company may consider the termination of the Sub-Fund as per the relevant section of this Prospectus should such termination be in the best interests of the remaining shareholders of the Sub-Fund.

2. Risks Linked to Certain Sub-Funds

2.1 Equity Risk

The risks associated with investment in equity (and equity-like) securities include significant fluctuations in market prices, adverse issuer or market information and the subordinate status of equity in relation to debt paper issued by the same company. Prices of equities fluctuate daily and can be influenced by many micro and macro factors such as political and economic news, corporate earnings reports and catastrophic events. The value of equities will go up and down and the value of a Sub-Fund investing in equities could incur significant losses.

Sub-Funds may invest in initial public offerings ("IPOs"). There is a risk that the price of the newly floated share may incur greater volatility as a result of factors such as the absence of an existing public market, non-seasonal transactions, a limited number of securities that can be traded and a lack of information about the issuer.

2.2 Small and Medium-Sized Capitalisation Risk

Stocks of small-to medium-sized capitalisation companies often traded on OTC markets may be less liquid than those listed on the major securities exchanges. Consequently, securities of small and even medium-sized cap companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price volatility and wide spreads between bid and offer prices. The combination of price volatility and the limited liquidity of those markets may have an adverse effect on the investment performance of the Sub-Funds. Further the risk of bankruptcy or insolvency of many smaller companies is higher than that of larger, "blue chips", companies.

2.3 Fixed Income Securities Risk

The risks associated with investment in bonds or others fixed income securities include credit, liquidity and interest rate risks.

2.4 Currency Risk

The Sub-Funds may be exposed to currency exchange risk. The Sub-Funds may invest in currencies different from their Reference Currency. Accordingly, the value of an investment may be affected favourably or unfavourably by fluctuations in exchange rates, notwithstanding any efforts made to hedge such fluctuations. In addition, prospective investors whose assets and liabilities are primarily denominated in currencies other than the Reference Currency of a Sub-Fund should take into account the potential risk of loss arising from fluctuations in the rate of exchange between the Reference Currency of the Sub-Fund and such other currency. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected unpredictably by intervention (or the failure to intervene) by relevant governments or central banks, or by currency controls or political developments. Some currencies are not freely convertible currency.

Furthermore, a Sub-Fund may incur costs in connection with conversions between various currencies. Currency exchange dealers realise a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Sub-Fund at one rate, while offering a lesser rate of exchange should the Sub-Fund desire immediately to resell that currency to the dealer. The Sub-Fund will conduct its currency exchange transactions either on a spot (i.e. cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward or options contracts to purchase or sell non-Reference Currency currencies. It is anticipated that most of the Sub-Funds' currency exchange transactions will occur at the time securities are purchased and will be executed through the local broker or the Depositary.

2.5 Below Investment Grade Risk and Distressed Securities Risk

Investment in debt securities or associated instruments rated BB or below (following Standard & Poor's, Moody's or equivalent), or of equivalent quality in the opinion of the Investment Manager, can involve additional risks. Securities rated BB or equivalent are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and principal or maintain other terms of the offer documents over any long period of time. Whilst such issues are likely to have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposure to adverse economic conditions. Securities rated lower than B, and in particular distress obligations, are most of the time issued by companies in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganisation and liquidation proceedings. These obligations are likely to be particularly risky investments although they also may offer the potential for correspondingly high returns. They are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness. The ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability, and the bankruptcy court's power to disallow, reduce, subordinate, recharacterise debt as equity or disenfranchise particular claims. There is no assurance that value of the assets collateralising the Company's investments will be sufficient or that prospects for a successful reorganisation or similar action will become available. In any reorganisation or liquidation proceeding relating to a company in which the Company invests, the Company may lose its entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the Company's investments may not compensate the shareholders adequately for the risks assumed.

In addition evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

2.6 Convertible Securities Risk

Convertible securities are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed,

converted or exchanged. Convertible securities generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Sub-Fund is called for redemption, the Sub-Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on the Sub-Fund.

2.7 Contingent Convertible Bonds Risk

Contingent convertible bonds (hereafter "Coco Bonds") are debt instruments that transform into shares of equity or are written off upon a triggering event. The investment in Coco Bonds is subject to different risks which may result in the total or partial loss of the invested sums or a delay in payment. These situations may adversely affect the Sub-Funds.

Investment in Coco Bonds may entail the following risks (non-exhaustive list):

Trigger level risk:

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the investment manager of the Sub-Fund to anticipate the triggering events that would require the debt to convert into equity.

Triggers are designed so that conversion occurs when the issuer faces a given crisis situation, as determined either by regulatory assessment or objective losses (e.g. measure of the issuer's core tier 1 prudential capital ratio). As a particular form of convertible securities, Coco Bonds have some characteristics common to those of the convertible securities as described above but have a distinctive feature which is their debt-to-equity conversion trigger.

Coupon cancellation risk

For some Coco Bonds coupon payments are entirely discretionary and may be cancelled by the issuer at any point, for any reason and for any length of time. For some Coco Bonds the cancelled coupon payments do not accumulate and are instead written off. This may lead to mispricing of the risk related to the investment in Coco Bonds.

Capital structure inversion risk

Contrary to classical capital hierarchy, Coco Bonds' investors (i) may suffer a loss of capital when equity holders do not suffer a loss or (ii) may suffer a loss ahead of equity holders. The Coco Bonds' investors may see their coupons cancelled while the issuer continues to pay dividends on its common equity.

Call extension risk

Some Coco Bonds are issued as perpetual instruments, callable at pre-determined levels only with the approval of the competent authority. It cannot be assumed that the perpetual Coco Bonds will be called on the call date. The Coco Bonds' investors may not receive return of principal as expected on a call date or, indeed, at any date.

Unknown risk

The structure of Coco Bonds is innovative yet untested. In a stressed environment, when the underlying features of these instruments will be put to the test, it is uncertain how they will perform. In the event a single issuer activates a trigger or suspends coupons, it is difficult to predict whether the market will view the issue as an idiosyncratic or rather as a systemic event. In the latter case, potential price contagion and volatility to the entire asset class is possible. This risk may in turn be reinforced depending on the level of underlying instrument arbitrage. Furthermore, in an illiquid market, price formation may be increasingly stressed.

Yield/valuation risk

Relative to more highly rated debt issues of the same issuer or similarly rated debt issues of other issuers, Coco Bonds tend to compare favorably from a yield standpoint. Some investors may be drawn to the Coco Bonds as a result of their attractive yield which may be viewed as a complexity premium.

Conversion risk

Coco Bonds entail uncertainty and conversion risks, amongst others, due to the difficulty of predicting triggering events that would require the debt to convert to equity.

With respect to conversion risks, there remain uncertainties as to how these securities will behave upon conversion: for instance, conversion triggers will generate newly converted equities to holders of Coco Bonds who may want or be required to sell immediately upon conversion the new equities entailing a decrease of the price of the stock of the issuer. In particular, the investment manager might be forced to sell the new equities because of the investment policy of a Sub-Fund which would not allow equity in its portfolio.

Write down risk

Coco Bonds qualify as securities with hybrid character which insofar as they are issued in the form of bonds may lose their nominal value (i.e. be permanently written down to zero of principal investment and/or accrued interest) or, following a trigger event, may be converted in equity (see above under "Conversion risk").

Sector concentration risk

Coco Bonds are issued by banking/insurance institutions. If a Sub-Fund invests significantly in contingent convertibles bonds its performance will depend to a greater extent on the overall condition of the financial services industry than a Sub-Fund following a more diversified strategy.

Liquidity risk

In certain circumstances finding a ready buyer for Coco Bonds may be difficult and the seller may have to accept a significant discount to the expected value of the bond in order to sell it.

2.8 Commodity Risk

Though the Company is prohibited to make investments in, or enter into transactions involving commodities, commodities contracts, or certificates representing commodities, they may seek to be exposed to commodities via units of UCI, equity securities or index based derivative instruments. Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments and other unforeseeable events. The prices of commodities may be highly volatile.

2.9 UCIs Risk

Underlying UCIs in which Sub-Funds may invest may be valued by administrators resulting in valuations which are not verified by an independent third party on a regular or timely basis. Accordingly there is a risk that (i) the valuations of the Sub-Funds may not reflect the true value of underlying investment vehicles holdings held by the Sub-Funds at a specific time which could result in losses or inaccurate pricing for the Sub-Funds and/or (ii) the valuations may not be available on the Valuation Day so that some of the assets of the Sub-Funds may be valued on an estimated basis.

For some of these underlying UCIs, the custodian may be a broker instead of a bank. Such brokers do not, in some cases, have the same credit rating as a bank. Moreover, the legislation applicable to underlying UCIs may provide that the custodian's duties be limited to the custody of assets and will not include supervisory duties similar to those which must be carried out by a custodian of a Luxembourg UCI.

Furthermore, some of these underlying UCIs may have auditors that do not use monitoring measures similar to those required for the Luxembourg investment funds.

2.10 Financial Derivative Instruments Risk

a. Valuation risk

Many financial derivative instruments, in particular OTC financial derivative instruments, are complex, difficult to value and often valued subjectively and the valuation may only be provided by a limited number of market professionals. The replacement value of an OTC derivative transaction may differ from the liquidation value of such transaction, and the valuations provided by the Sub-Fund's counterparty to such transaction may differ from the valuation provided by a third party or the value upon liquidation. A counterparty might cease making a market or quoting prices for some of the instruments. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-Fund.

b. Volatility

The price of a financial derivative instrument can be very volatile. This is because a small movement in the price of the underlying security, index, interest rate or currency may result in a substantial movement in the price of the financial derivative instrument. Investment in financial derivative instruments may result in losses in excess of the amount invested.

c. Correlation

Financial derivative instruments do not always perfectly or even highly correlate or track the value of the underlying assets they are designed to track. Consequently, a Sub-Fund's use of financial derivative instruments techniques may not always be an effective means of, and sometimes could be counter-productive to, following a Sub-Fund's investment objective.

d. Short Exposure

Although the Company may not carry out uncovered sales of transferable securities, some Sub-Funds may, as part of their investment strategy, use financial derivative instruments to seek short exposure to such transferable securities. The Sub-Funds may face substantial loss should the price of the transferable securities increase.

e. Leverage

The Sub-Funds will not use borrowing to purchase additional investments but a Sub-Fund using financial derivative instruments as part of its investment strategy may be expected to be leveraged (gross market exposure, aggregating both long and synthetic short positions, in excess of net asset value).

While leverage presents opportunities for increasing the Sub-Fund's total return, it also has the potential of increasing losses as well. Accordingly, any event which adversely affects the value of an investment by the Sub-Fund would be magnified to the extent the Sub-Fund is leveraged. The cumulative effect of the use of leverage by the Sub-Fund in a market that moves adversely to the Sub-Fund's investments could result in a substantial loss to the Sub-Fund.

f. Counterparty Risk (OTC derivative transactions)

The Sub-Funds may enter into derivatives transactions in over-the-counter markets, which will expose the Sub-Funds to the credit risk of their counterparties and their inability to satisfy the terms of such contracts as mentioned in the clause of counterparty risk above.

The Sub-Funds might also be unable to close out when they wish to end or to enter into an offsetting OTC transaction with respect to an open position, which might adversely affect their performance. The closing-out of an OTC derivative transaction may only be made with the consent of the counterparty to the transaction.

g. Control and Monitoring

Financial derivative instruments are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the financial derivative instruments but also of the financial derivative instruments themselves, without the benefit of observing the performance of the financial derivative instruments under all possible market conditions. In particular, the use and complexity of financial derivative instruments require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that financial derivative instruments add to the Sub-Funds and the ability to forecast the relative price, interest rate or currency rate movements of the underlying assets correctly. There is no guarantee that a particular forecast will be correct or that an investment strategy which deploys financial derivative instruments will be successful.

h. Collateral

Under the terms of the ISDA Agreements and related Collateral Support Annexes which the Company has with each of its OTC counterparties, the Company and its respective ISDA Counterparties have an obligation to collateralise their exposure to one another on a mark to market basis. Collateral transferred by the Company to its ISDA counterparties is transferred with full legal title.

When managing collateral the Company has received, the following risks may arise:

Operational risk: such risk materializes through operational errors stemming from (i) trading collateral transfer errors caused by the introduction of new processes, lack of controlled and automated technology or (ii) human errors caused by inexperienced staff; it can be amplified depending on the frequency and value of movements relating to collateral exchange.

Liquidity risk: such risk arises as a consequence of collateral calls resulting from abrupt market movements; during periods of heightened market volatility, the counterparty which is under the obligation to post collateral to its contracting party may face difficulties in meeting obligations as they come due.

Counterparty risk: the Sub-Fund is exposed to the credit risk of the issuer of the collateral as such issuer may fail to discharge an obligation under the security that is part of the collateral.

Custody risk: the collateral is part of the Sub-Funds' assets held in custody by the Depositary and the duly appointed sub-custodians, which exposes the Sub-Fund to risks of loss associated to the depositary function if the Depositary/ sub-custodian fails to perform its duties (improper performance) and if the Depositary/sub-custodian defaults.

Legal risk: such risk arises when dispositions of contractual arrangements related to OTC derivatives are amended resulting in an alteration of the magnitude of margin calls.

i. Limited recourse

The Company has an umbrella structure with multiple compartments (each compartment being referred to as a Sub-Fund). Each Sub-Fund, although not a separate legal entity, corresponds to a distinct part of the assets and liabilities of the Company under Luxembourg law, and consequently benefits from limited liability in accordance with the provisions of the Company's constitutive documents and Luxembourg law. When dealing for the account of a specified Sub-Fund, the Company will endeavour where possible to obtain a contractual acknowledgement from trading counterparties (each a "Counterparty") that the Company's obligation to that Counterparty will be limited to the assets of the specified Sub-Fund and that the Counterparty shall have no recourse to the assets of any other Sub-Fund. It may not however always be possible to obtain such an acknowledgement and in the event that (i) a Counterparty holds assets of more than one Sub-Fund; and (ii) the courts of the jurisdiction in which the assets are situated do not uphold the Luxembourg principle of limited liability as mentioned above, it is possible that the assets of one Sub-Fund could be used to satisfy the obligations of another Sub-Fund.

j. Options / Warrants

An option is a contract that gives the buyer the right, but not the obligation, to buy (call) or sell (put) the underlying asset at or within a certain point in time in the future at a pre-determined price (strike price) against the payment of a premium, which represent the maximum loss for the buyer of an option.

Options can allow the Investment Manager to cost-effectively be able to restrict downsides while enjoying the full upside of a stock, financial index, etc. Long positions in option may be taken to provide insurance against adverse movements in the underlying. Short position may also be taken to enhance total returns and generate income for the Sub-Fund via premium received. The writing and purchase of options is a specialised activity which can involve substantial risks. If the Investment Manager is incorrect in its expectation of changes in the market prices or determination of the correlation between the instruments or indices on which the options are written or purchased and the instruments in a Sub-Fund's investment portfolio, the Sub-Fund may incur losses that it would not otherwise incur.

A warrant is a certificate that entitles the holder to buy a specific amount of the underlying security of the issuing company at a pre-determined price until the expiry date, against the payment of a premium. Warrants are very similar to call options but there are some key differences such as, (i) warrants are issued by private parties, typically the corporation on which a warrant is based, (ii) warrants are considered over-the-counter instruments, (iii) warrants are not standardized like exchange-listed options, (iv) warrants can usually not be shorted by investors.

k. Forwards

A forward is a contract whereby two parties agree to exchange the underlying asset at a predetermined point in time in the future at a fixed price. The buyer agrees today to buy a certain asset in the future and the seller agrees to deliver that asset at that point in time.

Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardised; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward trading is substantially unregulated; there is no limitation on daily price movements. The principals who deal in the forward markets are not required to continue to make markets in the underlying securities they trade and these markets may experience periods of illiquidity, sometimes of significant duration. Disruptions can occur in any market traded by the Sub-Funds due to unusually high trading volume, political intervention or other factors. In respect of such trading, the Sub-Fund is subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts. Market illiquidity or disruption could result in major losses to the Sub-Funds.

l. Futures

Futures are standardised forwards traded on an organized exchange. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

m. Contract for Difference

A CFD is a contract between two parties that allows them to gain exposure to the economic performance and cash flows of a security without the need for actually buying or selling the security. The two parties agree that the seller will pay the buyer the difference in price after a certain period of time if the designated security's price increases, and the buyer will in return pay the seller the difference in price if the security's price decreases. It is linked to the underlying security price. Consequently, no right is acquired or obligation incurred relating to the underlying share.

The Sub-Funds can take synthetic long or synthetic short positions with a variable margin via CFD. They are highly leveraged instruments and for a small deposit, it is possible for a Sub-Fund to hold a position much greater than would be possible with a traditional investment. In case of substantial and adverse market movements, the potential exists to lose all of the money originally deposited and to remain liable to pay additional funds immediately to maintain the margin requirement.

n. Swaps (including IRS and TRS)

In a standard swap transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular pre-determined investments or instruments.

The Sub-Funds may enter swap transactions with a view to effecting synthetic long and short positions in certain securities, sectors or indices, including commodities indices. Swap agreements can be individually negotiated and structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swap agreements may increase or decrease the Sub-Funds' exposure to long-term or short-term interest rates, currency values, corporate borrowing rates, inflation rates, or other factors such as single equity securities, baskets of equity securities or equity indices. Swap agreements can take many different forms and are known by a variety of names.

An IRS is an agreement to exchange one set of cash flows (perceived as risky, as linked to e.g. a floating interest rate) against another set of cash flows (perceived as stable, as linked to, e.g. a fixed interest rate).

A TRS is an agreement that involves the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset (such as for example an equity), index or basket of assets against the rights to make fixed or floating payments or another equity return.

The most significant factor in the performance of swap agreements is the change in the specific interest rate, currency, individual equity values or other factors that determine the amounts of payments due to and from the Sub-Fund. If a swap agreement calls for payments by the Sub-Fund, the Sub-Fund must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the Sub-Fund.

The swap market has grown substantially in recent years with a large number of banks and investment banking firms, acting both as principals and as agents utilising standardised swap documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap.

o. Credit Default Swaps

A CDS is an agreement in which one party buys protection against losses occurring due to a credit event of a reference entity up to the maturity date of the swap. The protection buyer pays a periodic fee for this protection up to the maturity date, unless a credit event triggers the contingent payment. In the latter case, the buyer of protection only needs to pay the accrued fee up to the day of the credit event. If a credit event occurs, the settlement will be either in cash or physical: (i) Cash settlement: the seller of protection will pay to the buyer of protection the net amount between the nominal value and the market value of the security; (ii) Physical settlement: the buyer of protection will deliver a bond or a loan of the reference entity to the seller of protection and the latter will pay the par value in return. Credit events for CDS are typically: bankruptcy, failure to pay, and restructuring.

The Sub-Funds can take synthetic long or short positions in certain securities via CDS. The use of CDS may carry a higher risk than investing in bonds directly. A CDS allows the transfer of default risk. CDS can either serve as a substitute for purchasing corporate bonds or they can hedge specific corporate bond exposure or reduce exposure to credit basis risk. If the Sub-Fund is a buyer and no event of default occurs, the Sub-Fund will lose its investment and recover nothing. However, if an event of default occurs, the buyer Sub-Fund will receive the amount above mentioned depending on cash or physical settlement. If the Sub-Fund is a seller, it will receive a fixed rate of income throughout the term of the contract provided no credit event occurs. In the latter case, the Sub-Fund will have to pay the amount provided in the contract.

All Sub-Funds using Credit Default Swaps may, in the case of a credit event, have to accept delivery of non-investment-grade bonds issued in a currency other than the Reference Currency. The delivery of such non-investment-grade bonds in a currency other than the Reference Currency will not be regarded as a breach of investment policy for those Sub-Funds which may only be invested in investment-grade-bonds or in bonds issued in the Reference Currency.

The market for CDS may sometimes be more illiquid than bond markets.

2.11 ABS Risk and MBS Risk

ABS and MBS are securities backed by financial assets whose nature varies and determine the qualification of the security.

MBS are securities that represent direct or indirect participation in, or are collateralized by and payable from, mortgage loans secured by real property or instruments derived from such loans. The payment of principal and interest and the price of a MBS generally depend on the cash flows generated by the underlying mortgages and the terms of the MBS. MBS are backed by different types of mortgages, including commercial and residential properties. MBS are issued by government and non-government entities and include various types of securities such as pass-throughs, collateralized mortgage obligations and stripped MBS.

Certain MBS represent interests in pools of mortgage loans assembled for sale to investors by various governmental agencies, such as the US Government National Mortgage Association (GNMA), by government-related organizations, such as the U.S. Federal National Mortgage Association (FNMA) and the U.S. Federal Home Loan Mortgage Corporation (FHLMC), and by private issuers, such as commercial banks, savings and loan institutions and mortgage companies.

Private, government, or government-related entities may create mortgage loan pools offering pass-through investments. Interests in pools of mortgage-related securities differ from other forms of debt instruments, which normally provide for periodic payment of interest in fixed amounts with principal payments at maturity or specified call dates. Instead, these securities typically provide a monthly payment which consists of both interest and principal payments. These payments generally are a "pass-through" of the monthly payments made by the individual borrowers on their residential or commercial loans, net of any fees paid to the issuer or guarantor of such securities. Additional payments are caused by repayments of principal resulting from the sale of the underlying property, refinancing or foreclosure, net of fees or costs incurred. Pass-through securities issued by the U.S. Federal National Mortgage Association (FNMA) and the U.S. Federal Home Loan Mortgage Corporation (FHLMC) are guaranteed as to timely payment of principal and interest by the U.S. Federal National Mortgage Association (FNMA) and the U.S. Federal Home Loan Mortgage Corporation (FHLMC). Private MBS represent interest in pools consisting of residential or commercial mortgage loans created by non-government issuers, such as commercial banks and savings and loan associations and private mortgage companies. Private MBS securities may be subject to greater credit risk and be more volatile than government or government-related MBS. In addition, private MBS may be less liquid than government or government-related MBS.

Collateralized mortgage obligations are debt obligations of a legal entity that are collateralized by mortgages. They are typically rated by a rating agency and are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including pre-payments. The shorter, more senior tranches will generally be lower risk than the longer dated, more junior tranches.

Stripped MBS are derivative multi-class MBS. Stripped MBS may be issued by agencies or instrumentalities of the U.S. government, or by private originators of, or investors in, mortgage loans, including savings and loan associations, mortgage banks, commercial banks, investment banks, and special purpose entities formed or sponsored by any of the foregoing. Stripped MBS may be less liquid than other types of MBS. Stripped MBS are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. A common type of Stripped MBS will have one class receiving some of the interest and most of the principal from the mortgage assets, while the other class will receive most of the interest and the remainder of the principal. In the most extreme case, one class will receive all of the interest (interest-only), while the other class will receive all of the principal (principal-only).

ABS are very similar to MBS, except that the securities are collateralized by other types of assets besides mortgages, such as credit card receivables, home-equity loans, manufactured homes, automobile loans, student loans, equipment leases, or senior bank loans, among others. The assets can be a pool of assets or a single asset. ABS that represent an interest in a pool of assets provide greater credit diversification than ABS that represent an interest in a single asset. Payment of interest and repayment of principal on ABS may be largely dependent upon the cash flows generated by the underlying assets and, in certain cases, may be supported by letters of credit, surety bonds, or other credit enhancements.

The credit quality of ABS depends primarily on the quality of the underlying assets, the rights of recourse available against the underlying assets and/or the issuer, the level of credit enhancement, if any, provided for the securities, and the credit quality of the credit-support provider, if any. The value of ABS may be affected by the various factors, such as changes in interest rates, the availability of information concerning the pool and its structure, the creditworthiness of the servicing agent for the pool, the originator of the underlying assets, or the entities providing the credit enhancement. ABS that do not have the benefit of a security interest in the underlying assets present certain additional risks that are not present with ABS that do have a security interest in the underlying assets.

MBS and ABS are subject to pre-payment, extension and default risks.

Prepayment risk is the risk that principal is paid back over the life of the security rather than at maturity, as the underlying obligations are subject to unscheduled pre-payments of principal before the security's maturity date due to voluntary prepayments, refinancings or foreclosures on the underlying loans. Some types of ABS are often subject to more rapid repayment than their stated maturity date would indicate, as a result of the pass-through of prepayments of principal on the underlying assets. The rate of principal payments on these ABS is related to the rate of principal payments on the underlying asset pool and related to the priority of payment of the security with respect to the asset pool. The occurrence of prepayments is a function of several factors, such as the level of interest rates, general economic conditions, the location, and age of the underlying obligations, asset default and recovery rates, and other social and demographic conditions. Because prepayments of principal generally occur when interest rates are declining, an investor generally has to reinvest the proceeds of such prepayments at lower interest rates than those at which its assets were previously invested. Therefore, these ABS may have less potential for capital appreciation in periods of falling interest rates than other income-bearing securities of comparable maturity. Also, the interest-only and principal-only securities mentioned above are highly sensitive to the pre-payment experience associated with the underlying mortgages and will behave in opposite ways to the same trend in pre-payments. For interest-only securities, early pre-payments within the pool will mean less than expected interest payments since the mortgages will have terminated, adversely affecting security holders. For principal-only securities, early pre-payments within the pool will mean quicker repayment of principal than expected, benefiting security holders. Because of the highly sensitive nature of these securities, the possibility of sharp declines in prices is much greater compared to conventional MBS.

Extension risk is the risk that debt obligations will be paid off more slowly than originally anticipated, increasing the average life of such debt obligations and the sensitivity of the prices of such debt obligations to future interest rate changes. For example, rising interest rates could cause property owners to pay their mortgages more slowly than expected, resulting in slower payments of mortgage backed debt obligations. This could lengthen the duration of the debt obligation, making its price more sensitive to interest rate changes, and increase the potential for loss.

Default risk is the risk of default on the underlying assets that back the security. Weakening credit fundamentals associated with the underlying assets that back ABS/MBS securities may cause default rates to rise, which would result in a decline in the value of ABS/MBS obligations.

Because of their specific features, ABS/MBS may also be subject to higher interest rate, credit, and liquidity risks than other debt securities such as government bonds.

ABS/MBS may be structured as synthetic securities. For example, the CMBX is a credit default swap on a basket of commercial MBS bonds, constituting in effect a CMBS index. By purchasing such an instrument, the Sub-Funds are buying protection (i.e. the ability to get par for the bonds in the event of an unfavorable credit event), allowing the Sub-Funds to hedge their exposure or go short the commercial MBS sector. By selling such an instrument short and holding cash against the potential obligation to purchase it, the Sub-Funds are selling protection and effectively getting long exposure to the commercial MBS sector more quickly and efficiently than by purchasing individual bonds. The risks associated with such synthetic instruments are comparable to those of the underlying ABS or MBS securities that the instruments are seeking to replicate, in addition to the risk that the synthetic instruments themselves do not perform as intended due to adverse market conditions.

If any of the risk mentioned above materializes, the Sub-Funds may fail to recoup some or all of their initial investment in the securities, notwithstanding the existence of mechanisms such as credit enhancement or seniority.

2.12 Emerging Market Risk

General - In Emerging Markets, to which the Sub-Funds may be exposed, the legal, judicial and regulatory infrastructure is still developing and there is much legal uncertainty both for local market participants and their counterparties. Some markets carry significant risks for investors who should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable. Such risks may include (i) increased risk of nationalisation, expropriation of assets, forced mergers of companies, creation of government monopolies, confiscatory taxation or price controls; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity, low trading volumes and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for any major currency and/or restriction on the buying or selling by foreign investors; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in accounting, auditing and financial reporting standards, methods, practices and disclosures which may result in the unavailability or incompleteness or tardiness of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders and (xiv) less formalised procedures for corporate actions (no central source of identification, no formal notification) and proxy voting.

Exchange Rate Fluctuations Risk - In accordance with the investment objectives of certain Sub-Funds, the assets will be invested primarily in securities of companies in developing countries and substantially all income will be received by these Sub-Funds in currencies of such countries. A number of the currencies of developing countries have already experienced and could experience significant declines against the major currencies in recent years and devaluation may occur suddenly. Where possible, hedging strategies will be implemented but they cannot totally eliminate unfavorable currency fluctuations. Some currencies are not freely convertible currencies.

