

---

# **EDM INTERNATIONAL**

**Société d'Investissement à Capital Variable  
Luxembourg**

**Annual Report, including Audited Financial Statements  
as at December 31, 2022**

11-13, Boulevard de la Foire  
L-1528 Luxembourg

R.C.S. Luxembourg B-50523

No subscription may be accepted solely on the basis of this annual report, including audited financial statements. Subscriptions are only valid if based on the prospectus, the key investor information document (KIID), accompanied by the latest unaudited semi-annual report and the most recent annual report, including audited financial statements if published thereafter.

---

## Table of Contents

<b>Management and Administration</b>	<b>3</b>
<b>Information to Shareholders</b>	<b>4</b>
<b>Historic Volatility</b>	<b>5</b>
<b>Net Remuneration of Bank Accounts</b>	<b>6</b>
<b>Comparative of Fees on the Average Net Assets</b>	<b>7</b>
<b>Comparative Performances</b>	<b>12</b>
<b>Directors' Report</b>	<b>13</b>
<b>Audit Report</b>	<b>15</b>
<b>Statement of Net Assets</b>	<b>18</b>
<b>Statement of Operations and Changes in Net Assets</b>	<b>19</b>
<b>Changes in the Number of Shares</b>	<b>20</b>
<b>Statistics</b>	<b>20</b>
<b>EDM International - Strategy Fund</b>	
Statement of Investments	22
Investments Breakdowns	24
<b>EDM International - Spanish Equity</b>	
Statement of Investments	25
Investments Breakdowns	26
<b>EDM International - European Flexible Bond Fund</b>	
Statement of Investments	27
Investments Breakdowns	28
<b>Notes to the Financial Statements</b>	<b>29</b>
<b>Information for Shareholders (unaudited)</b>	<b>37</b>

# EDM INTERNATIONAL

## Management and Administration

### **Chairman:**

Mr. Carlos Llamas Pombo (from June 21, 2022)  
EDM Gestion S.A., S.G.I.I.C., Madrid, Spain

### **Directors:**

Mr. Lluís Fortuny Salvador, Director (resigned  
November 2, 2022)  
EDM Gestion S.A., S.G.I.I.C., Madrid, Spain

Mr. Fernando Vega Gámez, Director  
EDM Gestion S.A., S.G.I.I.C., Madrid, Spain

Mr. Paul De Quant, Partner of The Directors' Office  
Independent Director, Luxembourg

María Isabel Gómez-Arevalillo Magán  
(from December 13, 2022)  
EDM Gestion S.A., S.G.I.I.C., Madrid, Spain

### **Registered Office:**

11-13 Boulevard de la Foire, L-1528 Luxembourg  
R.C.S. Number B-50523

### **Management Company:**

Waystone Management Company (Lux) S.A.  
19, rue de Bitbourg  
L-1273 Luxembourg  
Grand Duchy of Luxembourg

### **Investment Manager:**

For EDM International - Strategy Fund,  
EDM International - Spanish Equity, and  
EDM International - European Flexible Bond Fund Sub-Funds:  
EDM Gestion S.A., S.G.I.I.C.  
Paseo de la Castellana 78  
28046 Madrid  
Spain

### **Master Fund of EDM International - European Flexible Bond Fund Sub-Fund:**

EDM-AHORRO, FI  
Represented by its management company  
EDM Gestion S.A., S.G.I.I.C.  
Paseo de la Castellana 78  
28046 Madrid  
Spain

### **Master Fund of EDM International - Spanish Equity Sub-Fund:**

EDM INVERSION, FI  
Represented by its management company  
EDM Gestion S.A., S.G.I.I.C.  
Paseo de la Castellana 78  
28046 Madrid  
Spain

### **Depository and Central Administration:**

RBC Investor Services Bank S.A.  
14, Porte de France  
L-4360 Esch-sur-Alzette  
Grand Duchy of Luxembourg

### **Registrar and Transfer Agent:**

RBC Investor Services Bank S.A.  
14, Porte de France  
L-4360 Esch-sur-Alzette  
Grand Duchy of Luxembourg

### **Distributor:**

EDM Gestion S.A., S.G.I.I.C.  
Paseo de la Castellana 78  
28046 Madrid  
Spain

### **Auditor:**

PricewaterhouseCoopers, *Société Coopérative*  
2, rue Gerhard Mercator  
L-2182 Luxembourg  
Grand Duchy of Luxembourg

### **Legal adviser as to matters of Luxembourg law:**

Arendt & Medernach S.A.  
41A, avenue J.F. Kennedy  
L-2082 Luxembourg  
Grand Duchy of Luxembourg

# EDM INTERNATIONAL

## Information to Shareholders

Each Sub-Fund's net asset value per share, as well as issue, redemption and conversion values are made public every valuation day at the Company's registered office.