Custody Risk - The Company may also have to utilise local service providers for the safekeeping of the assets and for the execution of securities transactions. Although the Company intends to use only the best-qualified service providers in each of the markets concerned, the choice of providers in some emerging countries may be very limited. These providers may not offer guarantees comparable to those given by firms operating in developed countries. Accordingly, the quality of the services that the Company may obtain with regard to the execution of transactions on securities and their custody may be less reliable.

Settlement and Trading Risk - Settlement systems in Emerging Markets may be less well organized than in developed markets. Emerging Markets may not employ true Delivery versus Payment. Thus, there may be risks that settlement may be delayed and that cash or securities of these Sub-Funds may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment be made prior to receipt of the security which is being purchased or that delivery of a security must be made before payment is received. Exchanges on Emerging Markets may not have a settlement guarantee fund in case of temporary securities or cash shortfalls or in the event of a counterparty default or broker malpractice. The Company will seek, where possible, to use counterparties whose financial status is such that the risk of default is reduced, but the risk of losses resulting from default cannot be totally eliminated. Some markets may have specific trading restrictions.

Registration of Securities - In some countries, there is no recognition of "nominee" ownership. Registration must be done with the issuer in the final beneficial owner's name.

Regulatory Risk - Many of the laws that govern private and foreign investment, equity securities transactions and other contractual relationships in certain countries, particularly in developing countries, are new and largely untested. As a result, the Company may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment in certain countries in which assets of the Company are invested. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Company and its operations. In addition, the income and gains of the Sub-Funds may be subject to withholding taxes imposed by foreign governments for which unitholders may not receive a full foreign tax credit.

Investment and Repatriation Restrictions Risk - Some countries prohibit or impose substantial restrictions on investments by foreign entities. Certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. Repatriation of investment income, capital and the proceeds of sales by foreign investors may require governmental registration and/or approval in some developing countries. It may have an adverse impact on the operations of a Sub-Fund. While the Sub-Funds will invest only in markets where these restrictions are considered acceptable, new or additional restrictions might be imposed subsequent to the initial investment and thus may restrict the Investment Manager's ability to manage effectively such assets and could ultimately result in a substantial loss.

Liquidity Risk - As these Sub-Funds invest a high proportion of their assets in Emerging-Market securities which tend to be less liquid than those of developed markets, investors should consider a shareholding in these Sub-Funds to be a long-term investment and be aware that it may not always be possible to make redemption payments within the usual time frame (see Section 14).

Investment in PRC - The securities markets in the PRC are Emerging Markets that are undergoing rapid growth and changes. Most PRC laws and regulations governing securities and corporations might be subject to unpredictable changes and development. The effect of such changes can be retrospective and can have an adverse impact on the investments of the Sub-Funds.

Trading China A-Shares, if contemplated by a Sub-Fund, will be achieved through the Shanghai-Hong Kong Stock Connect ("Stock Connect", please also see the Definitions section). Stock Connect is still developing and will be open to all investors without the requirement of a licence and there are only limited restrictions relating to, inter alia, settlement currency, locking up the proceeds of sale or delaying repatriation of those proceeds. A particular risk around Stock Connect is the manner in which assets are held as part of the Stock Connect and ensuring proper segregation of those assets. Compared to a clearing system in a non-Emerging Market, there is a greater risk of assets being lost or being unable to be properly identified as belonging to the Company when utilizing Stock Connect. The Company may commence recourse to Stock Connect for a Sub-Fund only when it is reasonably satisfied that such trading facility is permissible according to the relevant laws and regulations applicable to the Company. Also, a Sub-Fund may seek exposure to China A-Shares using market access products such as warrants and participating or "P" notes or other forms of structured products or derivatives with a similar purpose.

Although the above mentioned trading facilities are signs of a greater internationalization of the RMB and the liberalization of China's financial markets, it should also be noted that (i) China A-Shares held through Stock Connect directly or via market access products may have limited voting rights and (ii) the renmimbi is subject to foreign exchange restrictions and is not a fully convertible currency. The exchange rate used for the Sub-Funds is in relation to the offshore renminbi ("CNH"), not the onshore renminbi ("CNY"). The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including those mentioned above.

Risks relating to Stock Connect

Under Stock Connect, the Company through its Hong Kong brokers may trade certain eligible securities listed and traded on the SSE, including China A-Shares (the "**SSE Securities**"). Such trading is subject to the laws and regulations of PRC and Hong Kong and the relevant rules, policies or guidelines issued from time to time.

Segregation and beneficial ownership of SSE Securities

The SSE Securities are held in a nominee account in the name of HKSCC, opened with ChinaClear, which is an omnibus account in which all SSE Securities of the investors of Stock Connect are commingled. The SSE Securities are beneficially owned by the investors (a Sub-Fund) and are segregated from the own assets of HKSCC.

In addition, the SSE Securities beneficially owned by investors (including a Sub-Fund) will be segregated in the accounts opened with HKSCC by relevant sub-custodians, and in the accounts opened with the relevant sub-custodians of such Sub-Fund in the CCASS maintained by the HKSCC as the central securities depositary in Hong Kong.

PRC laws suggest that the Sub-Fund would have beneficial ownership of SSE Securities. It is expressly stipulated in the Several Provisions on the Pilot Programme of Stock Connect (as published by the China Securities Regulatory Commission to prescribe the launch and operation of the Stock Connect) that HKSCC acts as the nominee holder and the Sub-Fund would own the rights and interests with respect to the SSE Securities. The SEHK has also stated that it is the Sub-Fund who is the beneficial owner of the SSE Securities.

However, it should be noted that the exact nature and methods of enforcement of the rights and interests of a Sub-Fund under PRC law is not certain and there have been few cases involving a nominee account structure in the PRC courts.

It should also be noted that as with other clearing systems or central securities depositaries, Stock Connect is not obliged to enforce the rights of a Sub-Fund in the PRC courts. If a Sub-Fund wishes to enforce its beneficial ownership rights in the PRC courts, it will need to consider the legal and procedural issues at the relevant time.

Quota limitations

Stock Connect is subject to an aggregate cross-boundary investment quota as well as a daily quota which does not belong to a Sub-Fund and can only be utilised on a first-come-first-served basis. In particular, once the remaining balance of the Northbound daily quota drops to zero or the Northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict a relevant Sub-Fund's ability to invest in SSE Securities through Stock Connect on a timely basis, and a Sub-Fund may not be able to effectively pursue its investment strategies.

Settlement

The Company will set up arrangements with its Hong Kong brokers and sub-custodian to ensure that cash payment is received against delivery of securities for the trades of the SSE Securities (delivery versus payment settlement). To this end, for the trades of the SSE Securities by a Sub-Fund, Hong Kong brokers will credit or debit the cash account of a Sub-Fund on the same day for the settlement of securities, for an amount equal to the funds relating to such trading.

Clearing and settlement risk

HKSCC and ChinaClear will establish the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfill the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

Should a ChinaClear default occur and ChinaClear be declared as a defaulter, HKSCC's liabilities in Northbound trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC will in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, a Sub-Fund may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

No Protection by Investor Compensation Fund

Investment through Stock Connect is conducted through broker(s), and is subject to the risks of default by such brokers' in their obligations. A Sub-Fund's investments through Northbound trading under Stock Connect is not covered by the Hong Kong's Investor Compensation Fund. Therefore Sub-Funds are exposed to the risks of default of the broker(s) it engages in its trading in SSE Securities through Stock Connect.

Suspension risk

Both the SEHK and SSE reserve the right to suspend Northbound and/or Southbound trading if necessary for ensuring an orderly and fair market and risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the Northbound trading through Stock Connect is effected, the relevant Sub-Fund's ability to access the PRC market will be adversely affected.

Differences in trading day

Stock Connect will only operate on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the PRC market but not for the Hong Kong market, in which case a Sub-Fund will not be able to access the PRC market via Stock Connect. A Sub-Fund may be subject to a risk of price fluctuations in SSE Securities during the time when Stock Connect is not trading as a result.

Operational risk

Stock Connect provides a new channel for investors from Hong Kong and overseas to access the China stock market directly. Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are able to participate in this programme subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. It should be appreciated that the securities regimes and legal systems of the two markets differ significantly and in order for the trial programme to operate, market participants may need to address issues arising from the differences on an on-going basis.

Further, the "connectivity" in Stock Connect requires routing of orders across the PRC-Hong Kong border. This requires the development of new information technology systems on the part of the SEHK and exchange participants (*i.e.* a new order routing system ("**China Stock Connect System**") to be set up by SEHK to which exchange participants need to connect). There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the programme could be disrupted. A Sub-Fund's ability to access the SSE Securities market (and hence to pursue its investment objective) will be adversely affected.

Restrictions on selling imposed by front-end monitoring

PRC regulations require that before an investor sells any SSE Securities, there should be sufficient SSE Securities in the account; otherwise SSE will reject the sell order concerned. SEHK will carry out pre-trade checking on SSE Securities sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. If a Sub-Fund desires to sell certain SSE Securities it holds, it must transfer those SSE Securities to the respective accounts of its brokers before the market opens on the day of trading. If it fails to meet this deadline, it will not be able to sell those SSE Securities on the trading day. Because of this requirement, the relevant Sub-Fund may not be able to dispose of holdings of SSE Securities in a timely manner.

Regulatory risk

Stock Connect is novel in nature, and will be subject to regulations circulated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be circulated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under Stock Connect.

It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that Stock Connect will not be abolished. A Sub-Fund, which may invest in the PRC markets through Stock Connect, may be adversely affected as a result of such changes.

Taxation risk

On 14 November 2014, the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission published the Circular on relevant Tax Treatment for the Pilot Programme of Shanghai-Hong Kong Stock Connect. Such circular provides that funds investing in SSE Securities via Stock Connect are temporarily exempt from income tax on capital gains derived from the transfer of SSE Securities on or after 17 November 2014 (the "Stock Connect Exemption"). Dividends from SSE Securities paid to a fund will continue to be subject to 10% withholding tax which is to be withheld at source. It is possible that any new tax laws and regulations and any new interpretations may be applied retroactively.

CIBM

CIBM is an OTC market where institutional investors trade sovereign, government and corporate bonds on a one-to-one quote-driven basis and accounts for almost all of outstanding bond values of total trading volume in China.

Investors should be aware that trading on the CIBM exposes the Sub-Fund to certain risks (counterparties risk, liquidity risk, settlement risk).

Settlement risk

There are various transaction settlement methods in the CIBM and although favorable terms are negotiated in the name of the Sub-Fund, there is no assurance that settlement risks can be eliminated. Where the counterparty fails to perform its obligations under a transaction, the Sub-Fund will sustain losses.

All bond trades will be settled through ChinaClear. ChinaClear operates under the supervision of the relevant Chinese authorities.

If a participant defaults in payment of any sum payable to ChinaClear, the latter has the power to apply the funds available towards the satisfaction of any amount due to ChinaClear either from (i) cash collateral provided by the defaulting participant; (ii) cash held in the joint guarantee fund contributed by the defaulting participant; or (iii) cash generated by the sale of securities. The defaulting party will be responsible for the expenses and any price differences resulting from the sale of the securities.

If a participant defaults in delivering securities, ChinaClear is entitled to delay the payment due to the delivering participant until the outstanding obligation is satisfied. In addition, ChinaClear may apply all or any securities (in lieu of the securities that are the subject of the delivery obligations) from the following sources to satisfy the obligations and liabilities of such participant to ChinaClear:

(i) securities furnished by the defaulting party;

(ii) securities purchased using the funds in the designated escrow account; or

(iii) securities available to ChinaClear from other alternative sources.

Although ChinaClear is due to deliver payment and securities to delivering participant and receiving participants, respectively, a delay may occur if either party fails to fulfil its payment or delivery obligation.

PRC has undertaken the liberalization to its financial markets by proposing or facilitating the access to several investment programs. Further to a revision in 2016, access to CIBM has been facilitated ("CIBM Facilitated Access"). Foreign institutional investors may invest, without particular license or quota, directly in RMB fixed income securities dealt on the CIBM via an onshore bond settlement agent (the "Bond Settlement Agent"), which has the responsibility for making the relevant filings and account opening with the relevant PRC authorities in particular the PBOC.

The CIBM Facilitated Access rules and regulations are relatively new. The application and interpretation of such investment regulations are therefore relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future. In addition, there can be no assurance that the CIBM Facilitated Access

rules and regulations will not be abolished in the future. A Sub-Fund, which invests in the PRC markets through the CIBM Facilitated Access, may be adversely affected as a result of any such changes or abolition.

Restrictions to Remittances and Repatriations Risk

Foreign investors (such as the Sub-Fund) may remit investment principal in RMB or foreign currency into the PRC for investing in the CIBM under the CIBM Facilitated Access. A Sub-Fund using the CIBM Facilitated Access will need to remit investment principal matching at least 50 % of its anticipated investment size within nine (9) months after filing with the PBOC, or else an updated filing will need to be made through the onshore Bond Settlement Agent.

Where a Sub-Fund repatriates funds out of the PRC, the ratio of RMB to foreign currency ("Currency Ratio") should generally match the original Currency Ratio when the investment principal was remitted into PRC, with a permissible deviation of 10%. However, to the extent an outward repatriation is in the same currency as the inward remittance the Currency Ratio restriction will not apply.

Certain restrictions may be imposed by the PRC authorities on investors participating in the CIBM Facilitated Access and/or the Bond Settlement Agent which may have an adverse effect on the Sub-Fund's liquidity and performance. Repatriations conducted in RMB are currently permitted daily and are not subject to repatriation restrictions (such as lock-up periods) or prior approval, although authenticity and compliance reviews will be conducted, and reports on remittances and repatriations will be submitted to the relevant PRC authorities by the Bond Settlement Agent. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Furthermore, as the Bond Settlement Agent's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the Bond Settlement Agent in case of non-compliance with the CIBM Facilitated Access rules and regulations. Any restrictions imposed in the future by the PRC authorities, or rejection or delay by the Bond Settlement Agent, on repatriation of the invested capital and net profits may impact on the Sub-Fund's ability to meet redemption requests from the shareholders. It should be noted that the actual time required for the completion of the relevant repatriation will be beyond the Investment Manager's control.

Securities and cash accounts

Beneficial ownership of RMB securities acquired through CIBM Facilitated Access has been acknowledged in documentation released by the PBOC and PRC authorities. Beneficial ownership is however an untested concept in the PRC. Investors should note that cash deposited in the cash account of the Sub-Fund with the Bond Settlement Agent will not be segregated but will be a debt owing from the Bond Settlement Agent to the Sub-Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Bond Settlement Agent. In the event of bankruptcy or liquidation of the Bond Settlement Agent, the Sub-Fund will not have any proprietary rights to the cash deposited in such cash account, and the Sub-Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the Bond Settlement Agent. The Sub-Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Sub-Fund will suffer losses.

Bond Settlement Agent Risk

There is a risk that the Sub-Fund may suffer losses, whether direct or consequential, from: (i) the acts or omissions in the settlement of any transaction or in the transfer of funds or securities by the Bond Settlement Agent; or (ii) the default or bankruptcy of the Bond Settlement Agent; or (iii) the disqualification of the Bond Settlement Agent from acting in such capacity either on a temporary or permanent basis. Such acts, omissions, default or disqualification may also adversely affect a Sub-Fund in implementing its investment strategy or disrupt the operations of a Sub-Fund, including causing delays in the settlement of any transaction or the transfer of any funds or securities in the PRC or in recovering assets, which may in turn adversely impact the net asset value of a Sub-Fund.

In addition, the PBOC is vested with the power to impose regulatory sanctions if the Bond Settlement Agent violates any provision of the CIBM Facilitated Access rules. Such sanctions may adversely impact on the investment by the Sub-Fund through the CIBM Facilitated Access.

Risks associated with Bond Connect

Overview of the Bond Connect

Bond Connect is a mutual bond market access between Hong Kong and mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and SEHK and Central Moneymarkets Unit. China bond market primarily consists of CIBM. Eligible foreign investors can invest in the CIBM under the northbound trading of Bond Connect ("Northbound Trading"). Northbound Trading will follow the current policy framework for overseas participation in the CIBM. There will be no investment quota for Northbound Trading.

Under the prevailing regulations in mainland China, eligible foreign investors who wish to invest in the CIBM via Bond Connect may do so via an offshore custody agent approved by the Hong Kong Monetary Authority, who will be responsible for the account opening with the relevant onshore custody agent approved by PBOC.

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the CIBM may result in prices of certain debt securities traded on such market fluctuating significantly. The relevant Sub-Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the relevant Sub-Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that the relevant Sub-Fund transacts in the CIBM, the relevant Sub-Fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the relevant Sub-Fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

Since the account opening for investment in the CIBM via Bond Connect has to be carried out via an offshore custody agent, the relevant Sub-Fund is subject to the risks of default or errors on the part of the offshore custody agent.

Bond Connect is subject to regulatory risks. The relevant rules and regulations on investment via Bond Connect are subject to change which may have potential retrospective effect. In the event that the relevant Chinese authorities suspend account opening or trading via Bond Connect, the relevant Sub-Fund's ability to invest in CIBM will be limited and, may have an adverse effect on the relevant Sub-Fund's performance as the relevant Sub-Fund may be required to dispose of its CIBM holdings. The relevant Sub-Fund may also suffer substantial losses as a result.

There is no specific written guidance by the mainland China tax authorities on the treatment of income tax and other tax categories payable in respect of trading in CIBM by eligible foreign institutional investors via Bond Connect. Hence it is uncertain as to the relevant Sub-Fund's tax liabilities for trading in CIBM via Bond Connect. Also it is possible that any new tax laws and regulations and any new interpretations may be applied retroactively.

Risks associated with QFI regime

In addition to the risks set out above "Investments in the PRC" the following additional risks apply.

QFI Risk. The application and interpretation of the regulations which regulate investments through QFI regime in the PRC are subject to change and there is no certainty as to how they will be consistently applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future. Any possible restrictions on repatriation imposed in respect of the relevant investments through the QFI regime may have an adverse effect on the Sub-Fund's ability to meet redemption requests. Any change in the QFI regime generally, including the possibility of the QFI-Investment Manager losing its QFI status, may affect the relevant Sub-Fund's ability to invest in eligible securities in the PRC directly through the relevant QFI. In addition, should the QFI status be suspended or revoked, the Sub-Fund's performance may be adversely affected as the Sub-Fund may be required to dispose of its QFI eligible securities holdings. The applicable laws, rules and regulations on QFI are subject to change and such change may have potential retrospective effects.

QFI Investment Restrictions Risk. Although the QFI does not anticipate that QFI investment restrictions will impact on the ability of the Sub-Fund to achieve its investment objective, investors should note that the relevant PRC laws and regulations may limit the ability of a QFI to acquire securities in certain PRC issuers from time to time and may force the Sub-Fund to dispose of its securities, thus affecting its capacity in making investments in PRC. Trading of China securities may be impacted by any temporary or permanent suspensions imposed from time to time by the Shanghai and/or Shenzhen stock exchanges or pursuant to any regulatory or governmental intervention with respect to particular investments or the markets generally. Any such suspension or corporate action may make it impossible for the Sub-Fund to acquire or liquidate positions in the relevant securities as part of the general management and periodic adjustment of the Sub-Fund's investments through the QFI or to meet redemption requests. Such circumstances may also make it difficult for the Net Asset Value of the Sub-Fund to be determined and may expose the Sub-Fund to losses. In order to mitigate the effects of extreme volatility in the market price of securities, the Shanghai and Shenzhen stock exchanges currently limit the amount of fluctuation permitted in the prices of securities during a single trading day. The daily limit represents the maximum amount that the price of a security (during the current trading session) may vary either up or down from the previous day's settlement price. The daily limit governs only price movements and does not restrict trading within the relevant limit. However, the limit does not limit potential losses because the limit may work to prevent a liquidation of any relevant securities at the fair or probable realisation value for such securities which means that the Sub-Fund may be unable to dispose of unfavourable positions. There can be no assurance that a liquid market on an exchange would exist for any particular security or for any particular time.

Counterparty Risk. Any assets acquired through the QFI regime will be maintained by a local custodian pursuant to the PRC regulations, in electronic form via the QFI securities account(s) and any cash will be held in Renminbi cash account(s) with the local custodian. Whilst the assets held in such accounts are segregated and held separately and belong solely to the Sub-Fund, it is possible that the judicial and regulatory authorities in the PRC may interpret this position differently in the future. The Sub-Fund may also incur losses due to the acts or omissions of the local custodian in the execution or settlement of any transaction or in the transfer of any funds or securities. Cash held by the local custodian in the Renminbi cash account(s) will not be segregated in practice but will be a debt owing from the local custodian to the relevant Sub-Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the local custodian. In the event of insolvency of the local

custodian, the Sub-Fund will not have any proprietary rights to the cash deposited in the cash account opened with the local custodian, and the Sub-Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the local custodian. The Sub-Fund may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Sub-Fund will lose some or all of its cash.

Counterparty Risk to PRC broker(s) The QFI -Investment Manager selects brokers in the PRC ("PRC Broker(s)") to execute transactions for the Sub-Fund in markets in the PRC. There is a possibility that the QFI -Investment Manager may only appoint one PRC Broker in respect of each stock exchange in the PRC as a result of the requirement in the PRC that securities are sold through the same PRC Broker through which they were originally purchased. If, for any reason, the QFI -Investment Manager is unable to use the relevant broker in the PRC, the operation of the Sub-Fund may be adversely affected. The Sub-Fund may also incur losses due to the acts or omissions of any of the PRC Broker(s) in the execution or settlement of any transaction or in the transfer of any funds or securities. If a single PRC Broker is appointed, the Sub-Fund may not pay the lowest commission available in the market. However, the QFI -Investment Manager shall, in the selection of PRC Brokers, have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards. There is a risk that the Sub-Fund may suffer losses from the default, insolvency or disqualification of a PRC Broker. In such event, the Sub-Fund may be adversely affected in the execution of transactions through such PRC Broker. As a result, the Net Asset Value of the Sub-Fund may also be adversely affected. To mitigate the Company's exposure to the PRC Broker(s), the QFI -Investment Manager employs specific procedures to ensure that each PRC Broker selected is a reputable institution and that the credit risk is acceptable to the Company.

Remittance and Repatriation of RMB Risk. Repatriations of RMB are currently not subject to, any lock-up periods or prior regulatory approval; although authenticity and compliance reviews will be conducted and monthly reports on remittances and repatriations will be submitted to the State Administration of Foreign Exchange of the PRC by the local custodian. The repatriation process may be subject to certain requirements set out in the relevant regulations (e.g. submission of certain documents when repatriating the realised cumulative profits). Completion of the repatriation process may be subject to delay. There is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Further, such changes to the PRC rules and regulations may be applied retroactively. Any restrictions on repatriation imposed in respect of the Sub-Fund's cash may have an adverse effect on the Sub-Fund's ability to meet redemption requests. Furthermore, as the local custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the local custodian in case of non-compliance with the QFI rules and regulations. In such case, it is expected that redemption proceeds will be paid to the redeeming shareholder as soon as practicable and after the completion of the repatriation of funds concerned. The actual time required for the completion of the relevant repatriation will be beyond the QFI -Investment Manager's control.

2.13 Russian Registration Risk / Investment in Russia

Investments in Russia are currently subject to certain heightened risks with regard to the ownership and custody of securities. In Russia this is evidenced by entries in the books of a company or its registrar (which is neither an agent nor responsible to the Depositary). No certificates representing ownership of Russian companies will be held by the Depositary or any sub-custodian or in an effective central depository system. As a result of this system and the lack of state regulation and enforcement, the Company could lose its registration and ownership of Russian securities through fraud, negligence or even mere oversight.

In addition, investments in Russia may also be impacted in the context of the geopolitical crisis in Eastern Europe involving Russia and Ukraine. Western countries have taken sanctions against Russia. This may lead Russia to take counter measures against some Western and other countries. As a result, the Russian economy may be adversely impacted and Russia may become a more risky investment with higher volatility on certain markets, restrictions on foreign investments in Russia, difficulties to liquidate Russian investments or expatriation of funds out of Russia.

The Moscow Exchange MICEX-RTS is the sole market qualifying as a Regulated Market in Russia.

2.14 Regional or Sectorial Concentration Risk

Concentration risk on certain countries/regions - Where a Sub-Fund restricts itself to investing in securities of issuers located in a particular country or region, such concentration will expose the Sub-Fund to the risk of adverse social, political or economic events which may occur in that country or region. The risk increases if the country or region in question is an Emerging Market.

Concentration risk on certain sectors - Where a Sub-Fund restricts itself to invest in a certain sector, such as technology or healthcare, it may be sensitive to factors affecting technology-related industries and to greater risk and market fluctuation than investment in a broader range of portfolio securities covering different economic sectors. Technology, technology-related, healthcare industries may also be subject to greater government regulation than many other industries. Accordingly, changes in government

policies and the need for regulatory approvals may have a materially adverse affect on these industries. Additionally, these companies may be subject to risk of developing technologies, competitive pressures and other factors as well as a relatively high risk of obsolescence caused by scientific and technological advances and are depended upon consumer and business acceptance as new technologies evolve. Many companies in the technology sector are smaller companies and are therefore also subject to the risks attendant on investing in such companies set out above. The development of these sector-specific investments may differ from the general stock exchange trend.

2.15 Model Risk

Sub-Funds that apply quantitative management methods or systematic process or strategies, rely for their management process on models based to a varying extent on past market conditions. Given the uncertainty of the future, these models may not necessarily capture the risk they were designed and expected to capture and hence could signal erroneous investment opportunities.

2.16 Specific risk factor related to MMF

A Money Market Fund is not a guaranteed investment. Investments in MMFs is different from investments in deposits as the value of Shares can fluctuate and the return generated from them may go up or down, and investors may not recover the amount initially invested. The Company does not rely on any external support for guaranteeing the liquidity of the MMF or stabilizing the Net Asset Value per Share of its MMF. As a consequence thereof, the risk of loss of the principal is borne by the shareholder.

2.17 P-Notes

Certain Sub-Funds may invest in P-Notes or certificates which are structured products. P-Notes are issued by banks or broker-dealers and are designed to offer a return linked to the performance of a particular underlying equity security or market. P-Notes can have the characteristics or take the form of various instruments, including, but not limited to, certificates or warrants. The holder of a P-Note that is linked to a particular underlying security is entitled to receive any dividends paid in connection with the underlying security. However, the holder of a P-Note generally does not receive voting rights as it would if it directly owned the underlying security. P-Notes constitute direct, general and unsecured contractual obligations of the banks or broker-dealers that issue them, which therefore subject the Sub-Funds investing in P-Notes to counterparty risk. Investments in P-Notes involve certain risks in addition to those associated with a direct investment in the underlying foreign securities or foreign securities markets whose return they seek to replicate. For instance, there can be no assurance that the trading price of a P-Note will equal the value of the underlying foreign security or foreign securities market that it seeks to replicate. As the purchaser of a P-Note, the Sub-Funds investing in P-Notes are relying on the creditworthiness of the counterparty issuing the P-Note and have no rights under a P-Note against the issuer of the underlying security. Therefore, if such counterparty were to become insolvent, the relevant Sub-Funds would lose their investment. The risk that these Sub-Funds may lose their investments due to the insolvency of a single counterparty may be amplified to the extent the Sub-Funds purchase P-Notes issued by one issuer or a small number of issuers. P-Notes also include transaction costs in addition to those applicable to a direct investment in securities. In addition, the Sub-Funds' use of P-Notes may cause the Sub-Funds' performance to deviate from the performance of the portion of the index to which the Sub-Funds are gaining exposure through the use of P-Notes. Due to liquidity and transfer restrictions, the secondary markets on which P-Notes are traded may be less liquid than the markets for other securities, which may lead to the absence of readily available market quotations for securities in the Sub-Funds' portfolios and may cause the value of the P-Notes to decline. The ability of the Sub-Funds to value their securities becomes more difficult and the judgment in the application of fair value procedures may play a greater role in the valuation of the Sub-Funds' shares due to reduced availability of reliable objective pricing data. Consequently, while such determinations will be made in good faith, it may nevertheless be more difficult for the Sub-Funds to accurately assign a daily value to such securities.

2.18 SPACs

SPACs are shell companies that are admitted to trading on a trading venue with the intention to acquire a business and are often referred to as blank check companies. The persons responsible for setting up SPACs are the sponsors, who typically have significant expertise in one or more economic sectors and use the SPAC to acquire companies in those sectors. SPACs sell their shares, often together with warrants, to investors to finance the acquisition. The life cycle of a SPAC is typically divided into three phases:

- the first stage is the Initial Public Offering (IPO), whereby the shares and warrants in the SPAC are admitted to trading on a trading venue;

- in the second stage, the SPAC searches for a target company to acquire; and
- the third and final stage consists of the business combination with the target company, typically through a merger.

After the third stage, the SPAC is a normal listed company.

Loss and opportunity costs risk

As blank check companies, SPACs do not have any operating history or ongoing business other than seeking acquisitions. The long-term value of a SPAC's securities is particularly dependent on the ability of the SPAC's management to identify a merger target and complete an acquisition. Some SPACs pursue acquisitions only within certain industries or regions, which may increase the time horizon for an acquisition as well as other risks associated with these investments, including price volatility. Until an acquisition or merger is completed, a SPAC generally invests its assets in liquid securities and does not typically pay dividends in respect of its common stock. If an acquisition or merger that meets the requirements of the SPAC is not completed within a pre-established period of time, the funds invested in the SPAC plus any interest paid on such funds are returned to its shareholders. As a result, a Sub-Fund may be subject to opportunity costs to the extent that alternative investments would have produced higher returns. Also, any warrants or other rights with respect to a SPAC held may expire worthless or may be repurchased or retired by the SPAC.

Conflict of interest risk

The economic interests of the sponsors, directors, officers and related parties of a SPAC can differ from the economic interests of its shareholders, which may lead to conflicts as they evaluate, negotiate and recommend business combination transactions to shareholders. Sponsors, directors and officers may not work exclusively on behalf of the SPAC and may have fiduciary obligations to other entities that compete for the SPAC's business. Original SPAC investors may benefit from strategies that put themselves in conflict with acquisition targets. This risk may become more acute as the deadline for the completion of a business combination nears or in the event that attractive acquisition or merger targets become scarce: the sponsor and directors of a SPAC may be incentivized to overpay for a target to the detriment of common shareholders.

Governance and decision-making process risk

While a comprehensive and lengthy due diligence is routinely performed on a company going public through a typical initial public offering, the timeframe imposed on a SPAC to acquire a target company (usually within 24 months) may render the completion of appropriate due diligence more challenging. Also, because an acquired company does not face close scrutiny and is often in an earlier stage of development, its controls may not be adequate. Less experienced finance and accounting personnel may not establish and maintain effective disclosure processes and controls over financial reporting. Investors may be more avertedly exposed as a result of inexperience and accidents caused by human errors.

Dilution risk

Share dilution is often caused by founder shares, which typically represent 20% of the SPAC's common stock and are acquired by the sponsor for nominal consideration (i.e., without contributing cash) when creating the SPAC. In this scenario, the rest of the common stock is acquired through non-founder shares that are backed by investors' cash. Once the business combination closes, the founders acquire shares in a public company representing a portion of the capital they did not contribute to. Also, the dilution may be magnified when warrants (i.e., call option to acquire shares at a price inferior to the trade price) are exercised: the increase in outstanding shares is more important than the increase of the shares' total value.

Liquidity risk

Shares in the SPACs are listed on stock exchanges, providing liquidity to shareholders. Shareholders can sell their shares and/or warrants before the announcement of an acquisition. The volume of shares traded is cyclical to the target company acquisition stage with notable increases at the time of announcements (such as the disclosure of the target company). However, it may be the case that only a thinly traded market for shares or interests in the SPAC develops which may have an impact on the ability to sell interests in the SPAC or may cause the sale price to be lower than the expected SPAC interest's value. Also, despite the fact that SPACs may provide the opportunity for common shareholders to have some or all of their shares redeemed by the SPAC at or around the time of a proposed acquisition or merger, there may be a limit to the number of shares that can be redeemed.

2.19 "Buy-and-maintain" strategies

The concept of a "buy-and-maintain" strategy refers to a portfolio mainly invested in debt securities which are initially purchased with the intention to hold them until their respective maturity.

Such a concept comes with a series of risks. Below is a list of main risks.

First, "buy-and-maintain" strategies do not preclude, in any way, the risk of losing part or total of the invested capital. In other words, there is no capital guarantee. Indeed, such strategies are subject to the full series of potential risks associated with investments into debt securities, such as but not limited to market risk, interest rate risks, default risk, exchange rate risk and liquidity risk.

Moreover, such a concept also often requires the implementation of measures to mitigate any dilution effects caused by new subscriptions and/or redemptions, such as the closing of the sub-fund to new subscriptions (thus the risk for an investor of not being able to increase an existing position in the sub-fund) and/or the application of a dealing charge to the redemption price (thus the risk of redeeming at an NAV which is lower than if no charge had been applied).

Next, such a concept usually requires the Investment Manager, while approaching the term of the Sub-Fund, , to grow the cash and cash equivalent positions as the underlying debt securities near their maturity. This means that the exposure to financial markets is gradually and/or drastically reduced.

Finally, upon termination of the Sub-Fund, investors will face a reinvestment risk in the sense that they may be unable to reinvest the reimbursed cash amount at a rate comparable to the rate of return of the Sub-Fund.

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Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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**

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

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

The Sub-Fund may invest inter-alia in a combination of corporate and sovereign issuers. In respect of the Sub-Fund's direct exposure to corporate issuers, the sections throughout this disclosure headed 'Corporate Portfolio' shall apply. In respect of the Sub-Fund's direct exposure to sovereign issuers, the sections throughout this disclosure headed 'Sovereign Portfolio' shall apply. The Sub-Fund may also invest in underlying investment funds. Information relevant to those underlying investment funds is covered throughout this disclosure under the heading 'Underlying Investment Funds'.

Corporate Portfolio

The Sub-Fund's direct exposure to corporate issuers promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments as further described in this disclosure.

Sovereign Portfolio

The Sub-Fund's direct exposure to sovereign issuers promotes a measurable assessment of the positive ESG characteristics of sovereign issuers with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score the Sub-Fund's exposure to single name corporates and corporates securities. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager will invest at least 50% of the Sub-Fund's direct exposure* to corporate issuers in companies with a rating of B- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

For the Sub-Fund's direct exposure to single name sovereign bonds, the Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's direct exposure* to sovereign issuers in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

Underlying Investment Funds

The Sub-Fund may also invest in underlying investment funds. To the extent that it does so, the Investment Manager will aim to invest in underlying funds which are subject to article 8 of SFDR.

* For the purposes of this disclosure, references to 'direct' exposure means investments in or referencing single name corporate or sovereign issuers (whether through instruments issued directly by the relevant corporate or sovereign or through derivatives instruments) and references to 'indirect' exposure means investments in or referencing indices or baskets of indices (typically through derivative instruments).

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy)
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

Underlying Investment Funds

For investments in underlying investment funds, the Investment Manager will rely on PAI reporting provided by the managers of those underlying funds on an ex-post basis.

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 Sub-Fund implements an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

When the Sub-Fund has direct exposure to the Sub-Fund's target assets, the Investment Manager is able to analyse and select investments based upon their sustainability profile and contribution to environmental or social objectives. When the Sub-Fund has indirect exposure to the Sub-Fund's target assets, particularly derivatives referencing indices or baskets of indices, it is not possible to select investments based upon their sustainability profile and contribution to environmental or social objectives.

The Sub-Fund's strategy is dynamic and the portion of the Sub-Fund's investment portfolio which has direct or indirect exposure to the Sub-Fund's target assets will fluctuate depending upon market conditions.

To the extent that the Sub-Fund invests in underlying investment funds, the Investment Manager will aim to invest in underlying funds which are subject to article 8 of SFDR.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding* in respect of the Sub-Fund's direct exposure to corporate issuers:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude :

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

In respect of the Sub-Fund's direct exposure to sovereign issuers, the Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Underlying Investment Funds

The Sub-Fund will only invest in underlying funds which have exclusions on controversial weapons equivalent to those described above.

Minimum Rating/Scoring

Corporate Portfolio

the Investment Manager will invest at least 50% of the Sub-Fund's direct exposure to corporate issuers in companies with a rating of B- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's direct exposure to sovereign issuers in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

Corporate Portfolio

Good governance in respect of direct exposure to corporates is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

Sovereign Portfolio

Good governance in respect of direct exposure to sovereigns is assessed through the assessment of the following PAIs:

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

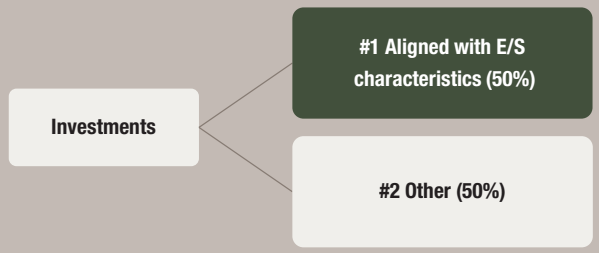
Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

Derivatives may be used for a variety of reasons, including to manage risks. Where direct exposure to the Sub-Fund's target assets is gained through derivatives (for example single name futures), the Investment Manager is able to make a similar analysis of the environmental or social credentials of an underlying reference issuer as an investment in the underlying issuer itself. This is not possible where derivatives reference indices with multiple underlying reference issuers or baskets of indices.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

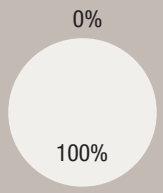
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

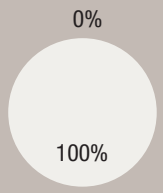
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 89% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include (i) companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology; or (ii) instruments with indirect exposure to the Sub-Fund's target assets, particularly derivatives referencing indices or baskets of indices, where it is not possible to select investments based upon their sustainability profile and contribution to environmental or social objectives due to the aggregated nature of the underlying reference assets. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund or to gain indirect exposure on an aggregated basis to the Sub-Fund's target assets. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions).

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?

No

- ***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.loim.com

Product Name: LO Funds – All Roads Legal entity identifier: 549300Y878G5HU6ZH742

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest inter-alia in a combination of corporate and sovereign issuers. In respect of the Sub-Fund's direct exposure to corporate issuers, the sections throughout this disclosure headed 'Corporate Portfolio' shall apply. In respect of the Sub-Fund's direct exposure to sovereign issuers, the sections throughout this disclosure headed 'Sovereign Portfolio' shall apply. The Sub-Fund may also invest in underlying investment funds. Information relevant to those underlying investment funds is covered throughout this disclosure under the heading 'Underlying Investment Funds'.

Corporate Portfolio

The Sub-Fund's direct exposure to corporate issuers promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments as further described in this disclosure.

Sovereign Portfolio

The Sub-Fund's direct exposure to sovereign issuers promotes a measurable assessment of the positive ESG characteristics of sovereign issuers with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score the Sub-Fund's exposure to single name corporates and corporates securities. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager will invest at least 50% of the Sub-Fund's direct exposure* to corporate issuers in companies with a rating of B- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

For the Sub-Fund's direct exposure to single name sovereign bonds, the Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's direct exposure* to sovereign issuers in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

Underlying Investment Funds

The Sub-Fund may also invest in underlying investment funds. To the extent that it does so, the Investment Manager will aim to invest in underlying funds which are subject to article 8 of SFDR.

* For the purposes of this disclosure, references to 'direct' exposure means investments in or referencing single name corporate or sovereign issuers (whether through instruments issued directly by the relevant corporate or sovereign or through derivatives instruments) and references to 'indirect' exposure means investments in or referencing indices or baskets of indices (typically through derivative instruments).

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

Underlying Investment Funds

For investments in underlying investment funds, the Investment Manager will rely on PAI reporting provided by the managers of those underlying funds on an ex-post basis.

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 Sub-Fund implements an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

When the Sub-Fund has direct exposure to the Sub-Fund's target assets, the Investment Manager is able to analyse and select investments based upon their sustainability profile and contribution to environmental or social objectives. When the Sub-Fund has indirect exposure to the Sub-Fund's target assets, particularly derivatives referencing indices or baskets of indices, it is not possible to select investments based upon their sustainability profile and contribution to environmental or social objectives.

The Sub-Fund's strategy is dynamic and the portion of the Sub-Fund's investment portfolio which has direct or indirect exposure to the Sub-Fund's target assets will fluctuate depending upon market conditions.

To the extent that the Sub-Fund invests in underlying investment funds, the Investment Manager will aim to invest in underlying funds which are subject to article 8 of SFDR.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding* in respect of the Sub-Fund's direct exposure to corporate issuers:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude :

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

In respect of the Sub-Fund's direct exposure to sovereign issuers, the Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Underlying Investment Funds

The Sub-Fund will only invest in underlying funds which have exclusions on controversial weapons equivalent to those described above.

Minimum Rating/Scoring

Corporate Portfolio

the Investment Manager will invest at least 50% of the Sub-Fund's direct exposure to corporate issuers in companies with a rating of B- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's direct exposure to sovereign issuers in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

Corporate Portfolio

Good governance in respect of direct exposure to corporates is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

Sovereign Portfolio

Good governance in respect of direct exposure to sovereigns is assessed through the assessment of the following PAIs:

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

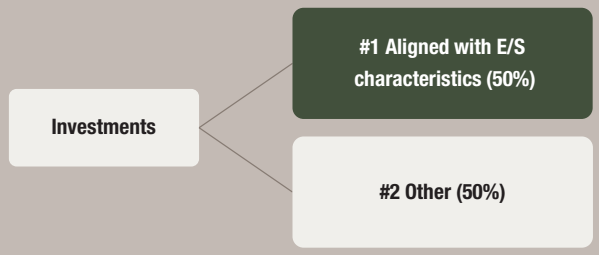
Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

Derivatives may be used for a variety of reasons, including to manage risks. Where direct exposure to the Sub-Fund's target assets is gained through derivatives (for example single name futures), the Investment Manager is able to make a similar analysis of the environmental or social credentials of an underlying reference issuer as an investment in the underlying issuer itself. This is not possible where derivatives reference indices with multiple underlying reference issuers or baskets of indices.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

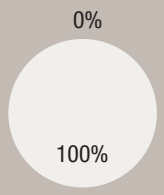
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

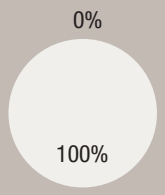
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 74% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include (i) companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology; or (ii) instruments with indirect exposure to the Sub-Fund's target assets, particularly derivatives referencing indices or baskets of indices, where it is not possible to select investments based upon their sustainability profile and contribution to environmental or social objectives due to the aggregated nature of the underlying reference assets. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund or to gain indirect exposure on an aggregated basis to the Sub-Fund's target assets. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions).

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?

No

- ***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.loim.com

Product Name: LO Funds – All Roads Growth Legal entity identifier: 549300XY4H24QVXUP390

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest inter-alia in a combination of corporate and sovereign issuers. In respect of the Sub-Fund's direct exposure to corporate issuers, the sections throughout this disclosure headed 'Corporate Portfolio' shall apply. In respect of the Sub-Fund's direct exposure to sovereign issuers, the sections throughout this disclosure headed 'Sovereign Portfolio' shall apply. The Sub-Fund may also invest in underlying investment funds. Information relevant to those underlying investment funds is covered throughout this disclosure under the heading 'Underlying Investment Funds'.

Corporate Portfolio

The Sub-Fund's direct exposure to corporate issuers promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments as further described in this disclosure.

Sovereign Portfolio

The Sub-Fund's direct exposure to sovereign issuers promotes a measurable assessment of the positive ESG characteristics of sovereign issuers with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score the Sub-Fund's exposure to single name corporates and corporates securities. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager will invest at least 50% of the Sub-Fund's direct exposure* to corporate issuers in companies with a rating of B- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

For the Sub-Fund's direct exposure to single name sovereign bonds, the Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's direct exposure* to sovereign issuers in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

Underlying Investment Funds

The Sub-Fund may also invest in underlying investment funds. To the extent that it does so, the Investment Manager will aim to invest in underlying funds which are subject to article 8 of SFDR.

* For the purposes of this disclosure, references to 'direct' exposure means investments in or referencing single name corporate or sovereign issuers (whether through instruments issued directly by the relevant corporate or sovereign or through derivatives instruments) and references to 'indirect' exposure means investments in or referencing indices or baskets of indices (typically through derivative instruments).

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

Underlying Investment Funds

For investments in underlying investment funds, the Investment Manager will rely on PAI reporting provided by the managers of those underlying funds on an ex-post basis.

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 Sub-Fund implements an asset allocation strategy in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by sovereign or non-sovereign issuers, convertible bonds, equities, currencies and/or Cash and Cash Equivalents, denominated in OECD currencies and/or Emerging Market currencies.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

When the Sub-Fund has direct exposure to the Sub-Fund's target assets, the Investment Manager is able to analyse and select investments based upon their sustainability profile and contribution to environmental or social objectives. When the Sub-Fund has indirect exposure to the Sub-Fund's target assets, particularly derivatives referencing indices or baskets of indices, it is not possible to select investments based upon their sustainability profile and contribution to environmental or social objectives.

The Sub-Fund's strategy is dynamic and the portion of the Sub-Fund's investment portfolio which has direct or indirect exposure to the Sub-Fund's target assets will fluctuate depending upon market conditions.

To the extent that the Sub-Fund invests in underlying investment funds, the Investment Manager will aim to invest in underlying funds which are subject to article 8 of SFDR.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding* in respect of the Sub-Fund's direct exposure to corporate issuers:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude :

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

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Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

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Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

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Sovereign Portfolio

In respect of the Sub-Fund's direct exposure to sovereign issuers, the Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Underlying Investment Funds

The Sub-Fund will only invest in underlying funds which have exclusions on controversial weapons equivalent to those described above.

Minimum Rating/Scoring

Corporate Portfolio

the Investment Manager will invest at least 50% of the Sub-Fund's direct exposure to corporate issuers in companies with a rating of B- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's direct exposure to sovereign issuers in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

Corporate Portfolio

Good governance in respect of direct exposure to corporates is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

Sovereign Portfolio

Good governance in respect of direct exposure to sovereigns is assessed through the assessment of the following PAIs:

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

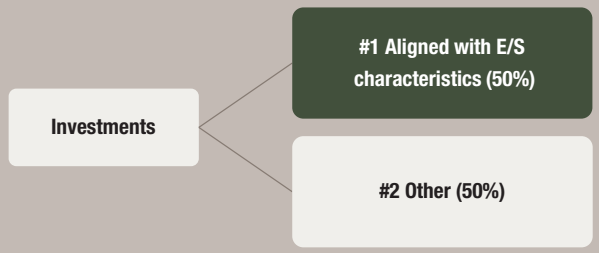
Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

Derivatives may be used for a variety of reasons, including to manage risks. Where direct exposure to the Sub-Fund's target assets is gained through derivatives (for example single name futures), the Investment Manager is able to make a similar analysis of the environmental or social credentials of an underlying reference issuer as an investment in the underlying issuer itself. This is not possible where derivatives reference indices with multiple underlying reference issuers or baskets of indices.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs 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 investments of the financial product including sovereign bonds, while the second graphs 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***

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 61% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include (i) companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology; or (ii) instruments with indirect exposure to the Sub-Fund's target assets, particularly derivatives referencing indices or baskets of indices, where it is not possible to select investments based upon their sustainability profile and contribution to environmental or social objectives due to the aggregated nature of the underlying reference assets. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund or to gain indirect exposure on an aggregated basis to the Sub-Fund's target assets. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions).

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?

No

- ***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.loim.com

LO Funds – All Roads Enhanced

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR.

While ESG Factors are not systematically integrated in the investment decision process for the Sub-Fund, the Investment Manager will consider sustainability developments from a holistic standpoint as part of its fundamental analysis.

Without prejudice to the foregoing, the Investment Manager will have regard to the LOIM group exclusion/restriction policy*:

Exclusions

- Exclusion of companies involved in controversial weapons (production, research & development, maintenance/services/management, system integration, testing, sales/trade), directly or through ownership. The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972) and the Chemical Weapons Convention (CWC – 1993). In addition, depleted uranium and white phosphorus are excluded.

Restrictions

- **Coal and Unconventional Oil & Gas** - the Investment Manager will seek to exclude companies identified as being involved in the following activities:

  Thermal Coal

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

- **Material breaches of UN Global Compact Principles** - the Investment Manager will seek to exclude companies identified as being involved in the most severe breaches of the UN Global Compact Principles.

Any decision to exclude a company under the above restrictions remains entirely within the discretion of the Investment Manager.

* Exclusions/restrictions may only be implemented when investing directly in the securities of an issuer.

LO Funds - Event Driven

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR.

While ESG Factors are not systematically integrated in the investment decision process for the Sub-Fund, the Investment Manager will consider sustainability developments from a holistic standpoint as part of its fundamental analysis.

Without prejudice to the foregoing, the Investment Manager will have regard to the LOIM group exclusion/restriction policy:

Exclusions

- Exclusion of companies involved in controversial weapons (production, research & development, maintenance/services/management, system integration, testing, sales/trade), directly or through ownership. The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972) and the Chemical Weapons Convention (CWC – 1993). In addition, depleted uranium and white phosphorus are excluded.

Restrictions

- **Coal and Unconventional Oil & Gas -** the Investment Manager will seek to exclude companies identified as being involved in the following activities:

  Thermal Coal

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

- **Material breaches of UN Global Compact Principles** - the Investment Manager will seek to exclude companies identified as being involved in the most severe breaches of the UN Global Compact Principles.

Any decision to exclude a company under the above restrictions remains entirely within the discretion of the Investment Manager.

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR. As the Sub-Fund invests in underlying funds whose investment objective and policy may or not be in line with the provisions of article 8 or 9 of SFDR, the level of adherence by the Sub-Fund to these provisions through its target funds cannot be ascertained.

However, the sustainability risks are included in the investment decision-making process of the underlying funds to the extent that it has an impact on their stated strategy. This may be by securities valuation impacts, more formal impact strategies or restricted companies. Overall, there is clearly a growing proportion of investments across the equity, credit and macro space that take a view on the future impacts of ESG policies and investment methods.

Likely impacts of sustainability risks on the returns of the Sub-Fund

The impact of any such risks falls within the normal expect return scope of the Sub-Fund and negative impact on the underlying funds is expected to be limited. Indeed as ESG Factors grow with respect to their impact on security valuations, managers will adjust their pricing models to reflect this, thus including the actual market effects of ESG in the market pricing models. There can be no guarantee, however, that the Investment Manager will select for the account of the Sub-Fund investments that are ESG aligned, or in the case that the Investment Manager does select such investments, that such investments will contribute to the positive performance of the Sub-Fund.

Product Name: LO Funds – Generation Global

Legal entity identifier: 549300XB8YIFN8QD5C73

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes the following environmental and/or social characteristics:

1. transformational change to drive towards a net-zero, prosperous, equitable, healthy and safe society.
2. sustainable businesses run by long-term orientated management teams and avoiding companies where sustainability risks are more prevalent.
3. aligning with the Investment Manager's commitment to align all its investment strategies with net zero greenhouse gas emissions by 2040 or sooner, with an interim target to achieve 100% science-based target (SBT) coverage in investments by 2030.
4. aligning with the Investment Manager's commitment to seek to eliminate forest-risk agricultural commodity-driven deforestation activities at companies by 2025.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The key sustainability indicators which are used to measure the attainment of the environmental and social characteristics of the Sub-Fund are:

  - Carbon emissions intensity
  - Number of companies in Science Based Targets initiative
  - Human capital development score (or equivalent social metric determined by the Investment Manager)
  - % of female board directors
  - Existence of independent compensation committee

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers the following mandatory and voluntary principal adverse on sustainability factors in the positive investment case for the selection of investments to be included on the Focus List (as further described below).

Adverse sustainability indicator **Mandatory**		**Metric**
Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions
		Scope 2 GHG emissions
		From 1 January 2023, Scope 3 GHG emissions
		Total GHG emissions
	2. Carbon footprint	Carbon footprint
	3. GHG intensity of investee companies	GHG intensity of investee companies
	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector
	5. Share of nonrenewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources
	6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector
Biodiversity	7. Activities negatively affecting biodiversitysensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversitysensitive areas where activities of those investee companies negatively affect those areas

Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average
Waste	9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons
Voluntary		
Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement
Waste, water and material emissions	14. Natural species and protected areas	1.Share of investments in investee companies whose operations affect threatened species
		2.Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, a protected area or an area of high biodiversity value outside protected areas
Social and employee matters	6. Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers

Anti-corruption and anti-bribery	15. Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and antibribery consistent with the United Nations Convention against Corruption

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests, at least two-thirds (2/3rds) of its portfolio, in equity securities, preferred stocks and convertible securities issued by companies worldwide (including Emerging Markets). However, investment in convertible securities may not represent more than 25% of the Sub-Fund's net asset value.

The Sub-Fund's investment strategy seeks to integrate sustainability research within a rigorous fundamental equity analysis framework. The Investment Manager believes that long term equity research requires a broad, systemic view of future business risks and opportunities by recognising ESG challenges facing companies around the world. Central to the Investment Manager's investment philosophy is its belief that ESG factors directly affect long-term business profitability.

Whilst not forming part of the formal investment strategy of the Sub-Fund, the Investment Manager integrates ESG considerations as follows:

Roadmaps. The Investment Manager develops "Roadmaps" which initiate the investment process and provide an opportunity for analysts and the broader team to investigate factors driving sector and global trends while deepening their understanding of the investment landscape. Roadmaps allow the Investment Manager's team to identify ESG issues (including risks) that are relevant and material to particular sectors. Through their Roadmap research, the Investment Manager's analysts generate a list of potential company names for further analysis.

Focus List. Detailed company research then follows until either the analyst determines that the business under investigation will not meet the quality thresholds or the analyst is ready to present a comprehensive investment thesis on that company to his or her fellow investment team members. This is known as a "Focus List" presentation. This stage is guided by the robust criteria set for Management Quality (MQ) and Business Quality (BQ). Aspects considered include sector barriers to entry, business stability and alignment of management incentives which are key components in the assessment of ESG factors. The criteria for BQ and MQ, necessitate a deeper analysis of a company's positioning with regard to the material and relevant ESG factors within its sector. If the Investment Manager believes a company is not appropriately positioning its operations against the relevant and material ESG factors it faced, it will not be placed on the Focus List (even if it scored highly on other criteria). In consequence, while no specific reduction percentage of the Sub-fund is targeted, the number of securities selected for the Focus List is expected to be materially smaller than the Sub-fund's potential investible universe based on the Investment Manager's process.

Buy Decision. When a company is admitted to the Focus List it is then capable of being selected by the Investment Manager's portfolio managers for inclusion in the portfolio if they consider in their absolute discretion that there is sufficient "upside" in that stock. The Investment Manager seeks to invest only in companies which have been admitted to the Focus List. For the avoidance of doubt, any admission to the Focus List does not necessarily result in the purchase of a company's securities.

The investment process described above is expected to lead to a reduction of at least 20% of the investment universe based on ESG factors.

- ***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?***

  The Investment Manager does not invest in companies which have not been admitted on the Focus List. For the avoidance of doubt hedging strategies, where permitted, are not subject to the Focus List process and are in the discretion of the Investment Manager.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

  Pre-investment due diligence for all investments includes a detailed examination of management quality, which encompasses strategy, operations, culture, capital allocation, alignment, governance and people. Concerns or controversies relating to management structures, employee relations, staff remuneration and tax compliance are considered as part of this examination.

  The Investment Manager takes into account PAI 10 and PAI 11 for minimum social safeguards by:

  - Reviewing available data for Mandatory PAI 10 (10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises), where available for the company targeted for potential investment.
  - Reviewing available data for Mandatory PAI 11 (11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises), where available for the company targeted for potential investment.

  Where any relevant controversies and violations have been flagged by the available data, in respect of a company (to be) invested in, in any of these areas, and the Investment Manager has not otherwise been able to gain sufficient comfort on this, the Investment Manager may seek to engage with the company on these issues.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

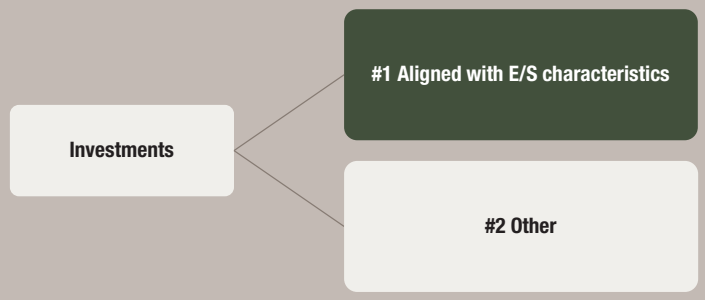
Taxonomy-aligned activities are expressed as a share of:

- **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.

The Investment Manager will invest:

- minimum 90% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics;
- maximum 10% of the Sub-Fund's assets in #2 Other.