Financial notices are published in the countries where the Company is sold, and notably in a Luxembourg newspaper (the Luxemburger Wort) in the Grand Duchy of Luxembourg.

The financial year of the Company starts on the first day of January in each year and ends on the last day of December of the same year.

The Company publishes a detailed annual report, including audited financial statements giving account of its operations and the management of its assets, and including the combined statement of Net Assets and combined statement of Operations and Changes in Net Assets, in euros, as well as a detailed listing of each Sub-Fund's Statement of Investments and the report of the *réviseur d'entreprises agréé* and notes to these financial statements.

In addition, at the end of each six-month period, the Company publishes an unaudited semi-annual report including, notably, the notes, the listing of the assets held, changes in the net assets over the period, the number of shares outstanding and the number of shares issued and redeemed since the previous report.

The Annual General Meeting of Shareholders is held each year at the Company's registered office, or at another location in Luxembourg, which is indicated on the invitation.

The Annual General Meeting of Shareholders is held on the fourth Tuesday of May at 9:00 am, or if this falls on a bank holiday, the next bank business day.

All registered shareholders are notified of all General Meetings of Shareholders by post, at the address given in the register of the Company's shareholders, at least eight days prior to the General Meeting of Shareholders.

Notices are also published in the *Recueil électronique des sociétés et associations ("RESA")*, Register of Companies and Associations of the Grand Duchy of Luxembourg as well as in the Luxemburger Wort and in newspapers in each country where the Company is sold.

A detailed schedule of the changes in the statement of investments for each Sub-Fund is available free of charge upon request, at the Company's registered office.

# EDM INTERNATIONAL

## Historic Volatility over the Past Five Years (2018-2022)

	Strategy Fund (in EUR)										Spanish Equity (in EUR)										European Flexible Bond Fund (in EUR)	
	Class I EUR		Class L EUR		Class L USD		Class R EUR		Class R USD		Class I EUR*		Class L EUR		Class L USD		Class R EUR		Class R USD		Class R EUR	
	NAV/ share Class I	Volatil- ity	NAV/ share Class L	Volatil- ity	NAV/ share Class L	Volatil- ity	NAV/ share Class R	Volatil- ity	NAV/ share Class R	Volatil- ity	NAV/ share Class I	Volatil- ity	NAV/ share Class L	Volatil- ity	NAV/ share Class LUS	Volatil- ity	NAV/ share Class R	Volatil- ity	NAV/ share Class RUS	Volatil- ity	NAV/ share Class R	Volatil- ity
in Sub-Fund currency	EUR	%	EUR	%	USD	%	EUR	%	USD	%	EUR	%	EUR	%	USD	%	EUR	%	USD	%	EUR	%
at December 31, 2018	88.66	-	1,226,141.68	3.42	-	-	334.40	3.42	86.59	3.89	90.12	-	115.26	2.62	103.25	2.56	109.57	2.62	81.19	2.58	92.37	0.46
at December 31, 2019	115.62	3.14	1,599,100.12	3.14	-	-	430.52	3.14	116.68	3.12	-	-	129.51	3.93	119.24	3.68	121.85	3.93	94.54	3.69	94.78	0.43
at December 31, 2020	115.94	5.89	1,603,517.63	5.90	-	-	426.22	5.89	108.29	5.33	-	-	116.33	10.71	-	-	108.33	10.70	78.58	10.10	91.73	1.81
at December 31, 2021	149.87	3.20	207.23	3.20	112.49	3.22	543.28	3.19	149.52	3.30	-	-	133.22	3.70	-	-	122.81	3.70	96.90	3.58	89.49	0.21
at December 31, 2022	123.23	6.36	170.33	6.36	101.58	6.38	440.33	6.35	132.81	6.38	-	-	116.32	4.70	-	3.85	106.16	4.70	91.45	4.23	82.63	0.77

\* Share Class dormant since December 13, 2019.

## EDM INTERNATIONAL

### Net Remuneration of Bank Accounts over the Past Five Years (2018-2022)

	<b>Strategy Fund (in EUR)</b>	<b>Spanish Equity (in EUR)</b>	<b>European Flexible Bond Fund (in EUR)</b>
at December 31, 2018	(110,320)	(5,430)	(217)
at December 31, 2019	(108,234)	(10,218)	(135)
at December 31, 2020	(124,670)	(7,668)	(271)
at December 31, 2021	(171,724)	(2,815)	(23)
at December 31, 2022	(62,974)	(1,322)	-