The above-mentioned allocation applies in normal market conditions and are subject to any lower or higher limits set out in the investment objective and policy of the Sub-Fund described in the Sub-Fund's appendix to the Prospectus.



#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.

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

  The Sub-Fund's use of derivatives is limited to hedging and efficient portfolio management purposes. Derivatives are not used as part of the investment strategy of the Sub-Fund. The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund but any such use will be in line with such characteristics.

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

In line with the foregoing statements in this Annex, although the Sub-Fund may in fact make sustainable investments with an environmental objective aligned with the EU Taxonomy, the Sub-Fund makes no minimum commitment to do so. As a result, the Sub-Fund includes a graphical depiction showing 0% Taxonomy-aligment.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

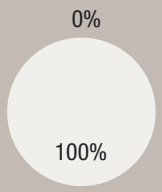
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

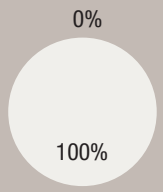
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

The Sub-Fund's 'other' investments include Cash and Cash Equivalents and derivatives.

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?

No

- ***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.loim.com

Product Name: LO Funds – TargetNetZero Global Equity Legal entity identifier: 5493008CELRGM0ZJED54

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **10 %** 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?

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

The Sub-Fund promotes climate change mitigation through alignment with the Paris Agreement objective.

The Investment Manager aims to keep the Implied Temperature Rise (ITR) of the Sub-Fund's portfolio below 2 degrees at all times, with an objective of 1.5 degrees.

The Investment Manager uses its proprietary ITR methodology to measure the ITR of the Sub-Fund's portfolio. The Investment Manager's proprietary ITR methodology integrates the methodological framework put toward by the TCFD's portfolio alignment team (Taskforce on Climate-related Financial Disclosure). It is based on forward-looking metrics to assess the temperature trajectory of individual companies (including scopes 1, 2, and material scope 3 emissions up and downstream), and the credibility of their net zero commitments. Further information in relation to the Investment Manager's proprietary ITR methodology can be found in Schedule II.

This means assessing the degree of alignment of companies to the decarbonisation pathways implied by the Paris Agreement goals which seek to limit global warming to 1.5-2°C. For example, a company that is on a trajectory more aligned to a 3°C increase might be cutting its direct and indirect CO2 and greenhouse gas emissions to some extent but is not decarbonizing itself at a pace sufficient to meet the goals set by the Paris Agreement.

In terms of practical implementation, the Investment Manager:

- will seek to reduce material Sub-Fund portfolio emissions to net zero by 2050; gradually reducing the ITR of the Sub-Fund's portfolio, aiming to reach 1.5°C by 2030 across scope 1&2; and Paris alignment (<2.0°C) across material scope 3 emissions, to the extent that ambition in the wider economy permits;
- will favour investments for the Sub-Fund's portfolio, making a meaningful contribution to the specific environmental objective outlined above. Investments are classified as either 'green', 'grey' or 'red' in the Investment Manager's framework according to the Investment Manager's classification framework (the "LOIM Classification Framework" – as further detailed in Schedule III);
- aims to invest at least 10% of the Sub-Fund's assets in sustainable investments, described as "green", outlined below;
- aims to reduce the Sub-Fund's exposure to investments described as "red" (as defined in LOIM Classification Framework) by 30% compared to its benchmark;
- aims to ensure that for any 'red' companies invested in by the Sub-Fund, any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement policies.

To conduct its assessments, the Investment Manager may rely on datasets sourced by itself, from third parties, or as disclosed by investee companies, as well as qualitative insights that may result in amendments to quantitative data. The analysis of the Investment Manager may include forward-looking considerations, considering expected improvements or deteriorations. Specific underlying indicators, beyond the minimum committed to in this document may change, depending on data availability and the Investment Manager's analysis of its quality. Data may include estimates and approximations. The Investment Manager cannot guarantee data is free of errors or an accurate representation of reality but is committed to ongoing improvements of its data sources.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the following indicators to measure the attainment of environmental characteristics promoted by the Sub-Fund:

  - The Implied Temperature Rise (ITR) of the portfolio
  - The carbon footprint of the portfolio (measured in tons of CO2 by million euros invested)
  - The percentage of assets of the Sub-Fund's portfolio invested in companies classified as green, grey or red
  - The overall ESG score of the portfolio calculated using the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology"). The LO Rating Methodology can be found in Schedule I

- ***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?***

The objective of sustainable investments that the Sub-Fund partially intends to make is the transition towards a decarbonised economy across all sectors and regions by 2050.

The Sub-Fund will do so through favouring investments in companies with credible pathways to total decarbonisation across all three scopes by 2050 as well as through investments in companies with low carbon footprints. The Sub-Fund will also seek to restrict investments in companies with both high carbon footprints and high Implied Temperature Rise (i.e., low credibility in their decarbonisation efforts/ambition).

For the purposes of article 9 of the Taxonomy Regulation, 'Climate Change Mitigation' is the environmental objective to which the Sub-Fund is expected to contribute.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as 'green' under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the

	8	Emissions to water	quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these indicators as engagement/proxy voting priorities rather than be individually assessed as part of the LOIM Classification Framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities issued by companies worldwide (including Emerging Markets).

In addition to following the investment policy of the Sub-Fund, the Investment Manager has integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the proprietary tools described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

1. Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco companies

The Sub-Fund will exclude direct exposure to companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

2. Restrictions on Coal, Unconventional Oil & Gas and Breaches of the UN Global Compact Principles

The Sub-Fund will underweight any company with the following criteria:

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The restrictions relating to coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

  The Investment Manager will, however, aim for the Sub-Fund to have at least a 20% reduction in the projected, cumulative emissions attributable scope 1, 2 and material scope 3 emissions, over the period 2015-2050, compared to the benchmark, based on the Investment Manager's proprietary Implied Temperature Rise (ITR) framework, taking into account projections of future emissions based on both historical trends and companies' stated commitments.

  It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

  The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

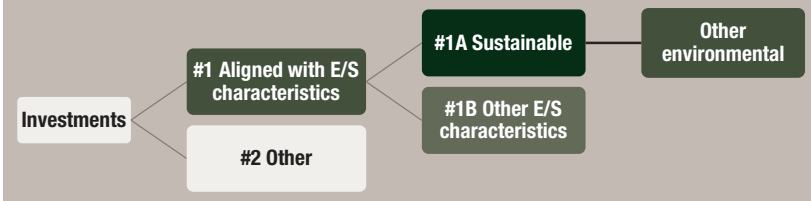
Asset allocation describes the share of investments in specific assets.

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.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 10% of the Sub-Fund's assets in #1A Sustainable Investments.



#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 **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- 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?***

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

☐ Yes:

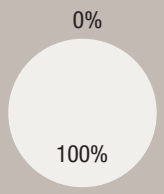
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

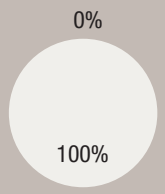
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in 'red star' companies according to the Investment Manager's proprietary classification framework. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

LO Funds – DataEdge Market Neutral

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR.

While ESG Factors are not systematically integrated in the investment decision process for the Sub-Fund, the Investment Manager will consider sustainability developments from a holistic standpoint as part of its fundamental analysis.

Without prejudice to the foregoing, the Investment Manager will have regard to the LOIM group exclusion/restriction policy:

Exclusions

- Exclusion of companies involved in controversial weapons (production, research & development, maintenance/services/management, system integration, testing, sales/trade), directly or through ownership. The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972) and the Chemical Weapons Convention (CWC – 1993). In addition, depleted uranium and white phosphorus are excluded.

Restrictions

- **Coal and Unconventional Oil & Gas** - the Investment Manager will seek to exclude companies identified as being involved in the following activities:

  Thermal Coal

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

- **Material breaches of UN Global Compact Principles** - the Investment Manager will seek to exclude companies identified as being involved in the most severe breaches of the UN Global Compact Principles.

Any decision to exclude a company under the above restrictions remains entirely within the discretion of the Investment Manager.

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

Product Name: LO Funds – Continental Europe Family Leaders Legal entity identifier: 549300WSFBE364SNNU74

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

☐ **Yes**

☐ 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: [insert %]***

☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity securities of corporate issuers having their registered office in the EEA, excluding the UK.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

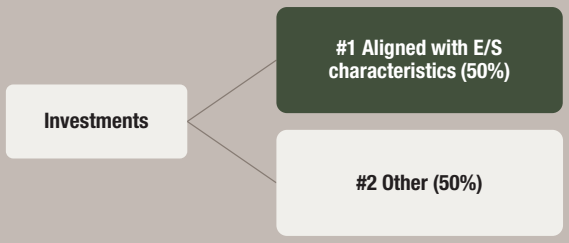
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

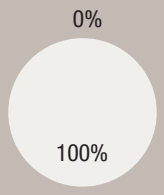
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

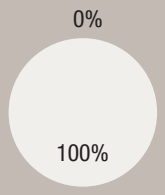
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Golden Age Legal entity identifier: 549300LQZPWUSMZTH108

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity securities, equity related securities issued by companies worldwide, the future growth of which is significantly driven by the theme of the ageing population.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

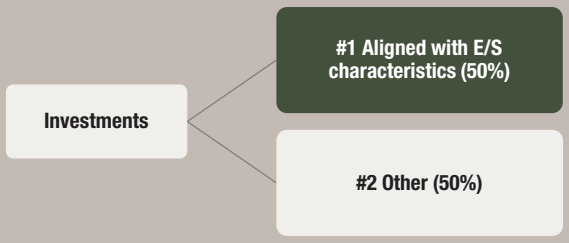
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

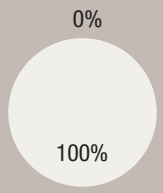
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

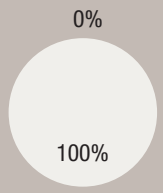
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – World Brands Legal entity identifier: 54930053SOVRGFIS2G76

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equities, equity related securities issued by companies worldwide (including Emerging Markets) with leading / premium brand recognition and/or offering luxury, premium and prestige products and/or services, or which obtain the majority of their revenues by advising, supplying, manufacturing or financing such activities.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

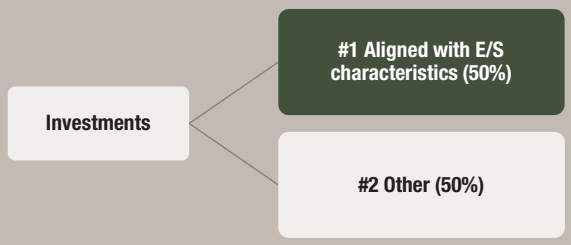
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

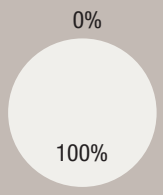
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

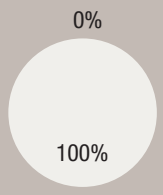
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

LO Funds - Transition Materials

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR.

The Sub-Fund's main objective is to replicate the performance of a proprietary commodity index which intends to capture the performance of commodities within four broad commodity sectors (i.e., precious metals, industrial metals, energy and agriculture – ex-essential food commodities).

The integration of sustainability risks in the Investment Manager's decision made for the Sub-Fund is not relevant to the extent that the underlying components of the index are commodity futures.

Likely impacts of sustainability risks on the returns of the Sub-Fund

Returns of the Sub-Fund are uncorrelated with sustainability risks.

Product Name: LO Funds – Global FinTech Legal entity identifier: 549300YYE5KKFCO4D543

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests primarily in equity and equity related securities of companies worldwide (including Emerging Markets) that are active in the research, development, production, promotion and/or distribution of digital financial services and/or technologies.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

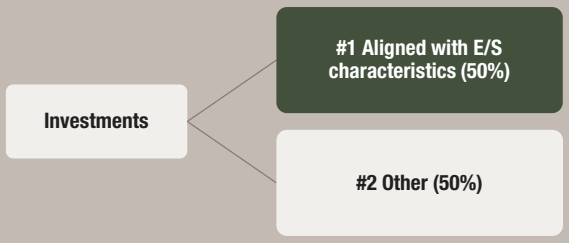
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

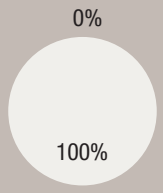
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

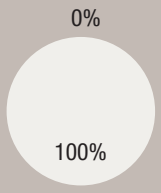
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Circular Economy Legal entity identifier: 549300JH7CH4495ICK69

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **50 %** 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?

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

The Sub-Fund invests in companies whose growth will benefit from regulations, innovations, services or products favoring the transition to a more circular economy and to an economy that values natural capital. The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using inter alia the profiling tools and methodologies set out below.

The Sub-Fund's investment philosophy is rooted in the Investment Manager's worldview describing a necessary transition from a Wasteful, Idle, Lopsided and Dirty (WILD) economic model to one that is Circular, Lean, Inclusive and Clean (CLIC®). The Investment Manager believes this transition will require a transformation across the global economic systems related to energy, land & oceans and materials, enabled by carbon markets, which the Investment Manager refers to as the '**3+1 transition**'.

The Sub-Fund focuses in particular on the following transformations:

- **Transformation of land & ocean systems**: transitions across our reliance on land & oceans, including the transformation of agriculture, food and land use (AFOLU) systems through more sustainable food production and sustainable forestry, the expansion of the bioeconomy, and the improvement of water systems, aiming to restore land and ecosystems back to nature.
- **Materials:** transitions across our material systems, including moves towards improved resource productivity, adoption of less harmful production processes, reduced reliance on resource extraction, and reductions and improvement management of waste.

In order to promote and achieve the objectives and contributions described above, the Investment Manager aims to:

- invest the Sub-Fund's assets primarily in investments making a meaningful contribution to the specific objectives outlined above as determined by reference to the Investment Manager's proprietary classification framework in which activities and companies may be classified as either Green Star, Grey Star or Red Star (the "LOIM Classification Framework" – as further detailed in Schedule III).
- invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).
- reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.
- ensure for companies in the Sub-Fund's portfolio, which are identified as 'red star' according to the LOIM Classification Framework, that any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement activities.

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

  The Investment Manager will focus on the following primary indicators to measure attainment of the specific commitments outlined above:

  - the % of the Sub-Fund's assets invested in Green Star, Grey Star and Red Star companies according to the LOIM Classification Framework.
  - the % of the Sub-Fund's investee companies classified as "red star" companies according to the LOIM Classification Framework for which (a) a case has been raised with the Investment Manager's Stewardship team; (b) a specific engagement strategy has been defined; and (c) individual or collective engagement has taken place over the preceding 12 month period.

  Given the specific focus of this Sub-Fund, the Investment Manager will also prioritize consideration of the portfolio's performance on the following indicators, which are also considered as part of the Investment Manager's do no significant harm considerations outlined in the LOIM Classification Framework.

  - Water withdrawal (m3 / MEUR revenues)
  - Operational assets in biosensitive areas (#)
  - Forest management quality score (Investment Manager's scoring system)
  - Controversies related to water use, land use or biodiversity (# level 1-5)
  - Controversies related to non-GHG emissions, effluents and waste (# level 1-5)

- ***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?***

The objective of sustainable investments that the Sub-Fund partially intends to make is the transition towards a more circular economy and to an economy that values natural capital.

As described above, the Sub-Fund focuses in particular on transformation of land & ocean systems and transformation of the materials system. The Sub-Fund is expected to contribute to the following environmental objectives established by article 9 of the Taxonomy Regulation:

- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

The Sub-Fund is also expected to indirectly contribute to climate change mitigation.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as *Green Star* under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions or by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	

	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these engagement/proxy voting priorities rather than individually forming part of the green, grey, red classification framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulations, innovations, services or products favoring the transition to a more circular economy and to an economy that values natural capital.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies) and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

The Investment Manager assesses the sustainability profile of companies in which the Sub-Fund invests using the LOIM Classification Framework as described in more detail in the above sections.

- ***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?***

<u>Exclusions</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

<u>Thermal Coal:</u>

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

Minimum % of Green Star companies

The Investment Manager will invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).

Maximum exposure to Red Star companies

The Investment Manager will reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

Asset allocation describes the share of investments in specific assets.

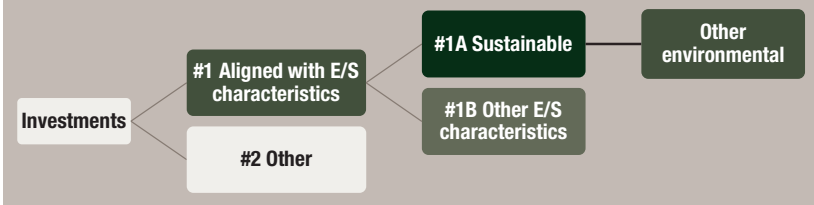
Taxonomy-aligned activities are expressed as a share of:

- **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.**

What is the asset allocation planned for this financial product?

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 50% of the Sub-Fund's assets in #1A Sustainable Investments.



#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, as described below.

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

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- 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?***

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

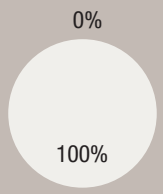
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

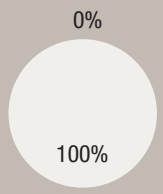
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in Red Star companies according to the Investment Manager's proprietary classification framework The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 4 and level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Global HealthTech Legal entity identifier: 549300VIHJSBIPO1BO05

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests primarily in equity and equity related securities of companies worldwide that are active in the research, development, production, promotion and/or distribution of digital healthcare products, services and/or technologies.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

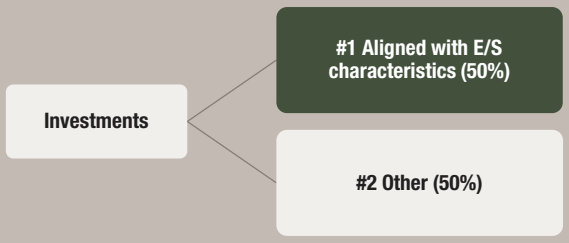
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

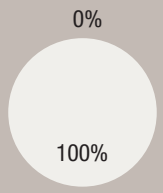
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

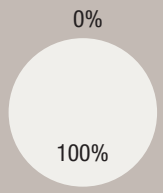
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Future Electrification Legal entity identifier: 39120071EHSDSVM4R670

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **50 %** 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?

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

The Sub-Fund invests in companies whose growth will benefit from opportunities resulting from regulations, innovations, services or products related to more environmentally friendly power production, storage, distribution and consumption aligned with the transition to a more circular, leaner, more inclusive and cleaner world.

The Sub-Fund's investment philosophy is rooted in the Investment Manager's worldview describing a necessary transition from a Wasteful, Idle, Lopsided and Dirty (WILD) economic model to one that is Circular, Lean, Inclusive and Clean (CLIC®). The Investment Manager believes this transition will require a transformation across the global economic systems related to energy, land & oceans and materials, enabled by carbon markets, which the Investment Manager refers to as the '**3+1 transition**'.

The Sub-Fund focuses in particular on the following transformations:

- **Transformation of energy systems**: transitions towards an electrified economy powered by renewable energy, involving the greening of supply (renewable power and zero carbon fuels), the greening of demand (electrification and energy efficiency across transport, industry, buildings and other sectors), the management of supply and demand (through energy storage, interconnectedness, and related infrastructure), and other enabling solutions.

In order to promote and achieve the objectives and contributions described above, the Investment Manager aims to:

- invest the Sub-Fund's assets primarily in investments making a meaningful contribution to the specific objectives outlined above as determined by reference to the Investment Manager's proprietary classification framework in which activities and companies may be classified as either Green Star, Grey Star or Red Star (the "LOIM Classification Framework" – as further detailed in Schedule III).
- invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).
- reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.
- ensure for companies in the Sub-Fund's portfolio, which are identified as 'red star' according to the LOIM Classification Framework, that any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement activities.

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

  The Investment Manager will focus on the following primary indicators to measure attainment of the specific commitments outlined above:

  - the % of the Sub-Fund's assets invested in Green Star, Grey Star and Red Star companies according to the LOIM Classification Framework.
  - the % of the Sub-Fund's investee companies classified as "red star" companies according to the LOIM Classification Framework for which (a) a case has been raised with the Investment Manager's Stewardship team; (b) a specific engagement strategy has been defined; and (c) individual or collective engagement has taken place over the preceding 12 month period.

  Given the specific focus of this Sub-Fund, the Investment Manager will also prioritize consideration of the portfolio's performance on the following indicators, which are also considered as part of the Investment Manager's do no significant harm considerations outlined in the LOIM Classification Framework.

    - CO2 emissions (scopes 1, 2 and 3)
    - % of companies with science-based targets

- ***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?***

  The Sub-Fund is expected to contribute to the following environmental objectives established by article 9 of the Taxonomy Regulation:

  Climate change mitigation

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as *Green Star* under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions or by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the quality of a company's forest management practices, where these considerations are material to the company's activities.
	8	Emissions to water	

	9	Hazardous waste ratio	To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these engagement/proxy voting priorities rather than individually forming part of the green, grey, red classification framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.
Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests primarily in equity and equity related securities (including, but not limited to, warrants) of companies worldwide (including Emerging Markets) whose growth will benefit from opportunities resulting from regulations, innovations, services or products related to more environmentally-friendly power production, storage, distribution and consumption aligned with the transition to a more circular, leaner, more inclusive and cleaner world. At least 75% of the Sub-Fund's net assets will be exposed to the equity or equity related securities of corporate issuers worldwide.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets (in particular, the Sub-Fund may be fully invested in Emerging Markets), sectors, size of companies and currencies (including Emerging Market currencies).

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

Minimum % of Green Star companies

The Investment Manager will invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).

Maximum exposure to Red Star companies

The Investment Manager will reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

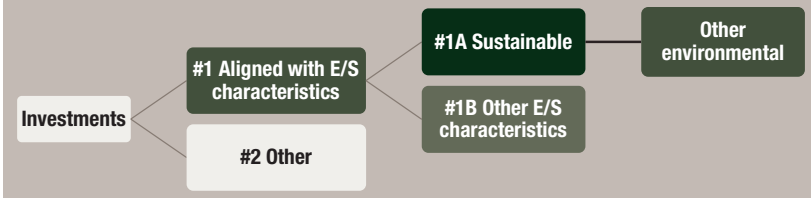
Asset allocation describes the share of investments in specific assets.

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.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 50% of the Sub-Fund's assets in #1A Sustainable Investments.



#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, as described below.

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

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

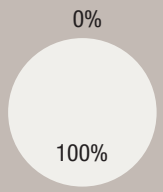
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

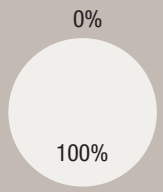
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in Red Star companies according to the Investment Manager's proprietary classification framework The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 4 and level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – New Food Systems

Legal entity identifier: 391200BB9BCCE01API27

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **50 %** 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?

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

The Sub-Fund invests in companies whose growth will benefit from regulations, innovations, services or products related to more environmentally-friendly agricultural and food production, distribution and diets aligned with the transition to a more circular, leaner, more inclusive and cleaner world. The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using inter alia the proprietary ESG and sustainability profiling tools and methodologies set out below.

The Sub-Fund's investment philosophy is rooted in the Investment Manager's worldview describing a necessary transition from a Wasteful, Idle, Lopsided and Dirty (WILD) economic model to one that is Circular, Lean, Inclusive and Clean (CLIC®). The Investment Manager believes this transition will require a transformation across the global economic systems related to energy, land & oceans and materials, enabled by carbon markets, which the Investment Manager refers to as the '**3+1 transition**'.

The Sub-Fund focuses in particular on the following transformations:

- **Transformation of land & ocean systems**: transitions across our reliance on land & oceans, including the transformation of agriculture, food and land use (AFOLU) systems through more sustainable food production and sustainable forestry, the expansion of the bioeconomy, and the improvement of water systems, aiming to restore land and ecosystems back to nature.

In order to promote and achieve the objectives and contributions described above, the Investment Manager aims to:

- invest the Sub-Fund's assets primarily in investments making a meaningful contribution to the specific objectives outlined above as determined by reference to the Investment Manager's proprietary classification framework in which activities and companies may be classified as either Green Star, Grey Star or Red Star (the "LOIM Classification Framework" – as further detailed in Schedule III).
- invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).
- reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.
- ensure for companies in the Sub-Fund's portfolio, which are identified as 'red star' according to the LOIM Classification Framework, that any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement activities.

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

  The Investment Manager will focus on the following primary indicators to measure attainment of the specific commitments outlined above:

  - the % of the Sub-Fund's assets invested in Green Star, Grey Star and Red Star companies according to the LOIM Classification Framework.
  - the % of the Sub-Fund's investee companies classified as "red star" companies according to the LOIM Classification Framework for which (a) a case has been raised with the Investment Manager's Stewardship team; (b) a specific engagement strategy has been defined; and (c) individual or collective engagement has taken place over the preceding 12 month period.

  Given the specific focus of this Sub-Fund, the Investment Manager will also prioritize consideration of the portfolio's performance on the following indicators, which are also considered as part of the Investment Manager's do no significant harm considerations outlined in the LOIM Classification Framework.

  - Water withdrawal (m3 / MEUR revenues)
  - Operational assets in biosensitive areas (#)
  - Forest management quality score (Investment Manager's scoring system)
  - Controversies related to water use, land use or biodiversity (# level 1-5)
  - Controversies related to non-GHG emissions, effluents and waste (# level 1-5)

- ***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?***

The Sub-Fund is expected to contribute to the following environmental objectives established by article 9 of the Taxonomy Regulation:

- Climate change mitigation
- The sustainable use and protection of water and marine resources
- The protection and restoration of biodiversity and ecosystems

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as *Green Star* under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions or by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	

	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these engagement/proxy voting priorities rather than individually forming part of the green, grey, red classification framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests primarily in equity and equity related securities of companies worldwide (including Emerging Markets) whose growth will benefit from opportunities resulting from regulations, innovations, services or products related to more environmentally-friendly agricultural and food production, distribution and diets aligned with the transition to a more circular, leaner, more inclusive and cleaner world.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets (in particular, the Sub-Fund may be fully invested in Emerging Markets), sectors, size of companies and currencies (including Emerging Market currencies).

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

Minimum % of Green Star companies

The Investment Manager will invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).

Maximum exposure to Red Star companies

The Investment Manager will reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

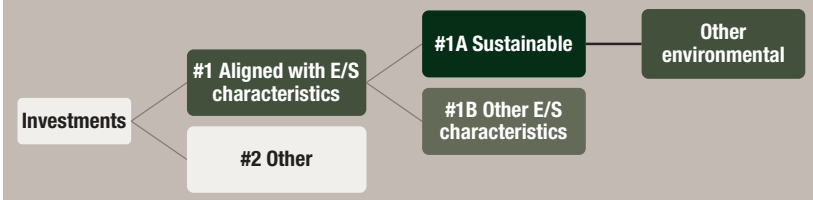
Asset allocation describes the share of investments in specific assets.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 50% of the Sub-Fund's assets in #1A Sustainable Investments.

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– 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, as described below.

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

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

☐ Yes:

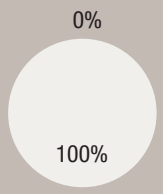
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

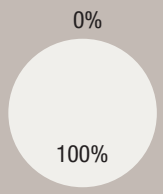
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in Red Star companies according to the Investment Manager's proprietary classification framework The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 4 and level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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.

No

- ***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.loim.com

Product Name: LO Funds – Biosphere Legal entity identifier: 391200R57ZXKHJKFOM63

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **50 %** 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?

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

The Sub-Fund invests in companies whose growth will benefit from regulations, innovations, services or products favoring the transition to a more circular economy and to an economy that values natural capital. The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using inter alia the proprietary ESG and sustainability profiling tools and methodologies set out below.

The Sub-Fund's investment philosophy is rooted in the Investment Manager's worldview describing a necessary transition from a Wasteful, Idle, Lopsided and Dirty (WILD) economic model to one that is Circular, Lean, Inclusive and Clean (CLIC®). The Investment Manager believes this transition will require a transformation across the global economic systems related to energy, land & oceans and materials, enabled by carbon markets, which the Investment Manager refers to as the '**3+1 transition**'.

The Sub-Fund focuses in particular on the following transformations:

- **Transformation of land & ocean systems**: transitions across our reliance on land & oceans, including the transformation of agriculture, food and land use (AFOLU) systems through more sustainable food production and sustainable forestry, the expansion of the bioeconomy, and the improvement of water systems, aiming to restore land and ecosystems back to nature.
- **Materials:** transitions across our material systems, including moves towards improved resource productivity, adoption of less harmful production processes, reduced reliance on resource extraction, and reductions and improvement management of waste.

In order to promote and achieve the objectives and contributions described above, the Investment Manager aims to:

- invest the Sub-Fund's assets primarily in investments making a meaningful contribution to the specific objectives outlined above as determined by reference to the Investment Manager's proprietary classification framework in which activities and companies may be classified as either Green Star, Grey Star or Red Star (the "LOIM Classification Framework" – as further detailed in Schedule III).
- invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).
- reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.
- ensure for companies in the Sub-Fund's portfolio, which are identified as 'red star' according to the LOIM Classification Framework, that any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement activities.

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

  The Investment Manager will focus on the following primary indicators to measure attainment of the specific commitments outlined above:

  - the % of the Sub-Fund's assets invested in Green Star, Grey Star and Red Star companies according to the LOIM Classification Framework.
  - the % of the Sub-Fund's investee companies classified as "red star" companies according to the LOIM Classification Framework for which (a) a case has been raised with the Investment Manager's Stewardship team; (b) a specific engagement strategy has been defined; and (c) individual or collective engagement has taken place over the preceding 12 month period.

  Given the specific focus of this Sub-Fund, the Investment Manager will also prioritize consideration of the portfolio's performance on the following indicators, which are also considered as part of the Investment Manager's do no significant harm considerations outlined in the LOIM Classification Framework.

  - Water withdrawal (m3 / MEUR revenues)
  - Operational assets in biosensitive areas (#)
  - Forest management quality score (Investment Manager's scoring system)
  - Controversies related to water use, land use or biodiversity (# level 1-5)
  - Controversies related to non-GHG emissions, effluents and waste (# level 1-5)

- ***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?***

The Sub-Fund is expected to contribute to the following environmental objectives established by article 9 of the Taxonomy Regulation:

- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

The Sub-Fund is also expected to indirectly contribute to climate change mitigation.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as *Green Star* under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions or by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the

	8	Emissions to water	quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these engagement/proxy voting priorities rather than individually forming part of the green, grey, red classification framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities issued by companies worldwide (including Emerging Markets) focusing on biodiversity with growth opportunities associated with harnessing and preserving nature. Harnessing the power of nature means moving into a bio-based economy which functions in harmony with ecosystems whereas preserving nature means shifting towards greater circularity in production and consumption models.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long-term structural trends using its LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies), and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

- ***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?***

<u>Exclusions</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

<u>Thermal Coal:</u>

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

Minimum % of Green Star companies

The Investment Manager will invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).

Maximum exposure to Red Star companies

The Investment Manager will reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

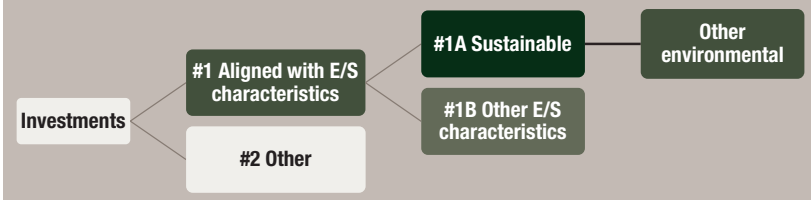
Asset allocation describes the share of investments in specific assets.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 50% of the Sub-Fund's assets in #1A Sustainable Investments.

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– 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, as described below.

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

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

☐ Yes:

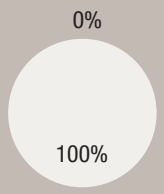
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

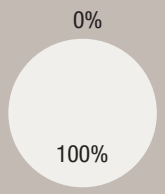
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in Red Star companies according to the Investment Manager's proprietary classification framework The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 4 and level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes).

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?

No

- ***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.loim.com

Product Name: LO Funds – China High Conviction Legal entity identifier: 549300SUVFM1V3G85R29

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy)
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly in China, currencies and/or Cash and Cash Equivalents.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

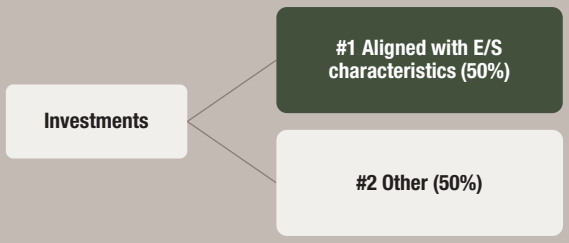
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

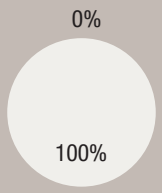
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

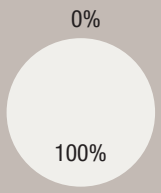
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – TargetNetZero Europe Equity Legal entity identifier: 2221000T2WZK3CKZG920

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **10 %** 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?

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

The Sub-Fund promotes climate change mitigation through alignment with the Paris Agreement objective.

The Investment Manager aims to keep the Implied Temperature Rise (ITR) of the Sub-Fund's portfolio below 2 degrees at all times, with an objective of 1.5 degrees.

The Investment Manager uses its proprietary ITR methodology to measure the ITR of the Sub-Fund's portfolio. The Investment Manager's proprietary ITR methodology integrates the methodological framework put toward by the TCFD's portfolio alignment team (Taskforce on Climate-related Financial Disclosure). It is based on forward-looking metrics to assess the temperature trajectory of individual companies (including scopes 1, 2, and material scope 3 emissions up and downstream), and the credibility of their net zero commitments. Further information in relation to the Investment Manager's proprietary ITR methodology can be found in Schedule II.

This means assessing the degree of alignment of companies to the decarbonisation pathways implied by the Paris Agreement goals which seek to limit global warming to 1.5-2°C. For example, a company that is on a trajectory more aligned to a 3°C increase might be cutting its direct and indirect CO2 and greenhouse gas emissions to some extent but is not decarbonizing itself at a pace sufficient to meet the goals set by the Paris Agreement.

In terms of practical implementation, the Investment Manager:

- will seek to reduce material Sub-Fund portfolio emissions to net zero by 2050; gradually reducing the ITR of the Sub-Fund's portfolio, aiming to reach 1.5°C by 2030 across scope 1&2; and Paris alignment (<2.0°C) across material scope 3 emissions, to the extent that ambition in the wider economy permits;
- will favour investments for the Sub-Fund's portfolio, making a meaningful contribution to the specific environmental objective outlined above. Investments are classified as either 'green', 'grey' or 'red' in the Investment Manager's framework according to the Investment Manager's classification framework (the "LOIM Classification Framework" – as further detailed in Schedule III);
- aims to invest at least 10% of the Sub-Fund's assets in sustainable investments, described as "green", outlined below;
- aims to reduce the Sub-Fund's exposure to investments described as "red" (as defined in LOIM Classification Framework) by 30% compared to its benchmark;
- aims to ensure that for any 'red' companies invested in by the Sub-Fund, any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement policies.

To conduct its assessments, the Investment Manager may rely on datasets sourced by itself, from third parties, or as disclosed by investee companies, as well as qualitative insights that may result in amendments to quantitative data. The analysis of the Investment Manager may include forward-looking considerations, considering expected improvements or deteriorations. Specific underlying indicators, beyond the minimum committed to in this document may change, depending on data availability and the Investment Manager's analysis of its quality. Data may include estimates and approximations. The Investment Manager cannot guarantee data is free of errors or an accurate representation of reality but is committed to ongoing improvements of its data sources.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the following indicators to measure the attainment of environmental characteristics promoted by the Sub-Fund:

  - The Implied Temperature Rise (ITR) of the portfolio
  - The carbon footprint of the portfolio (measured in tons of CO2 by million euros invested)
  - The percentage of assets of the Sub-Fund's portfolio invested in companies classified as green, grey or red
  - The overall ESG score of the portfolio calculated using the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology"). The LO Rating Methodology can be found in Schedule I

- ***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?***

The objective of sustainable investments that the Sub-Fund partially intends to make is the transition towards a decarbonised economy across all sectors and regions by 2050.

The Sub-Fund will do so through favouring investments in companies with credible pathways to total decarbonisation across all three scopes by 2050 as well as through investments in companies with low carbon footprints. The Sub-Fund will also seek to restrict investments in companies with both high carbon footprints and high Implied Temperature Rise (i.e., low credibility in their decarbonisation efforts/ambition).

For the purposes of article 9 of the Taxonomy Regulation, 'Climate Change Mitigation' is the environmental objective to which the Sub-Fund is expected to contribute.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as 'green' under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the

	8	Emissions to water	quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these indicators as engagement/proxy voting priorities rather than be individually assessed as part of the LOIM Classification Framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities issued by companies incorporated or exercising a prominent part of their business activities in Europe.

In addition to following the investment policy of the Sub-Fund, the Investment Manager has integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the proprietary tools described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

1. <u>Exclusions</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco companies

The Sub-Fund will exclude direct exposure to companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

2. <u>Restrictions on Coal, Unconventional Oil & Gas and Breaches of the UN Global Compact Principles</u>

The Sub-Fund will underweight any company with the following criteria:

<u>Thermal Coal:</u>

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

<u>Unconventional Oil & Gas</u> - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The restrictions relating to coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, aim for the Sub-Fund to have at least a 20% reduction in the projected, cumulative emissions attributable scope 1, 2 and material scope 3 emissions, over the period 2015-2050, compared to the benchmark, based on the Investment Manager's proprietary Implied Temperature Rise (ITR) framework, taking into account projections of future emissions based on both historical trends and companies' stated commitments.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

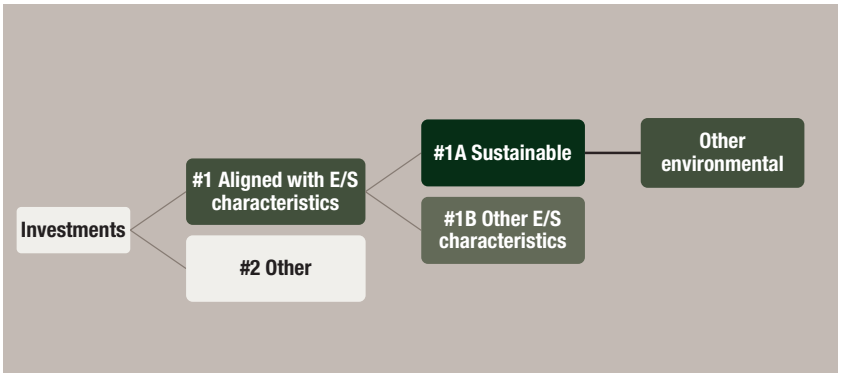
Asset allocation describes the share of investments in specific assets.

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;

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 10% of the Sub-Fund's assets in #1A Sustainable Investments.



- **operational expenditure** (OpEx) 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** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

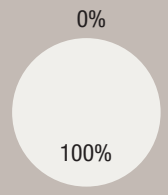
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

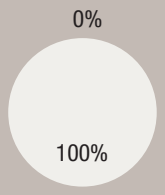
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in 'red star' companies according to the Investment Manager's proprietary classification framework. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Europe All Cap Leaders Legal entity identifier: 549300UHTH8MBSQEDX27

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in a broad range of equity securities issued by small, mid and large cap companies exercising a prominent part of their business activities in countries of the EEA and Switzerland.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

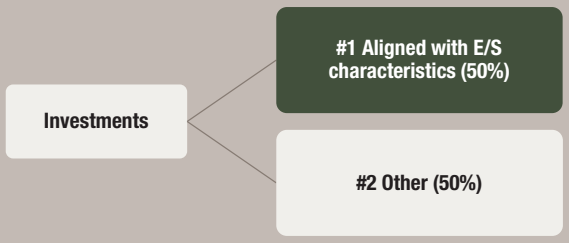
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

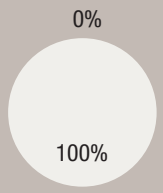
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

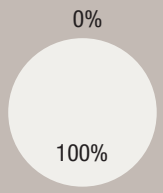
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

LO Funds - Europe High Conviction

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR.

While ESG Factors are not systematically integrated in the investment decision process for the Sub-Fund, the Investment Manager considers ESG Factors as a risk management tool. Specifically, the Investment Manager assesses how a company's ESG practices may present a risk to the relevant stock's investment profile and/or value. The Investment Manager may decide, in its sole discretion, to either exclude stocks which present certain ESG related risks or include stocks with ESG related risks if it deems that these risks are appropriately reflected in the stock price.

Without prejudice to the foregoing, the Investment Manager intends to have regard to the LOIM group exclusion/restriction policy:

Exclusions

- Exclusion of companies involved in controversial weapons (production, research & development, maintenance/services/management, system integration, testing, sales/trade), directly or through ownership. The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972) and the Chemical Weapons Convention (CWC – 1993). In addition, depleted uranium and white phosphorus are excluded.

Restrictions

- **Tobacco, Coal and Unconventional Oil & Gas** - the Investment Manager will seek to exclude companies identified as being involved in the following activities:

  Tobacco - companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

  Thermal Coal

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Any decision to exclude a company under the above restrictions remains entirely within the discretion of the Investment Manager.

Product Name: LO Funds – Continental Europe Small & Mid Leaders Legal entity identifier: 549300RUYC6ERPCI3Q80

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity securities of corporate issuers having their registered office in the EEA, excluding the UK. The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

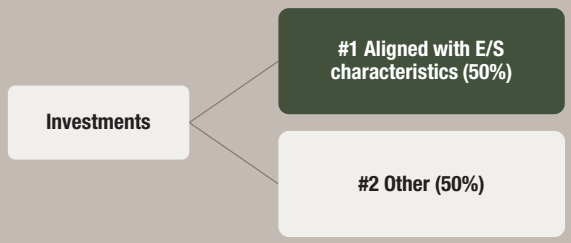
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

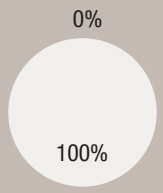
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

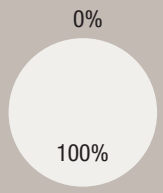
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Emerging High Conviction Legal entity identifier: 5493005QWHTJSBMFWF90

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equities, equity related securities issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly, in Emerging Markets.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

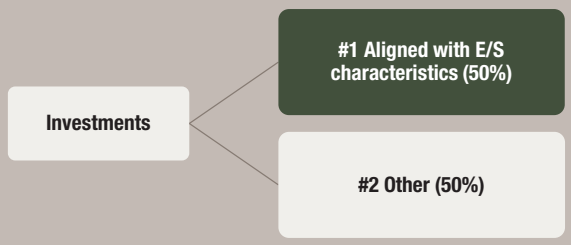
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

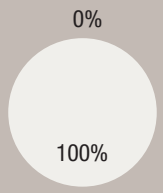
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

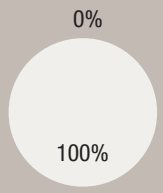
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Asia High Conviction Legal entity identifier: 22210028UI2KWU60YI72

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities issued by companies incorporated or exercising a prominent part of their business activities, directly or indirectly, in Asia.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

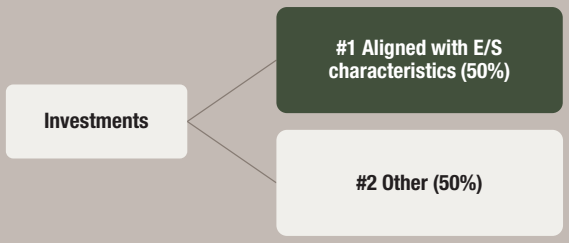
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

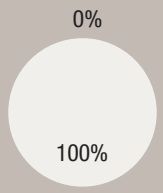
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

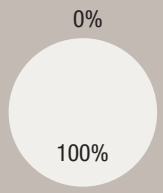
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – TerreNeuve Legal entity identifier: 549300UKQ45O3PU03F93

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **20 %** 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?

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

The Investment Manager aims to capture alpha by investing in stocks that offer key solutions to environmental and social challenges and to use short derivative instruments on stocks that are poorly positioned with respect to such challenges.

The Sub-Fund's investment philosophy is rooted in the Investment Manager's worldview describing a necessary transition from a Wasteful, Idle, Lopsided and Dirty (WILD) economic model to one that is Circular, Lean, Inclusive and Clean (CLIC®). The Investment Manager believes this transition will require a transformation across the global economic systems related to energy, land & oceans and materials, enabled by carbon markets, which the Investment Manager refers to as the '3+1 transition'.

The Sub-Fund focuses in particular on the following transformations:

3. Energy - transitions across our energy system, including progress towards the widespread electrification of our economy, improved energy efficiency, the expansion of the hydrogen and low-carbon fuel economy, and enabling technologies and infrastructure.
4. Land & Oceans - transitions across our reliance on land & oceans, including the transformation of agriculture, food and land use (AFOLU) systems through more sustainable food production and sustainable forestry, aiming to restore land and ecosystems back to nature.
5. Materials - transitions across our material systems, including moves towards improved resource productivity, adoption of less harmful production processes, reduced reliance on resource extraction and reductions and improvement in management of waste.

To support the promotion of the above environmental characteristics, the Investment Manager aims to invest at least 20% of the Sub-Fund's assets in companies that are classified as 'green' (equivalent to #1 Sustainable Investments) under the Investment Manager's proprietary classification framework in which companies are classified as either 'green', 'grey' or 'red' (the "LOIM Classification Framework" – as further detailed in Schedule III).

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager will focus on the following primary indicators to measure attainment of the specific commitments outlined above:

  - The % of the Sub-Fund's assets invested in 'green', 'grey' and 'red' investments according to the LOIM Classification Framework.
  - TerreNeuve proprietary ESG rating indicators: the Sub-Fund's aggregate ESG scoring of the long positions of the portfolio.

- ***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?***

  The objective of sustainable investments that the Sub-Fund partially intends to make is to support a transition across energy, materials and land and ocean systems. The Sub-Fund will do so through investments inter alia in companies whose growth will benefit from regulations, innovations, services or products favoring the transition of the three key systems.

  The Sub-Fund is expected to contribute to the following environmental objectives established by article 9 of the Taxonomy Regulation:

  - The transition to a circular economy
  - Pollution prevention and control
  - The protection and restoration of biodiversity and ecosystems
  - Climate change mitigation.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an inherent part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions, an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as 'green' under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments (ITR). Further information in relation to our ITR tool can be found in Schedule II. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	We assess exposure to business activities deemed fundamentally incompatible with the 3+1 framework. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework, but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the quality of a company's forest management practices, where these
	8	Emissions to water	

	9	Hazardous waste ratio	considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions by virtue of the inherent nature of the activity or activities of the company.
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these engagement/proxy voting priorities rather than individually forming part of the green, grey, red classification framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.
Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets), as well as in Cash and Cash Equivalents. The Investment Manager may invest up to one-third (1/3rd) of the Sub-Fund's portfolio outside these parameters, in particular in i) bonds and fixed or floating-rate securities and/or ii) convertible bonds. Non-investment grade debt securities may not be purchased.

The Investment Manager implements its strategy by investing in companies that it believes to be undervalued and by using short derivative instruments to seek exposure to companies that it believes to be overvalued.

The investment approach applied by the Investment Manager to select securities is based on proprietary responsible criteria which includes environmental, social, ethical and/or corporate governance factors. In addition to these selection criteria, the Investment Manager may apply a screen to exclude certain companies from the investment universe based on a specific environmental, social, ethical and/or corporate governance scoring methodology of companies.

The Investment Manager assesses the sustainability profile of companies in which the Sub-Fund invests using the LOIM Classification Framework as described in more detail in the above sections.

- ***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?***

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and - Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies")

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

  The Investment Manager will, however, aim for the Sub-Fund to have at least a 20% lower exposure to 'red' companies than the Sub-Fund's investible universe (based upon an assessment of 100% of the Sub-Fund's portfolio).

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?***

  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

What is the asset allocation planned for this financial product?

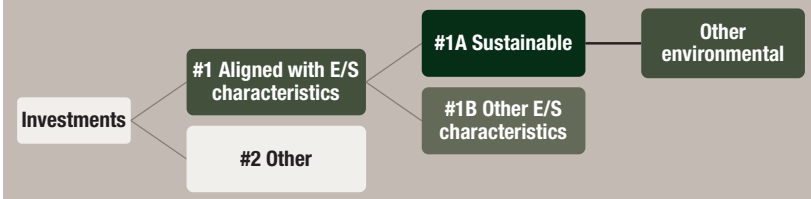
Asset allocation describes the share of investments in specific assets.

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.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 20% of the Sub-Fund's assets in #1A Sustainable Investments.



#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 **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund may short (i.e. take positions against) companies which the Investment Manager considers have exposure to activities inherently harmful and requiring an accelerated phaseout, or transitioning activities with environmental footprints or harmful aspects that are highly material and of a level that is on par or lagging behind those of the wider sector, or where any transition strategies fall short of those of the wider sector or economy in ambition and credibility.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

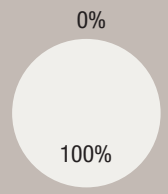
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

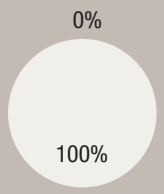
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 97% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" are investments in 'red' companies according to the LOIM Classification Framework. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents.

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?

No

- ***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.loim.com

Product Name: LO Funds – Swiss Equity Legal entity identifier: 5493001LSY6BLO8WQ611

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity securities issued by companies incorporated or exercising a prominent part of their business activities in Switzerland.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

The exclusions relating to tobacco, coal, unconventional oil and gas are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.

#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

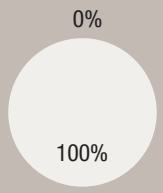
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

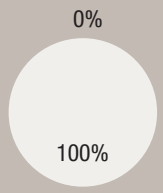
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Swiss Small & Mid Caps Legal entity identifier: 549300PQ44F838XGH511

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity securities issued by small and mid cap companies incorporated or exercising a prominent part of their business activities in Switzerland as listed in the SPI Extra Index.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

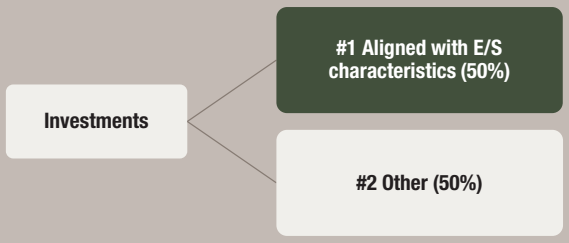
What is the asset allocation planned for this financial product?

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

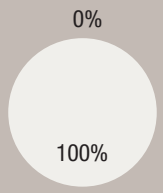
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

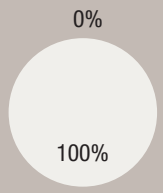
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Planetary Transition Legal entity identifier: 549300X40M0ZJINQDE28

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **50 %** 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?

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

The Sub-Fund invests in companies whose growth will benefit from regulations, innovations, services or products related to the global fight against or adaptation to climate change. The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using inter alia the proprietary ESG and sustainability profiling tools and methodologies set out below.

The Sub-Fund's investment philosophy is rooted in the Investment Manager's worldview describing a necessary transition from a Wasteful, Idle, Lopsided and Dirty (WILD) economic model to one that is Circular, Lean, Inclusive and Clean (CLIC®). The Investment Manager believes this transition will require a transformation across the global economic systems related to energy, land & oceans and materials, enabled by carbon markets, which the Investment Manager refers to as the '**3+1 transition**'.

The Sub-Fund focuses in particular on the following transformations:

- **Transformation of energy systems**: transitions towards an electrified economy powered by renewable energy, involving the greening of supply (renewable power and zero carbon fuels), the greening of demand (electrification and energy efficiency across transport, industry, buildings and other sectors), the management of supply and demand (through energy storage, interconnectedness, and related infrastructure), and other enabling solutions.
- **Adaptation** to the impacts of global warming and the broader effects of climate change, resulting from cumulative carbon emissions, and requiring improved preparedness, resilience and disaster recovery across infrastructure, agriculture and production processes.

In order to promote and achieve the objectives and contributions described above, the Investment Manager aims to:

- invest the Sub-Fund's assets primarily in investments making a meaningful contribution to the specific objectives outlined above as determined by reference to the Investment Manager's proprietary classification framework in which activities and companies may be classified as either Green Star, Grey Star or Red Star (the "LOIM Classification Framework" – as further detailed in Schedule III).
- invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).
- reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.
- ensure for companies in the Sub-Fund's portfolio, which are identified as 'red star' according to the LOIM Classification Framework, that any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement activities.

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

  The Investment Manager will focus on the following primary indicators to measure attainment of the specific commitments outlined above:

  - the % of the Sub-Fund's assets invested in Green Star, Grey Star and Red Star companies according to the LOIM Classification Framework.
  - the % of the Sub-Fund's investee companies classified as "red star" companies according to the LOIM Classification Framework for which (a) a case has been raised with the Investment Manager's Stewardship team; (b) a specific engagement strategy has been defined; and (c) individual or collective engagement has taken place over the preceding 12 month period.

  Given the specific focus of this Sub-Fund, the Investment Manager will also prioritize consideration of the portfolio's performance on the following indicators, which are also considered as part of the Investment Manager's do no significant harm considerations outlined in the LOIM Classification Framework.

    - CO2 emissions (scopes 1, 2 and 3)
    - % of companies with science-based targets

- ***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?***

The Sub-Fund is expected to contribute to the following environmental objectives established by article 9 of the Taxonomy Regulation:

Climate change mitigation

Climate change adaptation

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as *Green Star* under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions or by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	

	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these engagement/proxy voting priorities rather than individually forming part of the green, grey, red classification framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulations, innovations, services or products related to the global fight against or adaptation to climate change.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies (including Emerging Market currencies), and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

Minimum % of Green Star companies

The Investment Manager will invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).

Maximum exposure to Red Star companies

The Investment Manager will reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

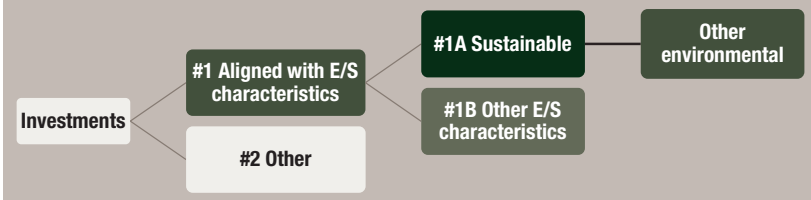
Asset allocation describes the share of investments in specific assets.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 50% of the Sub-Fund's assets in #1A Sustainable Investments.

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– 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, as described below.

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

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

☐ Yes:

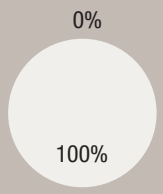
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

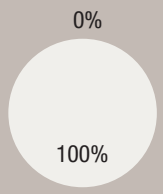
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in Red Star companies according to the Investment Manager's proprietary classification framework The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 4 and level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – US Transition **Legal entity identifier:** [●]

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **50 %** 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?

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

The Sub-Fund invests in companies whose growth will benefit from regulations, innovations, services or products related to the global fight against or adaptation to climate change. The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using inter alia the proprietary ESG and sustainability profiling tools and methodologies set out below.

The Sub-Fund's investment philosophy is rooted in the Investment Manager's worldview describing a necessary transition from a Wasteful, Idle, Lopsided and Dirty (WILD) economic model to one that is Circular, Lean, Inclusive and Clean (CLIC®). The Investment Manager believes this transition will require a transformation across the global economic systems related to energy, land & oceans and materials, enabled by carbon markets, which the Investment Manager refers to as the '**3+1 transition**'.

The Sub-Fund focuses in particular on the following transformations:

- **Transformation of energy systems**: transitions towards an electrified economy powered by renewable energy, involving the greening of supply (renewable power and zero carbon fuels), the greening of demand (electrification and energy efficiency across transport, industry, buildings and other sectors), the management of supply and demand (through energy storage, interconnectedness, and related infrastructure), and other enabling solutions.
- **Adaptation** to the impacts of global warming and the broader effects of climate change, resulting from cumulative carbon emissions, and requiring improved preparedness, resilience and disaster recovery across infrastructure, agriculture and production processes.

In order to promote and achieve the objectives and contributions described above, the Investment Manager aims to:

- invest the Sub-Fund's assets primarily in investments making a meaningful contribution to the specific objectives outlined above as determined by reference to the Investment Manager's proprietary classification framework in which activities and companies may be classified as either Green Star, Grey Star or Red Star (the "LOIM Classification Framework" – as further detailed in Schedule III).
- invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).
- reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.
- ensure for companies in the Sub-Fund's portfolio, which are identified as 'red star' according to the LOIM Classification Framework, that any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement activities.

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

  The Investment Manager will focus on the following primary indicators to measure attainment of the specific commitments outlined above:

  - the % of the Sub-Fund's assets invested in Green Star, Grey Star and Red Star companies according to the LOIM Classification Framework.
  - the % of the Sub-Fund's investee companies classified as "red star" companies according to the LOIM Classification Framework for which (a) a case has been raised with the Investment Manager's Stewardship team; (b) a specific engagement strategy has been defined; and (c) individual or collective engagement has taken place over the preceding 12 month period.

  Given the specific focus of this Sub-Fund, the Investment Manager will also prioritize consideration of the portfolio's performance on the following indicators, which are also considered as part of the Investment Manager's do no significant harm considerations outlined in the LOIM Classification Framework.

    - CO2 emissions (scopes 1, 2 and 3)
    - % of companies with science-based targets

- ***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?***

The Sub-Fund is expected to contribute to the following environmental objectives established by article 9 of the Taxonomy Regulation:

Climate change mitigation

Climate change adaptation

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as *Green Star* under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions or by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	

	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these engagement/proxy voting priorities rather than individually forming part of the green, grey, red classification framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in equity and equity related securities (including, but not limited to, warrants) issued by companies incorporated or exercising a prominent part of their business activities in the United States and whose growth will benefit from regulations, innovations, services or products addressing environmental challenges such as, but not limited to, climate change.

The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies.

The Investment Manager will use its discretion with regards to the selection of markets, sectors, size of companies and currencies, and will employ a high conviction strategy which means it will generally concentrate the Sub-Fund's assets into a smaller group of investments.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

Minimum % of Green Star companies

The Investment Manager will invest at least 50% of the Sub-Fund's assets in sustainable investments (those described as 'green star' according to the LOIM Classification Framework).

Maximum exposure to Red Star companies

The Investment Manager will reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, reduce the Sub-Fund's exposure to investments described as 'red star' according to the LOIM Classification Framework by 50% compared to its benchmark.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

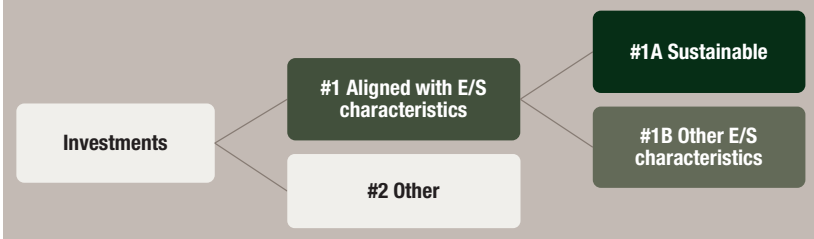
Asset allocation describes the share of investments in specific assets.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 50% of the Sub-Fund's assets in #1A Sustainable Investments.

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– 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, as described below.

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

- The sub-category #1A Sustainable covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

☐ Yes:

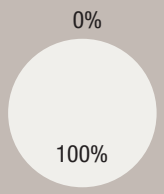
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

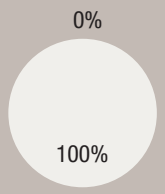
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds ***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in Red Star companies according to the Investment Manager's proprietary classification framework The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 4 and level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Global Government Fundamental Legal entity identifier: 54930083BFXSCQTGQ867

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

☐ **Yes**

☐ 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: [insert %]***

☒ **No**

☐ 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 **_____ %** 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?

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

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

  - GHG Intensity
  - Social violations, inequality and freedom of expression
  - Human rights
  - Governance

  The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

  The Investment Manager will invest at least 50% of the Sub-Fund's assets in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The LO Sovereign Scoring Methodology takes into consideration the following principal adverse impacts ("PAIs") set out in the relevant tables of Annex I of the SFDR RTS 2022/1288:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests its assets in bonds, other fixed or floating-rate debt securities and short-term debt securities issued or guaranteed by sovereign issuers participating in the OECD and/or by supranational institutions.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Sovereign Scoring Methodology as described above; and (ii) considering data points linked to PAIs as described above.

- ***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?***

  Minimum scoring

  The Investment Manager will invest at least 50% of the Sub-Fund's assets in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

Sanctions policy

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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

  Good governance is assessed through the assessment of the following PAIs:

  Table 3 - PAI 21 - Average corruption score

  Table 3 - PAI 23 - Average political stability score

  Table 3 - PAI 24 - Average rule of law score

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

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.

#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

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

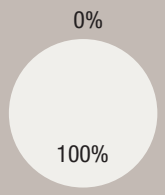
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

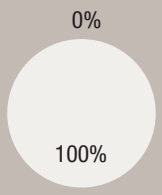
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 3% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include investments in sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of such investments is principally to reflect broad market allocation and diversification. To ensure minimum social safeguards, the Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Global Climate Bond Legal entity identifier: 54930036D61FAKVELK03

Sustainable Investment Objective

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

●● ☒ **Yes**

☒ It will make a minimum of **sustainable investments with an environmental objective: 85%***

- ☐ 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:**

●○ ☐ **No**

☐ 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 _____ **%** 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**

* Please refer to the section "What is the asset allocation and the minimum share of sustainable investments?"

What is the sustainable investment objective of this financial product?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Sub-Fund is a dedicated impact fixed income fund and has sustainable investment as its core objective. Securities are only included in the investments of the Sub-Fund if they have a positive environmental and/or social impact that contributes either to meeting the Paris Agreement or the UN Sustainable Development Goals. The issuer of securities must also pass the verification process described below from an environmental, social and governance perspective. The Sub-Fund seeks to provide mainstream, risk-adjusted returns alongside positive and verifiable environmental and/or social impact.

Securities are only included in the Sub-Fund if they have a positive environmental and/or social impact that contributes either to meeting any of the UN Sustainable Development Goals and/or the aims of the Paris Agreement. The UN Sustainable Development Goals are a collection of 17 interlinked global goals designed to achieve a better and more sustainable future for all. The 17 goals are: (1) No Poverty, (2) Zero Hunger, (3) Good Health and Well-being, (4) Quality Education, (5) Gender Equality, (6) Clean Water and Sanitation, (7) Affordable and Clean Energy, (8) Decent Work and Economic Growth, (9) Industry, Innovation and Infrastructure, (10) Reducing Inequality, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production, (13) Climate Action, (14) Life Below Water, (15) Life On Land, (16) Peace, Justice, and Strong Institutions, and (17) Partnerships for the goals. Each goal has a specific target to be achieved between 2020 and 2030. The Paris Agreement's goal is to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C. It also aims to strengthen countries' ability to deal with the impacts of climate change and support them in their efforts.

Securities selected for inclusion in the Sub-Fund's investable universe are verified through the Investment Manager's proprietary and independent verification process, the SPECTRUM® process.

The SPECTRUM analysis considers the following factors:

- Sustainable – The investment must be aligned with the Sub-Fund's purpose to support the UN Sustainable Development Goals and the Paris Agreement;
- Positive externalities – There must be positive environmental and/or social externalities associated with the issuance such as, without limitation, carbon abatement, clean water, employment for women in developing countries or vaccinations in developing countries;
- Ethics & issuer conduct - Issuers must have appropriate governance, policies and operational conduct;
- Credit - Issuers must have a strong financial structure;
- Transparent - Issuers must have clear and transparent reporting and disclosure;
- Responsible issuer – Issuers must have strong integrity and environmental and social standards, as well as a clear commitment to a sustainable model;
- Use of proceeds –There must be the ability to determine that the consideration paid by the Fund to the Issuers in exchange for the Funds' investments will be allocated by the Issuers to funded activities which will generate measurable positive externalities; and
- Material & measurable – Issuers must have reporting on material and measurable environmental and social impact.

Further details of the process can be found on the Investment Manager's website: https://affirmativeim.com/process/.

A diversified investment grade fixed income portfolio is constructed to deliver a positive environmental and social impact with mainstream fixed income returns. The Investment Manager reports on key environmental and social metrics within its annual Impact Report, which may vary year on year depending on investments made by the Sub-Fund. The Impact Report evidences the positive environmental and social impacts of the Sub-Fund's investments. It includes portfolio alignment with the UN Sustainable Development Goals and an assessment of portfolio greenhouse gas emissions avoided. The latest Impact Report is published on https://affirmativeim.com/impact-report/

- ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

All investments made by the Sub-Fund must pass the Investment Manager's verification process, the SPECTRUM® process. This process is based in fundamental analysis of environmental and social criteria on a case-by-case basis. A sustainable assessment is made at both the issuer and issue level.

The SPECTRUM process is described above and sustainability criteria can be found on the Investment Manager's website: https://affirmativeim.com/process/

The environmental and social impact of the Sub-Fund is reported on an annual basis in the annual Impact Report.

Examples of environmental metrics include tonnes of greenhouse gas emissions (GHG) avoided per year, weighted average carbon intensity (WACI), megawatts of clean energy capacity installed, m³ of water treated, daily passenger capacity for low carbon transport and m³ of green buildings by floor area.

Examples of social metrics include number of jobs retained/created, number of students with access to green education facilities, number of children immunised, number of microfinance and SME loans.

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.

- ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

If an investment is associated with significant environmental or social harm it would fail to meet the Investment Manager's SPECTRUM® criteria and would be excluded from the SPECTRUM Bond® universe. As a result, the issuance will not be eligible for purchase in the Sub-Fund. The SPECTRUM® process requires the analyst to consider whether there are direct or indirect environmental or social negative impacts resulting from the stated use of proceeds or the issuer. The SPECTRUM process has been described above.

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

The indicators for adverse impacts on sustainability factors are taken into account within the Investment Manager's SPECTRUM® verification process.

The Investment Manager considers the 14 mandatory indicators on greenhouse gas emissions, biodiversity, water, waste and social indicators with reference to the companies in which the Sub-Fund invests and the 2 mandatory indicators on greenhouse gas intensity and social violations for the sovereign entities in which the Sub-Fund invests in order to show the impact of the sustainable investments against these indicators and to select sustainable investments. Accordingly, the Investment Manager demonstrates through appropriate values that the sustainable investments of the companies do not significantly harm ("DNSH") any of these environmental or social objectives. The 2 mandatory PAI indicators for real estate do not apply to the Sub-Fund.

From the available environmental options under "additional climate and other environment-related indicators" (Appendix 1, Table 2 of SFDR Level 2), the Investment Manager has chosen to report the share of bonds not issued under EU legislation on environmentally sustainable bonds. Given the Sub-Fund holds predominantly labelled bonds, this additional PAI is particularly relevant.

For the available social options under "additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters" (Appendix 1, Table 3), the Investment Manager has selected to report number of identified cases of severe human rights issues and incidents for its broad applicability across the companies invested in by the Sub-Fund and to demonstrate the principle of DNSH.

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

Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are components within the Investment Manager's SPECTRUM® verification process.

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

☒ **Yes**

☐ **No**

All principal adverse impacts on sustainability factors (PAIs) are taken into account within the Investment Manager's SPECTRUM® process. This process is underpinned by fundamental analysis on a case-by-case basis and incorporates PAIs depending on materiality and relevance. These are considered at two levels:

1. adverse impacts that are associated with the use of proceeds of the bond; and
2. adverse impacts associated with the issuer of the bond, but not necessarily coming from the stated use of proceeds. The 'responsible issuer' criteria within the SPECTRUM® analysis focuses on the issuer itself and whether it meets the Investment Manager's standards from an ESG perspective. This includes environmental, social and employee matters, respect for human rights, anticorruption and antibribery.

What investment strategy does this financial product follow?

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

An investment strategy is what guides the decision on what to invest in based on e.g. investment goals, risk tolerance and future needs for liquidity.

The Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities issued by sovereign, corporate or supranational entities and where the use of all or part of the proceeds of the sale of debt securities will be used to finance projects that favor the environment. These projects may include, but are not limited to:

- mitigation projects against climate change such as wind farms, solar and other renewable energy plants, clean transportation, energy and resource efficiency, recycling and circular economy;
- adaptation projects against climate change such as building sea walls in cities threatened by rising sea levels, flood protection, water filtration infrastructure.

From a sustainable objective perspective, the Sub-Fund invests only in securities which are verified as having a positive environmental and/or social impact and which contribute to achieving the Paris Agreement and/or the UN SDGs. The verification team at the Investment Manager, which comprises the credit and sustainability teams, analyses each security and issuer according to the SPECTRUM® process (described above). The output of this analysis is the investable universe from which the Investment Manager's portfolio management team manages the Sub-Fund. SPECTRUM is a positive selection methodology that incorporates principles of impact investing, exclusions and ESG integration. Impact investing is incorporated through the deep research conducted on the expected positive impact of the use of proceeds of the investment. Exclusions are applied at both the use of proceeds and the issuer level and can be found on the Investment Manager's website here: https://affirmativeim.com/policies/. ESG integration is done through the responsible issuer and ethics and issuer conduct pillars of the SPECTRUM process.

Ultimately, the investable universe is made up of bonds that have been through the SPECTRUM process from both an issue and an issuer perspective and the portfolio managers may only purchase bonds in the investable universe for the Sub-Fund.

The investment objective and strategy of the Sub-Fund is further described in the Sub-Fund's appendix in Annex A.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

Binding elements are commitments that cannot be amended during the life of the Sub-Fund.

The Sub-Fund invests only in securities that are expected to deliver a positive environmental and/or social impact. The investment universe is limited to securities which have passed the Investment Manager's proprietary SPECTRUM® verification process, which includes separate sustainability and credit assessments.

The exclusion of certain issuers is another binding element. Issuers that are involved in certain sectors or are poor ESG performers, as set out in the Investment Manager's exclusionary criteria, will be excluded from the portfolio. Such issuers are examined on a case-by-case basis under the SPECTRUM® process. The Investment Manager's exclusionary criteria apply to the Sub-Fund, details of which can be found here: https://affirmativeim.com/policies/.

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?***

Governance is about a company's leadership, remuneration of staff (incl. executives}, audits, internal controls, shareholder rights, tax compliance and its relations to other stakeholders.

The governance practices of issuers are assessed within the SPECTRUM® process. Both the sustainability and credit teams consider an issuer's governance in their assessments. Governance is specifically taken into account under the 'ethics & issuer conduct' (credit assessment) and 'responsible issuer' (sustainability assessment) pillars. In this assessment the sustainability and credit teams undertake their own research alongside the research of some external ESG providers.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

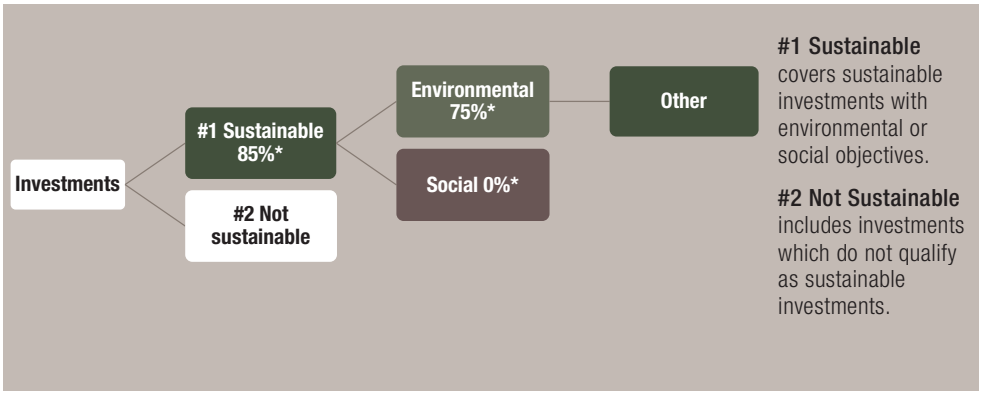
Taxonomy-aligned activities are expressed as a share of:

- **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.

* All holdings in this Sub-Fund, except Cash and Cash Equivalents and derivative instruments, will be in investments with a sustainable objective. The Sub-Fund has a minimum commitment that at least 85% of the Sub-Fund's assets will be held in investments with a sustainable objective. Consequently, the maximum asset allocation to Cash and Cash Equivalents and derivative instruments is 15% which the Investment Manager believes will provide adequate flexibility to accommodate the management of the Sub-Fund under normal market conditions and absent significant subscriptions and redemptions into and from the Sub-Fund.

The Investment Manager does not make any commitment to invest any particular proportion of the Sub-Fund assets in sustainable investments which are aligned with the EU Taxonomy.

#2 Not sustainable consists of Cash and Cash Equivalents and derivative instruments. Actual amounts may fluctuate depending on availability of instruments and market movements



- ***How does the use of derivatives attain the sustainable investment objective?***

The Sub-Fund uses derivatives for hedging and effective portfolio management purposes only. Derivatives are not used as part of the investment strategy. Derivatives are not used to provide exposure to securities which would not otherwise pass the Investment Manager's SPECTRUM® process.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

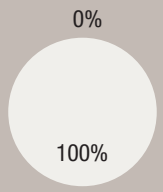
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

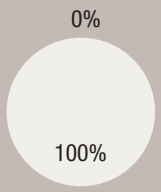
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of **investments excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 74% of the total investments.

* 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 environment 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?***

N/A.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are environmentally sustainable investments 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?

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of sustainable investments with a social objective?

N/A.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The Sub-Fund may use Cash and Cash Equivalents for risk management or liquidity purposes and derivative instruments for hedging and effective portfolio management purposes. No environmental or social safeguards can be put in place for Cash and Cash Equivalents or for derivative instruments for hedging and effective portfolio management purposes. There can be no effective minimum safeguards for Cash and Cash Equivalents.

Is the specific index designated as a reference benchmark to meet the sustainable investment objective?

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

No index has been designated as a reference benchmark to meet the Sub-Fund's sustainable investment objective.

The Bloomberg Global Aggregate index is used to assess financial performance as well as internal risk monitoring purposes, without implying any particular constraints to the Sub-Fund's investments. This index is not used to measure sustainability performance.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

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.loim.com

Product Name: LO Funds – TargetNetZero Global IG Corporate Legal entity identifier: 5493000T7085I4HSW095

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **10 %** 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?

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

The Sub-Fund promotes climate change mitigation through alignment with the Paris Agreement objective.

The Investment Manager aims to keep the Implied Temperature Rise (ITR) of the Sub-Fund's portfolio below 2 degrees at all times, with an objective of 1.5 degrees.

The Investment Manager uses its proprietary ITR methodology to measure the ITR of the Sub-Fund's portfolio. The Investment Manager's proprietary ITR methodology integrates the methodological framework put toward by the TCFD's portfolio alignment team (Taskforce on Climate-related Financial Disclosure). It is based on forward-looking metrics to assess the temperature trajectory of individual companies (including scopes 1, 2, and material scope 3 emissions up and downstream), and the credibility of their net zero commitments. Further information in relation to the Investment Manager's proprietary ITR methodology can be found in Schedule II.

This means assessing the degree of alignment of companies to the decarbonisation pathways implied by the Paris Agreement goals which seek to limit global warming to 1.5-2°C. For example, a company that is on a trajectory more aligned to a 3°C increase might be cutting its direct and indirect CO2 and greenhouse gas emissions to some extent but is not decarbonizing itself at a pace sufficient to meet the goals set by the Paris Agreement.

In terms of practical implementation, the Investment Manager:

- will seek to reduce material Sub-Fund portfolio emissions to net zero by 2050; gradually reducing the ITR of the Sub-Fund's portfolio, aiming to reach 1.5°C by 2030 across scope 1&2; and Paris alignment (<2.0°C) across material scope 3 emissions, to the extent that ambition in the wider economy permits;
- will favour investments for the Sub-Fund's portfolio, making a meaningful contribution to the specific environmental objective outlined above. Investments are classified as either 'green', 'grey' or 'red' in the Investment Manager's framework according to the Investment Manager's classification framework (the "LOIM Classification Framework" – as further detailed in Schedule III);
- aims to invest at least 10% of the Sub-Fund's assets in sustainable investments, described as "green", outlined below;
- aims to reduce the Sub-Fund's exposure to investments described as "red" (as defined in LOIM Classification Framework) by 30% compared to its benchmark;
- aims to ensure that for any 'red' companies invested in by the Sub-Fund, any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement policies.

To conduct its assessments, the Investment Manager may rely on datasets sourced by itself, from third parties, or as disclosed by investee companies, as well as qualitative insights that may result in amendments to quantitative data. The analysis of the Investment Manager may include forward-looking considerations, considering expected improvements or deteriorations. Specific underlying indicators, beyond the minimum committed to in this document may change, depending on data availability and the Investment Manager's analysis of its quality. Data may include estimates and approximations. The Investment Manager cannot guarantee data is free of errors or an accurate representation of reality but is committed to ongoing improvements of its data sources.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the following indicators to measure the attainment of environmental characteristics promoted by the Sub-Fund:

  - The Implied Temperature Rise (ITR) of the portfolio
  - The carbon footprint of the portfolio (measured in tons of CO2 by million euros invested)
  - The percentage of assets of the Sub-Fund's portfolio invested in companies classified as green, grey or red
  - The overall ESG score of the portfolio calculated using the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology"). The LO Rating Methodology can be found in Schedule I

- ***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?***

The objective of sustainable investments that the Sub-Fund partially intends to make is the transition towards a decarbonised economy across all sectors and regions by 2050.

The Sub-Fund will do so through favouring investments in companies with credible pathways to total decarbonisation across all three scopes by 2050 as well as through investments in companies with low carbon footprints. The Sub-Fund will also seek to restrict investments in companies with both high carbon footprints and high Implied Temperature Rise (i.e., low credibility in their decarbonisation efforts/ambition).

For the purposes of article 9 of the Taxonomy Regulation, 'Climate Change Mitigation' is the environmental objective to which the Sub-Fund is expected to contribute.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.
This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.
The Investment Manager identifies 'Sustainable investments' as companies classified as 'green' under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the

	8	Emissions to water	quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these indicators as engagement/proxy voting priorities rather than be individually assessed as part of the LOIM Classification Framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers (including Emerging Market corporate issuers) and graded from AAA to BBB.

In addition to following the investment policy of the Sub-Fund, the Investment Manager has integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the proprietary tools described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

  The following exclusions are binding:

  Exclusion of Controversial Weapons

  The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

  Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

  The Sub-Fund will exclude:

  Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

  Thermal Coal:

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

  Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

The Investment Manager will, however, aim for the Sub-Fund to have at least a 20% reduction in the projected, cumulative emissions attributable scope 1, 2 and material scope 3 emissions, over the period 2015-2050, compared to the benchmark, based on the Investment Manager's proprietary Implied Temperature Rise (ITR) framework, taking into account projections of future emissions based on both historical trends and companies' stated commitments.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

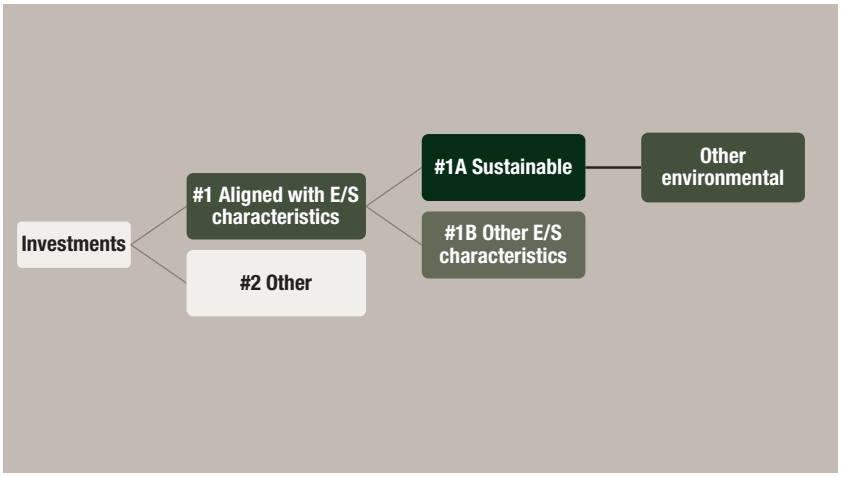
Taxonomy-aligned activities are expressed as a share of:

- **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.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 10% of the Sub-Fund's assets in #1A Sustainable Investments.



#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 **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

☐ Yes:

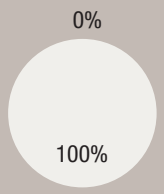
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

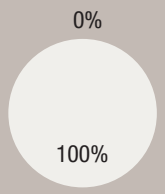
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 95% of the total investments.

* *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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in 'red star' companies according to the Investment Manager's proprietary classification framework. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – TargetNetZero Euro IG Corporate Legal entity identifier: 549300RFLEPD1E2WI316

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **10 %** 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?

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

The Sub-Fund promotes climate change mitigation through alignment with the Paris Agreement objective.

The Investment Manager aims to keep the Implied Temperature Rise (ITR) of the Sub-Fund's portfolio below 2 degrees at all times, with an objective of 1.5 degrees.

The Investment Manager uses its proprietary ITR methodology to measure the ITR of the Sub-Fund's portfolio. The Investment Manager's proprietary ITR methodology integrates the methodological framework put toward by the TCFD's portfolio alignment team (Taskforce on Climate-related Financial Disclosure). It is based on forward-looking metrics to assess the temperature trajectory of individual companies (including scopes 1, 2, and material scope 3 emissions up and downstream), and the credibility of their net zero commitments. Further information in relation to the Investment Manager's proprietary ITR methodology can be found in Schedule II.

This means assessing the degree of alignment of companies to the decarbonisation pathways implied by the Paris Agreement goals which seek to limit global warming to 1.5-2°C. For example, a company that is on a trajectory more aligned to a 3°C increase might be cutting its direct and indirect CO2 and greenhouse gas emissions to some extent but is not decarbonizing itself at a pace sufficient to meet the goals set by the Paris Agreement.

In terms of practical implementation, the Investment Manager:

- will seek to reduce material Sub-Fund portfolio emissions to net zero by 2050; gradually reducing the ITR of the Sub-Fund's portfolio, aiming to reach 1.5°C by 2030 across scope 1&2; and Paris alignment (<2.0°C) across material scope 3 emissions, to the extent that ambition in the wider economy permits;
- will favour investments for the Sub-Fund's portfolio, making a meaningful contribution to the specific environmental objective outlined above. Investments are classified as either 'green', 'grey' or 'red' in the Investment Manager's framework according to the Investment Manager's classification framework (the "LOIM Classification Framework" – as further detailed in Schedule III);
- aims to invest at least 10% of the Sub-Fund's assets in sustainable investments, described as "green", outlined below;
- aims to reduce the Sub-Fund's exposure to investments described as "red" (as defined in LOIM Classification Framework) by 30% compared to its benchmark;
- aims to ensure that for any 'red' companies invested in by the Sub-Fund, any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement policies.

To conduct its assessments, the Investment Manager may rely on datasets sourced by itself, from third parties, or as disclosed by investee companies, as well as qualitative insights that may result in amendments to quantitative data. The analysis of the Investment Manager may include forward-looking considerations, considering expected improvements or deteriorations. Specific underlying indicators, beyond the minimum committed to in this document may change, depending on data availability and the Investment Manager's analysis of its quality. Data may include estimates and approximations. The Investment Manager cannot guarantee data is free of errors or an accurate representation of reality but is committed to ongoing improvements of its data sources.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the following indicators to measure the attainment of environmental characteristics promoted by the Sub-Fund:

  - The Implied Temperature Rise (ITR) of the portfolio
  - The carbon footprint of the portfolio (measured in tons of CO2 by million euros invested)
  - The percentage of assets of the Sub-Fund's portfolio invested in companies classified as green, grey or red
  - The overall ESG score of the portfolio calculated using the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology"). The LO Rating Methodology can be found in Schedule I

- ***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?***

The objective of sustainable investments that the Sub-Fund partially intends to make is the transition towards a decarbonised economy across all sectors and regions by 2050.

The Sub-Fund will do so through favouring investments in companies with credible pathways to total decarbonisation across all three scopes by 2050 as well as through investments in companies with low carbon footprints. The Sub-Fund will also seek to restrict investments in companies with both high carbon footprints and high Implied Temperature Rise (i.e., low credibility in their decarbonisation efforts/ambition).

For the purposes of article 9 of the Taxonomy Regulation, 'Climate Change Mitigation' is the environmental objective to which the Sub-Fund is expected to contribute.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as 'green' under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the

	8	Emissions to water	quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these indicators as engagement/proxy voting priorities rather than be individually assessed as part of the LOIM Classification Framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.

Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

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 Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate issuers denominated in EUR (including Emerging Market corporate issuers) and graded from AAA to BBB.

In addition to following the investment policy of the Sub-Fund, the Investment Manager has integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the proprietary tools described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

  The following exclusions are binding:

  Exclusion of Controversial Weapons

  The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

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  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

  Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

  The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

  The Investment Manager will, however, aim for the Sub-Fund to have at least a 20% reduction in the projected, cumulative emissions attributable scope 1, 2 and material scope 3 emissions, over the period 2015-2050, compared to the benchmark, based on the Investment Manager's proprietary Implied Temperature Rise (ITR) framework, taking into account projections of future emissions based on both historical trends and companies' stated commitments.

  It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

  The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

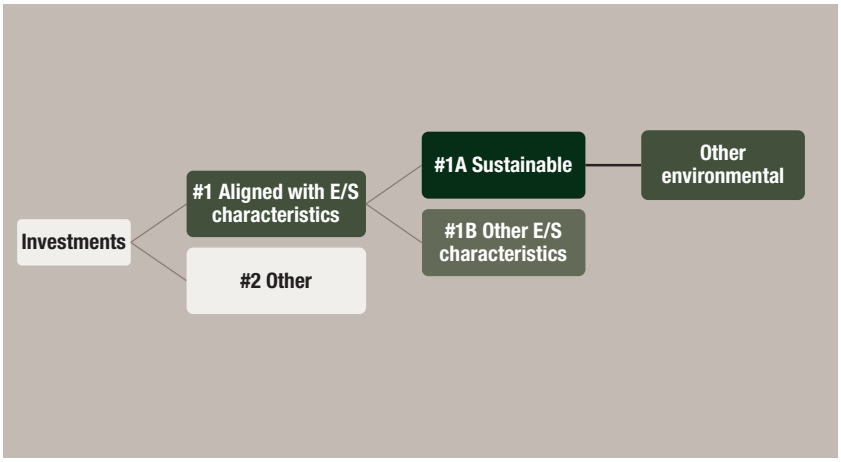
Asset allocation describes the share of investments in specific assets.

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.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 10% of the Sub-Fund's assets in #1A Sustainable Investments.



#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 **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- 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?***

The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

☐ Yes:

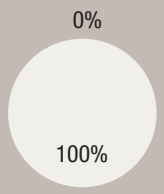
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

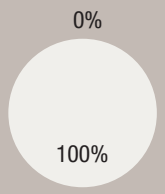
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 96% of the total investments.

* *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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in 'red star' companies according to the Investment Manager's proprietary classification framework. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Global BBB-BB Fundamental Legal entity identifier: 54930036D61FAKVELK03

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in any currencies (including Emerging Market currencies) and graded either BBB or BB.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

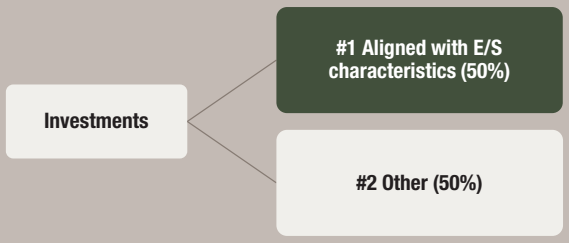
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

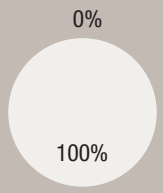
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

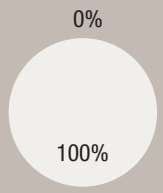
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 97% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Euro BBB-BB Fundamental Legal entity identifier: 549300HQBY3WH151X781

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds, other fixed or floating-rate debt securities and short-term debt securities of non-governmental issuers denominated in EUR and graded either BBB or BB.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

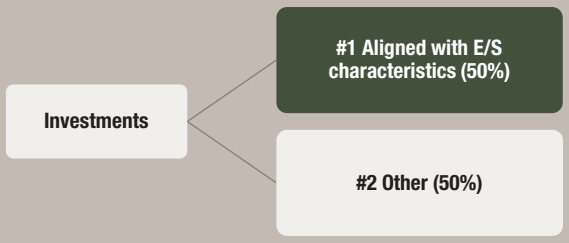
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

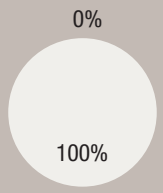
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

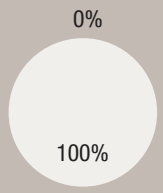
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 93% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Swiss Franc Credit Bond (Foreign)

Legal entity identifier: 549300UWIHBXH8TFRJ48

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds, other fixed or floating rate debt securities and short-term debt securities denominated in CHF and graded from A to BBB.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

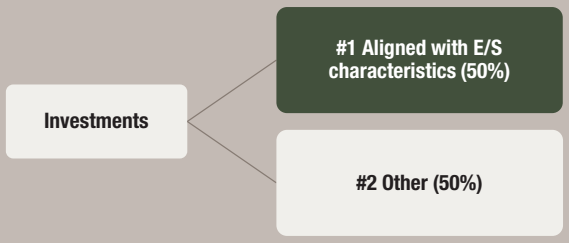
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

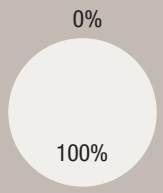
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

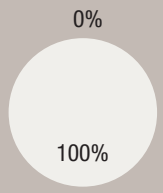
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Ultra Low Duration (USD) Legal entity identifier: 222100MVYJJDZR6SV416

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors indicators established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests mainly in bank deposits, money market instruments, bonds, other fixed or floating-rate debt securities and short-term debt securities of governmental and/or corporate issuers rated BBB or above.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

<u>Exclusions</u>

<u>Corporate Portfolio</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

<u>Tobacco</u>: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

<u>Thermal Coal</u>:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

<u>Unconventional Oil & Gas</u>: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

<u>Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions</u>: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

<u>Sovereign Portfolio</u>

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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

  Corporate Portfolio

  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

  Sovereign Portfolio

  Good governance is assessed through the assessment of the following PAIs:

  Table 3 - PAI 21 - Average corruption score

  Table 3 - PAI 23 - Average political stability score

  Table 3 - PAI 24 - Average rule of law score

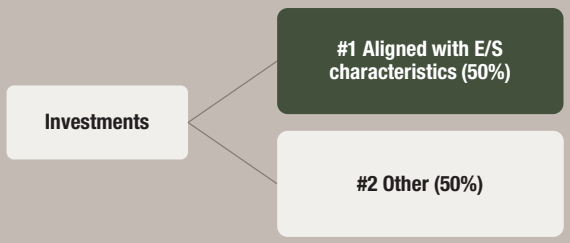
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

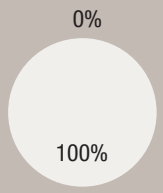
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

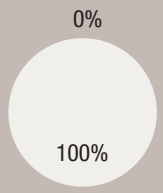
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 99% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Ultra Low Duration (EUR) Legal entity identifier: 222100XDN2BUPI1JP013

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

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Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests mainly in bank deposits, money market instruments, bonds, other fixed or floating-rate debt securities and short-term debt securities of governmental and/or corporate issuers rated BBB or above.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

<u>Exclusions</u>

<u>Corporate Portfolio</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

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The Sub-Fund will exclude:

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Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

<u>Unconventional Oil & Gas</u>: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

<u>Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions</u>: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

<u>Sovereign Portfolio</u>

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

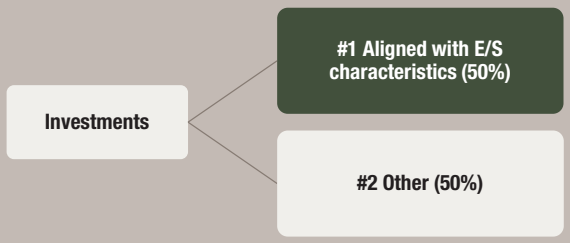
  Corporate Portfolio
  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.
  Sovereign Portfolio
  Good governance is assessed through the assessment of the following PAIs:
  Table 3 - PAI 21 - Average corruption score
  Table 3 - PAI 23 - Average political stability score
  Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

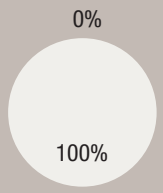
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

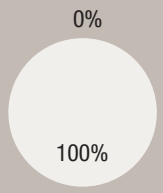
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 94% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Fallen Angels Recovery Legal entity identifier: 549300YZQPQTSPLE4H57

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds, other fixed or floating-rate debt securities and short-term debt securities of "Fallen Angels" issuers; that is, issuers that were previously rated investment grade and that are now rated below investment grade and which one or more of their issues are part of the Bloomberg Barclays Global Corporate ex-EM Fallen Angels 3% Issuer Capped TR index, denominated in any currencies (including Emerging Market currencies).

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

<u>Exclusions</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

<u>Tobacco</u>: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

<u>Thermal Coal</u>:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

<u>Unconventional Oil & Gas</u>: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

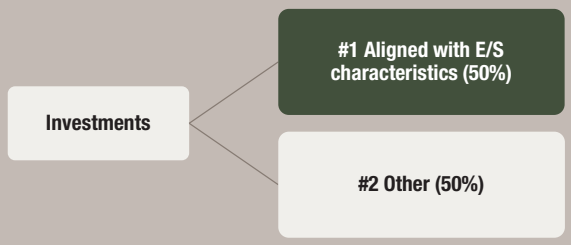
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

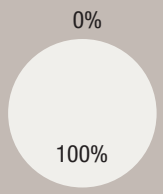
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

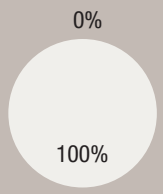
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Emerging Local Currency Bond Fundamental Legal entity identifier: 549300ZHGID6JDJBJ386

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

  - GHG Intensity
  - Social violations, inequality and freedom of expression
  - Human rights
  - Governance

  The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

  The Investment Manager will invest at least 50% of the Sub-Fund's assets in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The LO Sovereign Scoring Methodology takes into consideration the following principal adverse impacts ("PAIs") set out in the relevant tables of Annex I of the SFDR RTS 2022/1288:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt instruments issued or guaranteed by Emerging Market sovereign entities or corporate entities incorporated or exercising a prominent part of their business activities in Emerging Markets, denominated in OECD currencies and/or Emerging Market currencies.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Sovereign Scoring Methodology as described above; and (ii) considering data points linked to PAIs as described above.

- ***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?***

  Minimum scoring

  The Investment Manager will invest at least 50% of the Sub-Fund's assets in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

Sanctions policy

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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

  Good governance is assessed through the assessment of the following PAIs:

  Table 3 - PAI 21 - Average corruption score

  Table 3 - PAI 23 - Average political stability score

  Table 3 - PAI 24 - Average rule of law score

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

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.

#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

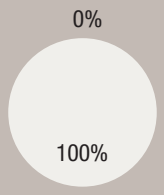
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

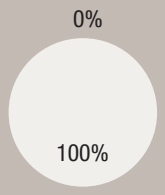
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 1% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include investments in sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of such investments is principally to reflect broad market allocation and diversification. To ensure minimum social safeguards, the Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Asia Value Bond Legal entity identifier: 222100SQDD5ZAVS3TE17

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "**LO Sovereign Scoring Methodology**") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests in (i) bonds, other fixed or floating-rate debt securities, convertible bonds, bonds with attached warrants on transferable securities and short-term debt instruments, issued or guaranteed by sovereign entities or corporate entities worldwide, (ii) currencies and (iii) Cash and Cash Equivalents. While investing worldwide, the Investment Manager maintains a clear and distinct focus on Asia by investing in issuers having their main activity in Asia-Pacific (including Japan).

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

<u>Exclusions</u>

<u>Corporate Portfolio</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

<u>Tobacco</u>: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

<u>Thermal Coal</u>:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

<u>Unconventional Oil & Gas</u>: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

<u>Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions</u>: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

<u>Sovereign Portfolio</u>

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

  Corporate Portfolio

  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

  Sovereign Portfolio

  Good governance is assessed through the assessment of the following PAIs:

  Table 3 - PAI 21 - Average corruption score

  Table 3 - PAI 23 - Average political stability score

  Table 3 - PAI 24 - Average rule of law score

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.

#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

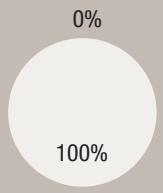
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

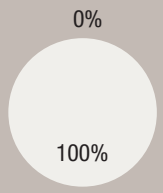
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 96% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Asia Investment Grade Bond Legal entity identifier: 5493001DJ8NYPLGGID75

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
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The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
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	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests mainly in (i) bonds, other fixed or floating-rate debt securities, convertible bonds, bonds with attached warrants on transferable securities and short-term debt instruments, issued or guaranteed by sovereign entities or corporate entities having their main activity in the Asia-Pacific region (including Japan and Australia), (ii) currencies and (iii) Cash and Cash Equivalents.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

  Corporate Portfolio

  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

  Sovereign Portfolio

  Good governance is assessed through the assessment of the following PAIs:

  Table 3 - PAI 21 - Average corruption score

  Table 3 - PAI 23 - Average political stability score

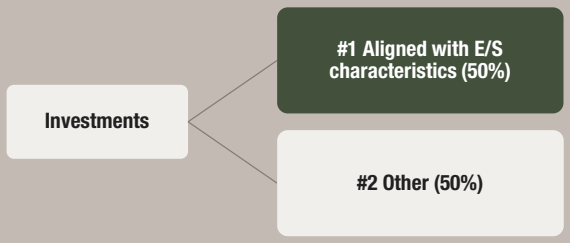
  Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

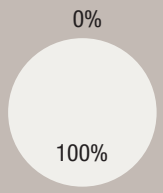
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

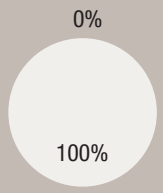
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 99% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Asia Diversified High Yield Bond Legal entity identifier: 391200WI3WT5RW8LFZ17

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

Corporate Portfolio

Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

Sovereign Portfolio

Good governance is assessed through the assessment of the following PAIs:

Table 3 - PAI 21 - Average corruption score

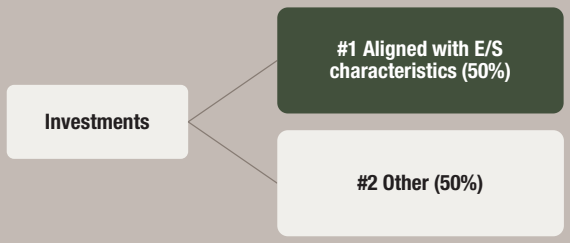
Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

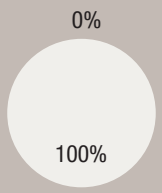
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

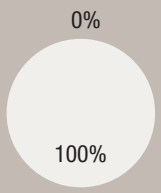
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 97% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Convertible Bond Legal entity identifier: 549300OQ15KLETZXGK35

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

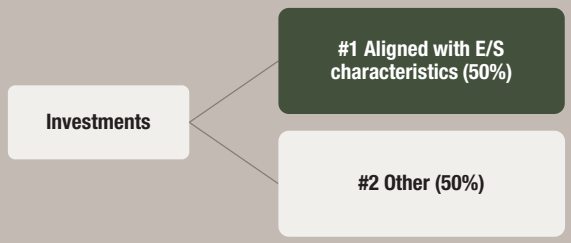
  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

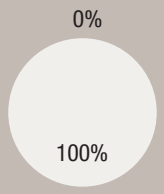
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

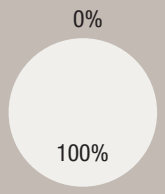
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Global Convertible Bond Defensive Delta Legal entity identifier: 222100N4DLP2MVH0TT97

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

<u>Exclusions</u>

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

<u>Tobacco</u>: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

<u>Thermal Coal</u>:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

<u>Unconventional Oil & Gas</u>: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

<u>Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions</u>: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

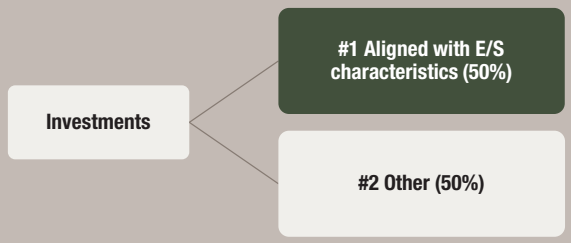
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

☐ Yes:
☐ In fossil gas ☐ In nuclear energy
☒ No

The two graphs 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 investments of the financial product including sovereign bonds, while the second graphs 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*

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments excluding sovereign bonds*

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Convertible Bond Asia Legal entity identifier: 5493000G142TWCH9O077

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to

	6	Energy consumption intensity per high impact climate sector	emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds convertible into equities of companies incorporated or exercising a prominent part of their business activities in the Asian area, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of C- or above under the LO Rating Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

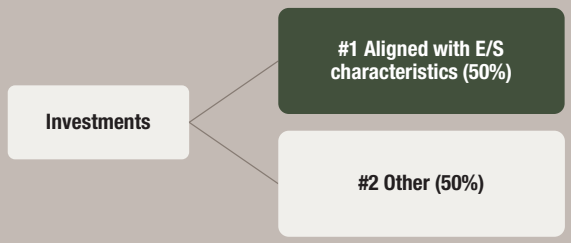
  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

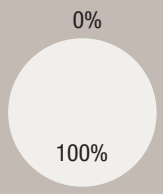
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

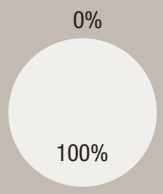
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments excluding sovereign bonds*



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

* *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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – TargetNetZero Global Convertible Bond Legal entity identifier: 5493004A2GKCXE4JK146

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☒ 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 **10 %** 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?

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

The Sub-Fund promotes climate change mitigation through alignment with the Paris Agreement objective.

The Investment Manager aims to keep the Implied Temperature Rise (ITR) of the Sub-Fund's portfolio below 2 degrees at all times, with an objective of 1.5 degrees.

The Investment Manager uses its proprietary ITR methodology to measure the ITR of the Sub-Fund's portfolio. The Investment Manager's proprietary ITR methodology integrates the methodological framework put toward by the TCFD's portfolio alignment team (Taskforce on Climate-related Financial Disclosure). It is based on forward-looking metrics to assess the temperature trajectory of individual companies (including scopes 1, 2, and material scope 3 emissions up and downstream), and the credibility of their net zero commitments. Further information in relation to the Investment Manager's proprietary ITR methodology can be found in Schedule II.

This means assessing the degree of alignment of companies to the decarbonisation pathways implied by the Paris Agreement goals which seek to limit global warming to 1.5-2°C. For example, a company that is on a trajectory more aligned to a 3°C increase might be cutting its direct and indirect CO2 and greenhouse gas emissions to some extent but is not decarbonizing itself at a pace sufficient to meet the goals set by the Paris Agreement.

In terms of practical implementation, the Investment Manager:

- will seek to reduce material Sub-Fund portfolio emissions to net zero by 2050; gradually reducing the ITR of the Sub-Fund's portfolio, aiming to reach 1.5°C by 2030 across scope 1&2; and Paris alignment (<2.0°C) across material scope 3 emissions, to the extent that ambition in the wider economy permits;
- will favour investments for the Sub-Fund's portfolio, making a meaningful contribution to the specific environmental objective outlined above. Investments are classified as either 'green', 'grey' or 'red' in the Investment Manager's framework according to the Investment Manager's classification framework (the "LOIM Classification Framework" – as further detailed in Schedule III);
- aims to invest at least 10% of the Sub-Fund's assets in sustainable investments, described as "green", outlined below;
- aims to reduce the Sub-Fund's exposure to investments described as "red" (as defined in LOIM Classification Framework) by 30% compared to its benchmark;
- aims to ensure that for any 'red' companies invested in by the Sub-Fund, any specific concerns are raised with the Investment Manager's Stewardship team to inform proxy voting and engagement policies.

To conduct its assessments, the Investment Manager may rely on datasets sourced by itself, from third parties, or as disclosed by investee companies, as well as qualitative insights that may result in amendments to quantitative data. The analysis of the Investment Manager may include forward-looking considerations, considering expected improvements or deteriorations. Specific underlying indicators, beyond the minimum committed to in this document may change, depending on data availability and the Investment Manager's analysis of its quality. Data may include estimates and approximations. The Investment Manager cannot guarantee data is free of errors or an accurate representation of reality but is committed to ongoing improvements of its data sources.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the following indicators to measure the attainment of environmental characteristics promoted by the Sub-Fund:

  - The Implied Temperature Rise (ITR) of the portfolio
  - The carbon footprint of the portfolio (measured in tons of CO2 by million euros invested)
  - The percentage of assets of the Sub-Fund's portfolio invested in companies classified as green, grey or red
  - The overall ESG score of the portfolio calculated using the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology"). The LO Rating Methodology can be found in Schedule I

- ***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?***

The objective of sustainable investments that the Sub-Fund partially intends to make is the transition towards a decarbonised economy across all sectors and regions by 2050.

The Sub-Fund will do so through favouring investments in companies with credible pathways to total decarbonisation across all three scopes by 2050 as well as through investments in companies with low carbon footprints. The Sub-Fund will also seek to restrict investments in companies with both high carbon footprints and high Implied Temperature Rise (i.e., low credibility in their decarbonisation efforts/ambition).

For the purposes of article 9 of the Taxonomy Regulation, 'Climate Change Mitigation' is the environmental objective to which the Sub-Fund is expected to contribute.

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.

- ***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?***

The analysis of possible significant harm to environmental or social sustainable investment objectives forms an intrinsic part of the analysis undertaken under the LOIM Classification Framework.

This LOIM Classification Framework takes explicit account of any material environmental or social dimensions and an investee company's performance with respect to these indicators, on a current or forward-looking basis.

The Investment Manager identifies 'Sustainable investments' as companies classified as 'green' under the LOIM Classification Framework which have specifically been assessed to not cause significant harm or to be subject to credible mitigating factors.

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

Indicators for adverse impact on sustainability factors are considered as part of the Investment Manager's activity-by-activity assessment of possible significant harm as outlined in the LOIM Classification Framework.

The specific Principal Adverse Indicators considered as part of this assessment are described further below.

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

The Investment Manager considers exposure to UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights controversies under to the LOIM Classification Framework. In the absence of credible mitigating factors, investments exposed to high level controversies, will not be considered sustainable.

The EU Taxonomy sets out a "do not 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**

☐ **No**

Through the LOIM Classification Framework, the Investment Manager considers PAIs as follows:

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider the scope 1, 2 and material 3 emissions of investee companies and the relevance of emissions to specific activities and sectors. We consider both the current scale of emissions, as well as whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise assessments. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on emissions by virtue of the inherent nature of the activity or activities of the company.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	As part of LOIM Classification framework, we assess the exposure of every business activity to the fossil fuel sector. This includes exposure to activities linked to the exploration, production, refining and distribution of fossil fuel. The level of exposure to fossil fuel is taken into account as part of the classification of investments into 'green', 'grey' and 'red' categories.
	5	Share of non-renewable energy consumption and production	These two PAIs do not form an explicit part of the Investment Manager's classification framework but are considered implicitly as part of the PAIs above on the assessment of emissions.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas and, the

	8	Emissions to water	quality of a company's forest management practices, where these considerations are material to the company's activities. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, must be subject to a credible and ambitious mitigation strategy, or must generate significant avoided impacts on related environmental dimensions or by virtue of the inherent nature of the activity or activities of the company.
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	Exposure to moderate or more severe controversies, and the outlook of such controversies, is considered as part of the classification of investments into 'green', 'grey' and 'red' categories as per the Investment Manager's framework outlined above.
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	Aspects related to diversity programmes, board structure, along with other social and governance dimensions form part of the Investment Managers ESG scoring framework, with performance on social and governance scores explicitly taken into account as part of the green, grey, red classification framework outlined above. We endeavour to collect data, where available, on the specific indicators described here but consider these indicators as engagement/proxy voting priorities rather than be individually assessed as part of the LOIM Classification Framework.
	13	Board gender diversity	
	14	Exposure to controversial weapons	The Sub-Fund has an exclusion on companies found to have direct exposure to controversial weapons.
Table 3 (optional, social)	2	Rate of accidents	Where a company is operating in a sector with high risk of fatalities, we consider the company's fatality rate. To be considered "green" the dimensions above must either not be highly material to the company or activity, must already demonstrate improved performance compared to peers, or must be subject to a credible and ambitious mitigation strategy.

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests mainly in bonds convertible into equities and in associated instruments such as warrants and convertible preference shares, denominated in various currencies, as well as synthetic convertible bonds (segregated purchase of bonds and options or convertible bonds and options) and financial derivative instruments on convertible bonds.

In addition to following the investment policy of the Sub-Fund, the Investment Manager has integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the proprietary tools described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

  The following exclusions are binding:

  Exclusion of Controversial Weapons

  The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

  Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material Breaches of the UN Global Compact Principles

  The Sub-Fund will exclude:

  Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

  Thermal Coal:

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

  Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

  The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy, such as where a company makes a firm commitment to a credible and rapid phaseout of the above activities.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

  The Investment Manager will, however, aim for the Sub-Fund to have at least a 20% reduction in the projected, cumulative emissions attributable scope 1, 2 and material scope 3 emissions, over the period 2015-2050, compared to the benchmark, based on the Investment Manager's proprietary Implied Temperature Rise (ITR) framework, taking into account projections of future emissions based on both historical trends and companies' stated commitments.

It should be noted that whilst the Investment Manager may make certain comparisons with one or more benchmarks for certain elements of its investment process as described above, the Investment Manager has not designated a formal benchmark for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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?***

  The criteria for good governance and minimum social safeguards include an analysis of exposure to high level social and governance controversies and the company's performance on social and governance scores under the Investment Manager's proprietary ESG scoring framework, if highly material to the company's sector. Good governance is also considered as part of the LOIM Classification Framework, including consideration of PAIs 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288.

What is the asset allocation planned for this financial product?

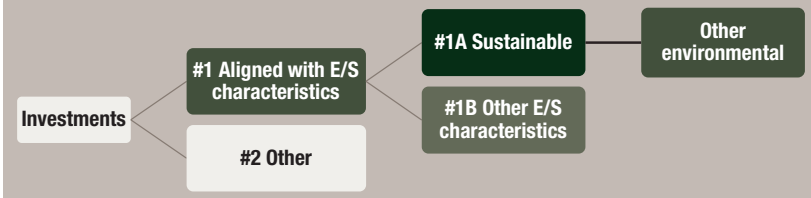
Asset allocation describes the share of investments in specific assets.

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.

The Investment Manager will invest:

- at least 80% of the Sub-Fund's assets in investments #1 Aligned with E/S characteristics.
- not more than 20% of the Sub-Fund's assets in #2 Other.
- at least 10% of the Sub-Fund's assets in #1A Sustainable Investments.



#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 **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- 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?***

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

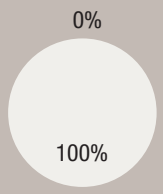
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

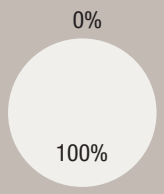
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

N/A

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

There is no commitment to have any share of the Sub-Fund's sustainable investments aligned with the EU Taxonomy.

What is the minimum share of socially sustainable investments?

0%.

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

Investments classified as "#2 Other" are investments in 'red star' companies according to the Investment Manager's proprietary classification framework. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with level 5 UN Global Compact controversies using the Sustainalytics rating scale. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

LO Funds - High Yield 2024

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR. The Investment Manager nevertheless believes that there is a strong correlation between the long term financial success and viability of an investment portfolio and its sustainability profile and therefore seeks to include ESG factors and assessments into its investment processes in respect of the Sub-Fund where it considers this possible.

The Investment Manager's integration of ESG factors and assessments into its investment processes includes the following:

Systematic ESG screening and scoring of companies

Screening using the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology, which encompasses relevant information on each of the SFDR Focused Sustainability Indicators covering greenhouse gas emissions, energy performance, biodiversity, water utilization, waste management, social and employee matters, human rights and anti-corruption and bribery. The Lombard Odier ESG/CAR Industrial Materiality Rating Methodology enables the Investment Manager to quickly understand and compare the sustainability profiles of companies that may sit within the Sub-Fund's target underlying universe. This scoring and rating system is also "materiality driven", and therefore identifies the most relevant sustainability framework for each industry in order to focus on the most important ESG issues that may affect a particular company. It also aims to distinguish between companies that are merely demonstrating awareness from those that are delivering measurable outcomes (Consciousness, Actions, Results - CAR framework). Schedule I describes the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology in more detail.

Temperature assessment and alignment

The Investment Manager, through the proprietary LOPTA (Lombard Odier Portfolio Temperature Alignment) tool, assesses the carbon footprint and temperature alignment of companies based on industry/region breakdowns, historical paths and forward looking trajectories and targets. The LOPTA framework allows the Investment Manager to analyse temperature trajectories across portfolios and the extent to which individual companies or portfolios are aligned with the climate transition by estimating the level of global warming represented by specific companies or portfolios by extrapolation to the targets for their respective peer groups.

Integration of the results of scoring and temperature alignment into basket construction

The Sub-Fund has a buy and maintain strategy. The Investment Manager has considered the ESG scores of companies using the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology in the construction of the initial portfolio.

The Investment may also consider such scoring, as well as the LOPTA framework, if and when it decides to admit additional issuers to the Sub-Fund's initial portfolio.

However, given the investment universe, the Investment Manager acknowledges that the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology and the LOPTA framework may be subject to limitations as a result of unavailability of ESG related data.

Notwithstanding the above, the Investment Manager retains complete discretion regarding the way in which it integrates ESG assessments into its investment processes and will not be bound by any aim regard integration of ESG Factors in its investment process.

LO Funds - Asia Income 2024

This disclosure is made for the purposes of **Article 6** of SFDR.

Integration of sustainability risks and assessments into investment decisions

The Sub-Fund's investment objective and policy are set out in the Sub-Fund's annex.

The Sub-Fund has no objective or commitment to invest in investments that qualify as 'sustainable investments' or to promote 'environmental or social characteristics' for the purposes of article 8 and 9 of SFDR.

The Sub-Fund has a buy and maintain strategy. While ESG Factors were not systematically integrated in the construction of the Sub-Fund's initial investment portfolio, the Investment Manager may consider sustainability developments from a holistic standpoint as part of its fundamental analysis if and when it decides to add new issuers.

Without prejudice to the foregoing, the Investment Manager will have regard to the LOIM group exclusion/restriction policy in respect of any new investments made for the account of the Sub-Fund:

Exclusions

- Exclusion of companies involved in controversial weapons (production, research & development, maintenance/services/management, system integration, testing, sales/trade), directly or through ownership. The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972) and the Chemical Weapons Convention (CWC – 1993). In addition, depleted uranium and white phosphorus are excluded.

Restrictions

- **Coal and Unconventional Oil & Gas** - the Investment Manager seeks to exclude companies identified as being involved in the following activities:

  Thermal Coal

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas - companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

- **Material breaches of UN Global Compact Principles** - the Investment Manager seeks to exclude companies identified as being involved in the most severe breaches of the UN Global Compact Principles.

Any decision to exclude a company under the above restrictions remains entirely within the discretion of the Investment Manager.

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

Product Name: LO Funds – Global Income 2029

Legal entity identifier: [●]

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from

	6	Energy consumption intensity per high impact climate sector	energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate, sovereign and/or supranational entities denominated in EUR, USD, GBP and/or CHF. The Sub-Fund primary objective is to build a buy and maintain portfolio set up for a period ending in the course of the year 2029.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

  Exclusions

  The following exclusions are binding:

  Exclusion of Controversial Weapons

  The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

  Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

  The Sub-Fund will exclude:

  Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

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  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

  Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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

  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

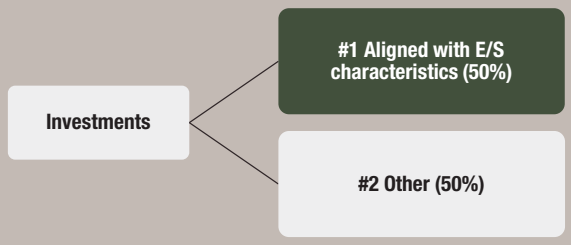
Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

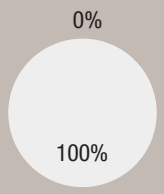
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

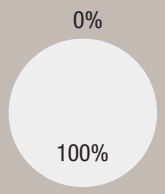
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

** 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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Global Income 2030

Legal entity identifier: [●]

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

  The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("**LO Rating Methodology**") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

  The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

  Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above.

- ***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

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.

- ***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

  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 not 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**

☐ **No**

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from

	6	Energy consumption intensity per high impact climate sector	energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regard.
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	
Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.

Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Information on PAI on sustainability factors is available in the annual report.

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 Sub-Fund invests in bonds, other fixed or floating-rate debt securities and short-term debt securities of corporate, sovereign and/or supranational entities denominated in EUR, USD, GBP and/or CHF. The Sub-Fund primary objective is to build a buy and maintain portfolio set up for a period ending in the course of the year 2030.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

  Exclusions

  The following exclusions are binding:

  Exclusion of Controversial Weapons

  The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e., companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

  Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

  The Sub-Fund will exclude:

  Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

  Thermal Coal:

  Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

  Power Generation - companies deriving more than 10% of their revenues from coal power generation.

  Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and artic oil & gas exploration.

  Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("**Level 5 Controversies**").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Minimum rating

The Investment Manager will invest at least 50% of the Sub-Fund's assets in companies with a rating of B- or above under the LO Rating Methodology.

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

There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

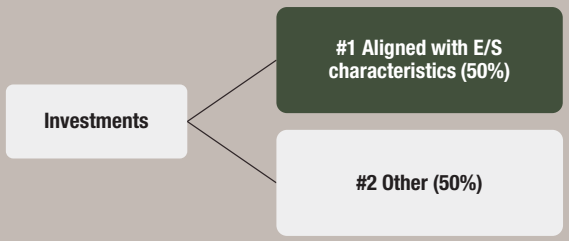
Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/1288. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

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.



#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.

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

The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy1?***

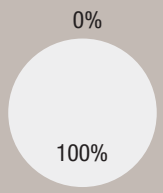
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

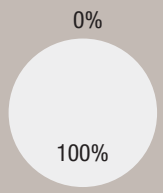
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 100% of the total investments.

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 of share of investments in transitional and enabling activities?***

Not applicable

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account 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?

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than B- under the LO Rating Methodology or companies not covered by the LO Rating Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above). '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Short-Term Money Market (EUR) Legal entity identifier: 549300EVFXJUKF3EGN76

Environmental and/or social characteristics

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.

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 **_____ %** 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: [insert %]***	☒ It promotes E/S characteristics, but **will not make any sustainable investments**

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

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

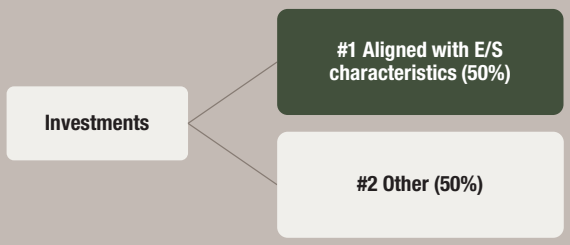
  Corporate Portfolio
  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.
  Sovereign Portfolio
  Good governance is assessed through the assessment of the following PAIs:
  Table 3 - PAI 21 - Average corruption score
  Table 3 - PAI 23 - Average political stability score
  Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

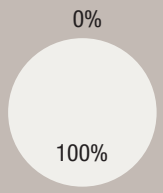
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

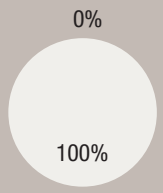
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 93% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO_Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Short-Term Money Market (USD) Legal entity identifier: 549300RESQR4R7CMKQ59

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy)
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
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	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

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The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

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Information on PAI on sustainability factors is available in the annual report.

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The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

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Corporate Portfolio

The following exclusions are binding:

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Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

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Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

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  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.
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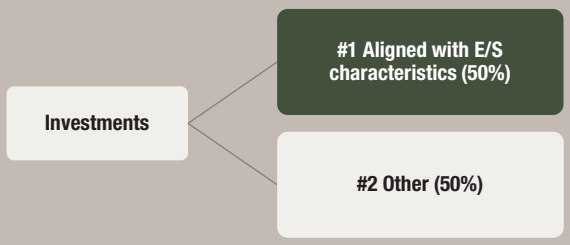
  Good governance is assessed through the assessment of the following PAIs:
  Table 3 - PAI 21 - Average corruption score
  Table 3 - PAI 23 - Average political stability score
  Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

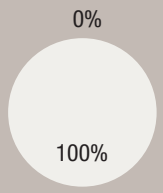
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

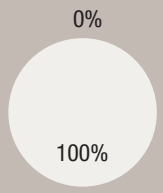
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 88% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

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

Product Name: LO Funds – Short-Term Money Market (GBP)

Legal entity identifier: 549300OTTUAM2GKPT327

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
	2	Carbon footprint	
	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy).
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

  Corporate Portfolio

  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

  Sovereign Portfolio

  Good governance is assessed through the assessment of the following PAIs:

  Table 3 - PAI 21 - Average corruption score

  Table 3 - PAI 23 - Average political stability score

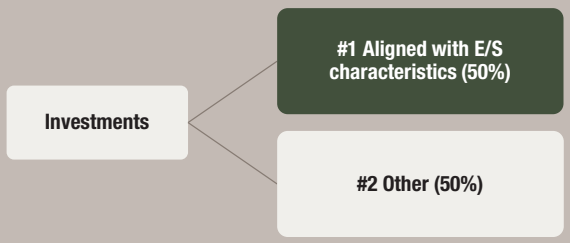
  Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

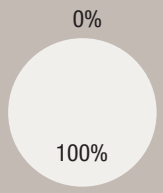
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

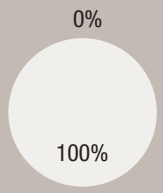
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 94% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

Product Name: LO Funds – Short-Term Money Market (CHF) Legal entity identifier: 5493005Q0JP34GGD4P38

Environmental and/or social characteristics

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.

Does this financial product have a sustainable investment objective?

●● ☐ **Yes**

☐ 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: [insert %]***

●○ ☒ **No**

☐ 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 **_____ %** 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?

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

The Sub-Fund may invest in a combination of corporate and sovereign issuers. The sections headed 'Corporate Portfolio' throughout this disclosure shall apply when investing in corporate issuers. The sections headed 'Sovereign Portfolio' shall apply when investing in sovereign issuers.

Corporate Portfolio

The Sub-Fund promotes a reduction in the adverse environmental and other externalities associated with the global economy by integrating an ESG assessment of prospective investments into its investment process as further described in this disclosure.

Sovereign Portfolio

The Investment Manager seeks to make a measurable assessment of the positive ESG characteristics of the Sub-Fund's investments as an integral part of its investment process with a view to promoting the Sustainable Development Goals defined by the United Nations.

No benchmark has been designated for the purpose of attaining the environmental and/or social characteristics promoted by the Sub-Fund.

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

Corporate Portfolio

The Investment Manager uses the Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology") to analyse and score companies in which the Sub-Fund invests. The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders and uses a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that matter most to a company across its value chain. Further information in relation to the LO Rating Methodology can be found in Schedule I.

The LO Rating Methodology uses over 150 sustainability focused data points per company to analyse the environmental and social profile of the underlying corporate investments of the Sub-Fund. Where available, these data points include data mapped against the themes identified by the principal adverse impacts on sustainability factors established by SFDR (known as "PAIs").

Based upon the scoring under the LO Rating Methodology, the Investment Manager adopts a selectivity approach and will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The principal indicators used by the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the Sub-Fund are:

- GHG Intensity
- Social violations, inequality and freedom of expression
- Human rights
- Governance

The Investment Manager complements its traditional sovereign credit assessment with an analytical framework that integrates sustainability risk factors in a holistic way. Alongside usual macro criteria, broader ESG considerations are integrated in the sovereign bond risk assessment. The Investment Manager has developed an in-house model (the "LO Sovereign Scoring Methodology") to independently assess sovereign issuers' alignment with Human and Environmental Rights standards and the United Nations Sustainable Development goals (SDGs). The model covers a broad spectrum of environmental, social and governance issues, including inequalities, social cohesion, quality of public services, water and food supply, energy security, global warming mitigation and resilience, biodiversity protection, pollutions, regulatory effectiveness, institutional strength and political stability. A selection of dataset sourced from diverse supra-national bodies, universities, research institutes and major NGO's is used to inform the investment decisions. The data collected is normalized into indicators from 0 to 100 points (100 being the highest). The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – indicators linked to definitive outcomes.

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

- ***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

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.

- ***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

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 not 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**

☐ **No**

Corporate Portfolio

The Investment Manager considers principal adverse impacts ("PAIs") as a tool to understand the environmental (and to a limited extent, social) performance of the Sub-Fund's portfolio against objectively measurable sustainability criteria consistently applied across the European Union, as set out in more detail below. This consideration may inform investment decisions (particularly if the PAIs demonstrate that an investment may cause significant harm) but is principally used to understand the wider sustainability dynamics of the Sub-Fund on an ex post basis. It should be noted that not all PAIs may be material to all investments or material in the same way and such consideration will therefore form only part of the Investment Manager's wider assessment of sustainability factors.

PAI Table of indicators	PAI indicator #	Indicator description	Approach
Table 1 (mandatory)	1	Scope 1, 2 and 3 emissions	We consider a company's scope 1, 2 and material 3 emissions and the extent to which a company operates in a sector with moderate or higher impacts on emissions to assess the overall significance of GHG emissions to a company. We also consider whether a company has a credible and ambitious decarbonisation strategy in place that is compatible with Paris-aligned objectives, using our internal Implied Temperature Rise (ITR) assessments. Further information in relation to our ITR tool can be found in Schedule II.
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	3	GHG intensity of investee companies	
Table 2 (optional, environmental)	4	Companies without emission reduction initiatives	
Table 1 (mandatory, continued)	4	Companies active in the fossil fuel sector	Through our product involvement monitoring, we assess the exposure of every business activity to the fossil fuel sector (from exploration and production to refining and distribution). Moreover, investing in companies deriving more that 10% of revenues from activities related to the most polluting form of fossil fuel (coal mining, coal power generation & unconventional oil & gas) is restricted.
	5	Share of non-renewable energy consumption and production	Non-renewable energy production is considered as part of the assessment described above for PAI 4 as regards the exposure of companies to fossil fuel activity. Contribution to emissions from energy is included in our analysis described under PAIs 1, 2 and 3 above, with emissions from the production of energy included under scope 3 emissions and emission from the direct consumption of energy included under scope 1 and scope 2 emissions. Additionally, through our LO Rating Methodology, we monitor the share of primary energy use coming from renewable energy sources and companies' ambitions and targets in that regards.
	6	Energy consumption intensity per high impact climate sector	
	7	Activities negatively affecting biodiversity-sensitive areas	We assess the intensity of water withdrawals, the emission of water pollutants, and generation of hazardous waste, and the proximity of a company's known operational assets to biosensitive areas. We also assess whether a company operates in a sector with moderate or higher impacts on biodiversity, water, soil pollutants and solid waste. Absolute and relative performance on all of these indicators is considered.
	8	Emissions to water	
	9	Hazardous waste ratio	

Table 1 (mandatory, continued)	10	Violations of the UNGC principles and OECD Guidelines for Multinational Enterprises	We assess ability of companies to comply with those principles through our comprehensive LO Rating Methodology. We monitor violations to those principles through companies' exposure to moderate to severe controversies, and the outlook of those controversies. Controversies themes covers environmental incidents (operational, supply chain, products & services), social incidents (employees, supply chain, customers, society & community) and governance (business ethics, general governance or public policy)
	11	Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	
	12	Unadjusted gender pay gap	We collect data on gender pay gap for those investments with data coverage. We consider performance on this as engagement topics, rather than justifying a restrictive investment approach. Coverage and data availability on these indicators is limited. Gender board diversity is part of our systematic corporate governance assessment which is embedded in our LO Rating Methodology.
	13	Board gender diversity	
	14	Exposure to controversial weapons	Exposure to controversial weapons is systematically screened and excluded.
Table 3 (optional, social)	2	Rate of accidents	We consider whether a company is operating in a sector exposed to low, moderate or high risk of fatal incidents. Where companies operate in moderate to high-risk sectors, we rely on an assessment of the company's fatality rate based on assessments provided by external data provider(s).

Sovereign Portfolio

The LO Sovereign Scoring Methodology takes into consideration the following PAIs:

Table 1 - PAI 15 - GHG Intensity

Table 1 - PAI 16 - Investee countries subject to social violations

Table 3 - PAI 18 - Average income inequality score

Table 3 - PAI 19 - Average freedom of expression score

Table 3 - PAI 20 - Average human rights performance

Table 3 - PAI 21 - Average corruption score

Table 3 - PAI 23 - Average political stability score

Table 3 - PAI 24 - Average rule of law score

Information on PAI on sustainability factors is available in the annual report.

References to 'tables' are references to the relevant tables of Annex I of the SFDR RTS 2022/1288.

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 Sub-Fund invests in bank deposits, money market instruments and short-term debt instruments (e.g. ECP, T-Bills, CDs) and other fixed- or variable-rate securities, denominated in OECD currencies and/or Emerging Market currencies, with the objective to provide a return in line with money market rates.

The Sub-Fund does not specifically include an assessment of environmental or social considerations in its investment policy. The Investment Manager has, however, integrated sustainability risks into its own investment processes/strategy for the Sub-Fund by (i) filtering prospective investments based upon an assessment of their ESG profile using the LO Rating Methodology/ LO Sovereign Scoring Methodology as described above; (ii) considering data points linked to PAIs as described above; and (iii) excluding controversial investments as specified below.

- ***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?***

Exclusions

Corporate Portfolio

The following exclusions are binding:

Exclusion of Controversial Weapons

The Sub-Fund will exclude direct exposure to companies involved in controversial weapons i.e. companies that produce, trade or store controversial weapons (biological and chemical weapons, anti-personnel mines, cluster weapons, depleted uranium, white phosphorus). The scope of this exclusion includes weapons banned or outlawed by the Ottawa Treaty on landmines (effective 1999), the Convention on Cluster Munitions (Oslo Convention) of 2008, the Biological and Toxin Weapons Convention (BWC – 1972), the Treaty on the Non-Proliferation of Nuclear Weapons (1968), the Chemical Weapons Convention (CWC – 1993) and SVVK-ASIR exclusion list. In addition, depleted uranium and white phosphorus are excluded.

Exclusion of Tobacco, Coal, Unconventional Oil & Gas and Material breaches of the UN Global Compact Principles

The Sub-Fund will exclude:

Tobacco: companies deriving more than 10% of their revenues from either production of tobacco products or retailing of tobacco products/services.

Thermal Coal:

Mining - companies deriving more than 10% of their revenues from thermal coal extraction.

Power Generation - companies deriving more than 10% of their revenues from coal power generation.

Unconventional Oil & Gas: companies deriving more than 10% in aggregate of their revenues from any of tar sands, shale gas and oil and arctic oil & gas exploration.

Material breaches of UN Global Compact Principles, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions: Companies involved in the most severe breaches of the UN Global Compact Principles ("Level 5 Controversies").

The exclusions relating to tobacco, coal, unconventional oil and gas and Level 5 Controversies are subject to the Investment Manager's exclusion policy and may be overridden in the exceptional circumstances described in that policy.

Sovereign Portfolio

The Investment Manager refrains from investing in financial instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction.

Minimum Rating/Scoring

Corporate Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Corporate Portfolio in companies with a rating of C- or above.

Sovereign Portfolio

The Investment Manager will invest at least 50% of the Sub-Fund's Sovereign Portfolio in sovereign issuers with a score of 55 or greater under the LO Sovereign Scoring Methodology.

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

  There is no committed rate to reduce the scope of investments prior to the application of the investment strategy.

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?***

  Corporate Portfolio

  Good governance is assessed through the use of PAIs. In particular PAI 10 and 11 of PAI Table 1 of Annex I of the SFDR RTS 2022/88. Governance practices are addressed by the Investment Manager through a combination of data analysis and direct engagement with companies.

  Sovereign Portfolio

  Good governance is assessed through the assessment of the following PAIs:

  Table 3 - PAI 21 - Average corruption score

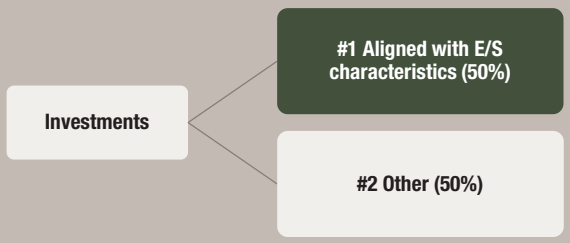
  Table 3 - PAI 23 - Average political stability score

  Table 3 - PAI 24 - Average rule of law score

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.



#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.

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

  The Sub-Fund does not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund.

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

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1] ?***

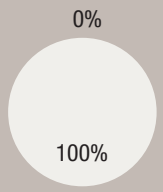
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

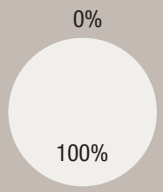
The two graphs show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all investments of the financial product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



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned (no fossil gas & nuclear)
- Non Taxonomy-aligned

This graph represents 91% of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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.

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

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

Not applicable

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

0%

What is the minimum share of socially sustainable investments?

0%

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

Investments classified as "#2 Other" include companies with a rating of less than C- under the LO Rating Methodology or companies not covered by the LO Rating Methodology or sovereign issuers with a score of less than 55 under the LO Sovereign Scoring Methodology. The purpose of their inclusion is for inter alia portfolio diversification purposes or to reflect common benchmarks or broad market exposure to support the financial performance of the Sub-Fund. As a minimum safeguard, such investments will not include companies with Level 5 Controversies (as defined above) or instruments issued by countries under financial sanctions and embargos programs established by Luxembourg, Switzerland, United Nations, European Union, United Kingdom and United States (notably the Office of Foreign Assets Control, "OFAC"), in addition to any locally applicable sanctions program, based on the relevant jurisdiction. '#2 Other' also includes Cash and Cash Equivalents (for instance to achieve investment goals, for treasury purposes or in case of unfavorable market conditions) and derivatives (used for instance for hedging purposes or for efficient portfolio management techniques).

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?

No

- ***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.loim.com

ANNEX C
SCHEDULE I

The Lombard Odier ESG/CAR Industrial Materiality Rating Methodology ("LO Rating Methodology")

The LO Rating Methodology looks at companies' business practices in relation to their broad ecosystem of stakeholders. The Investment Manager has developed a proprietary ESG materiality heatmap and rating methodology, allowing the Investment Manager to focus on the environmental, social and governance dimensions that really matter to a company across its value chain. The Investment Manager's proprietary framework of 14 categories reflects the main dimensions of potential ESG opportunities and risks expositions across a company's value chain. This includes upstream risks predominantly related to supply chain or natural resource usage, operational risks directly related to a company's direct production and operational processes and downstream risks related to the potential negative impact of products and services sold. The construction of the ratings uses raw data from a variety of specialized suppliers, which includes, but is not limited to, all relevant information used in the construction of the methodology applied to measure the principal adverse impacts of the Investment Manager's decisions on sustainability factors.

The Investment Manager identifies and ranks the most material ESG dimensions for 158 GICS (Global Industry Classification Standard) Level 4 sub-industries, captured in the Investment Manager's ESG materiality heatmap. For each company, the Investment Manager calculates a score from 0 to 100 integrating materiality by overweighting the information that has greater significance based on its specific industry, and underweighting general information that is less relevant. The methodology embeds the Investment Manager's proprietary 'Consciousness', 'Actions' and 'Results' ('CAR') methodology which overweighs the 'R' component – ESG indicators linked to definitive results/outcomes. These scores allow the Investment Manager to attribute to each company an ESG rating from A+ to D based on its percentile positioning in their respective sector. The LO Rating Methodology enhances the Investment Manager's ability to monitor a company's progress on the most relevant sector-specific issues for long-term sustainability, and engage with them on these material issues. The methodology differentiates the talkers from the doers and achievers.

The ESG metrics and data in the LO Rating Methodology are also mapped against the 17 United Nations Sustainable Development Goals (UN SDGs). This provides the Investment Manager with another important lens to consider the sustainability of a company's' business practices, to inform their engagement and provides greater visibility on the alignment of the Sub-Fund's portfolio against to the UN SDGs.

The LO Rating Methodology aims to screen not less than 90% of the companies in the investible universe of the Sub-Funds using that methodology.

Warning

The LO Rating Methodology may be subject to limitations due to the availability of data from companies/issuers or from data service providers. The LO Rating Methodology may assist an investment manager with its assessment of the sustainability profile of a company/issuer but is not definitive and is designed to be used in conjunction with other tools and assessments relating to a company's sustainability related business model and practices.

The LO Rating Methodology is dynamic and is designed to be adaptive to changing developments in relation to sustainability. The Investment Manager may change any of its LO Rating Methodology related processes at any time without notice and at its discretion.

No guarantee or undertaking is given in relation to the financial performance of a particular company based upon its scoring under the LO Rating Methodology.

ANNEX C
SCHEDULE II

Implied Temperature Rise ("ITR")

The Lombard Odier proprietary ITR tool enables the Investment Manager to rapidly assess not only the carbon footprint of companies, but also their temperature alignment based on industry/region breakdowns, historical paths and forward looking trajectories and targets. The ITR tool allows the Investment Manager to analyse temperature trajectories across portfolios. The ITR tool seeks to assess the extent to which individual companies or portfolios are aligned with the climate transition and estimates the level of global warming represented by specific companies or portfolios by extrapolation to the targets for their respective peer groups.

ANNEX C
SCHEDULE III

The LOIM Classification Framework

The Investment Manager uses a pass/fail approach to define whether a given investment, defined at the company level, is considered as a "sustainable investment" or not.

The Investment Manager classifies companies into three categories, referred to as Green Star, Grey Star and Red Star companies, with only Green Star companies considered sustainable investments (i.e. falling in the category of #1A Sustainable for the purposes of the planned asset allocation section below).

To "pass" as a Green Star company, a company must:

1. Have at least 25% revenue exposure to environmentally-sustainable "green" activities, understood to include:
   a. Activities that in and of themselves contribute to one of the six environmental objectives recognised by the EU Taxonomy; or
   b. Transitioning activities for which there are no technologically and economically feasible low-carbon alternatives, but that support the transition to a climate-neutral economy in a manner that is consistent with Paris-aligned (well below 2C) objectives; or
   c. Enabling activities: activities that enable other activities to make a substantial contribution to one or more of the objectives; and

   where the specific activities included and technical criteria applicable to these are defined by:
   a. The activities and technical criteria already or expected to be included in the EU Taxonomy; or
   b. The Investment Manager, where it believes specific activities are either already low-impact within high-impact industries in a relative or absolute sense, contribute to the transition including through commitments to credible transition strategies, or are enabling other activities to meet key thresholds; and

   where a company's exposure to relevant activities can be established using either:
   a. The company's own disclosures related to the EU Taxonomy; or
   b. The Investment Manager's documented assessment of the company and its activities; and
2. Have **at most 5% revenue exposure** to "red" activities that are:
   a. Classified by the Investment Manager as inherently harmful in nature, including activities related to the mining of thermal coal, the generation of power using coal, the extraction or refining of oil and gas, along with selected other activities; or
3. If not meeting the criteria above, to be **dedicating more than 50%** of its capital expenditure to the "green" activities defined above and to have specific targets around the accelerated phaseout or mitigation of any applicable "red" activities; or
4. If not meeting the criteria above, to be subject to a **documented, facts-based assessment** by the Investment Manager – undertaken ex ante for any investments made from January 1, 2023 – outlining the specific reasons the company's activities are considered well-aligned to desirable environmental transitions and are deemed appropriate to a given theme or environmental objective; and
5. In all cases, and as a minimum safeguard, **not have exposure to level 4 and level 5 UN Global Compact controversies** using the Sustainalytics rating scale, subject only to overrides correcting for factual or data errors.

While the above criteria constitute the *minimum* criteria applicable to a Green Star company, the Investment Manager may apply additional criteria to its assessment of companies involved in specific activities to act as additional safeguards, particularly in its assessment of **Do No Significant Harm criteria**. While such additional criteria cannot be used to "pass" companies if they do not meet the criteria above, they may lead companies to "fail" as a sustainable investment even if they meet the criteria above.

Grey Star and Red Star companies: Only companies classified as Green Star companies are considered by the Investment Manager to be sustainable investments. For all other companies, the Investment Manager applies additional criteria to distinguish between Grey Star and Red Star companies. Red Star companies are those companies with material exposure to the "red" activities referenced above, where such companies lack a credible phaseout strategy for those activities or include companies with exposure to high level controversies or other harmful aspects.

There can be no guarantee that the above aims will be achieved.

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