## EDM INTERNATIONAL

### Comparative of Fees on the Average Net Assets over the Past Five Years (2018-2022)

	<b>Strategy Fund (in EUR)</b>	<b>Spanish Equity (in EUR)</b>	<b>European Flexible Bond Fund (in EUR)</b>
<i>AVERAGE NET ASSETS 2018</i>	<i>273,533,130</i>	<i>434,234,369</i>	<i>2,986,682</i>
Investment Management fees	6,626,076	3,211,131	2,941
%	2.40	0.74	0.10
Management Company fees	88,052	138,820	12,631
%	0.03	0.03	0.42
Depositary fees	353,564	293,935	35,151
%	0.13	0.07	1.18
Domiciliation, central administration and registrar and transfer agent fees	7,630	7,924	3,712
%	-	-	0.12
Audit fees, printing and publication expenses	28,655	48,309	1,579
%	0.01	0.01	0.05
Subscription tax	126,081	128,853	1,660
%	0.05	0.03	0.06
Bank charges and correspondent fees	27,160	-	-
%	0.01	-	-
Bank interest	110,320	5,430	217
%	0.04	-	0.01
Other charges	231,941	409,588	19,351
%	0.08	0.09	0.65
<b>TOTAL</b>	<b>7,599,479</b>	<b>4,243,990</b>	<b>77,242</b>
<b>%</b>	<b>2.76</b>	<b>0.98</b>	<b>2.59</b>

## EDM INTERNATIONAL

### Comparative of Fees on the Average Net Assets (continued) over the Past Five Years (2018-2022)

	<b>Strategy Fund (in EUR)</b>	<b>Spanish Equity (in EUR)</b>	<b>European Flexible Bond Fund (in EUR)</b>
<i>AVERAGE NET ASSETS 2019</i>	<i>252,104,474</i>	<i>311,265,914</i>	<i>2,792,155</i>
Investment Management fees	6,098,193	2,540,254	5,581
%	2.42	0.82	0.20
Management Company fees	80,039	96,031	12,299
%	0.03	0.03	0.44
Depositary fees	326,177	53,395	8,112
%	0.13	0.02	0.29
Domiciliation, central administration and registrar and transfer agent fees	7,478	7,696	6,630
%	-	-	0.24
Audit fees, printing and publication expenses	38,714	26,690	849
%	0.02	0.01	0.03
Subscription tax	122,018	94,561	1,394
%	0.05	0.03	0.05
Bank charges and correspondent fees	24,386	-	-
%	0.01	-	-
Bank interest	108,234	10,218	135
%	0.04	-	-
Other charges	325,632	322,403	10,055
%	0.13	0.10	0.36
<b>TOTAL</b>	<b>7,130,871</b>	<b>3,151,248</b>	<b>45,055</b>
%	<b>2.83</b>	<b>1.01</b>	<b>1.61</b>



## EDM INTERNATIONAL

### Comparative of Fees on the Average Net Assets (continued) over the Past Five Years (2018-2022)

	<b>Strategy Fund (in EUR)</b>	<b>Spanish Equity (in EUR)</b>	<b>European Flexible Bond Fund (in EUR)</b>
<i>AVERAGE NET ASSETS 2020</i>	<i>261,726,968</i>	<i>109,125,090</i>	<i>1,709,831</i>
Investment Management fees	6,362,703	1,035,101	3,416
%	2.43	0.95	0.20
Management Company fees	92,862	45,839	12,749
%	0.04	0.04	0.75
Depositary fees	340,117	74,821	8,478
%	0.13	0.07	0.50
Domiciliation, central administration and registrar and transfer agent fees	5,516	5,043	4,396
%	-	-	0.26
Audit fees, printing and publication expenses	42,981	19,024	141
%	0.02	0.02	0.01
Subscription tax	124,743	35,449	735
%	0.05	0.03	0.04
Transaction costs	26,346	-	-
%	0.01	-	-
Bank interest	124,670	7,668	271
%	0.05	0.01	0.02
Other charges	307,368	142,098	9,939
%	0.12	0.13	0.58
<b>TOTAL</b>	<b>7,427,306</b>	<b>1,365,043</b>	<b>40,125</b>
%	<b>2.84</b>	<b>1.25</b>	<b>2.35</b>

## EDM INTERNATIONAL

### Comparative of Fees on the Average Net Assets (continued) over the Past Five Years (2018-2022)

	<b>Strategy Fund (in EUR)</b>	<b>Spanish Equity (in EUR)</b>	<b>European Flexible Bond Fund (in EUR)</b>
<i>AVERAGE NET ASSETS 2021</i>	<i>358,723,006</i>	<i>78,576,953</i>	<i>735,374</i>
Investment Management fees	5,662,088	817,390	2,570
%	1.58	1.04	0.35
Management Company fees	108,481	32,322	11,181
%	0.03	0.04	1.52
Depositary fees	460,414	54,835	4,473
%	0.13	0.07	0.61
Domiciliation, central administration and registrar and transfer agent fees	7,873	7,568	4,183
%	-	0.01	0.57
Audit fees, printing and publication expenses	48,386	16,860	80
%	0.01	0.02	0.01
Subscription tax	171,115	39,287	366
%	0.05	0.05	0.05
Transaction costs	51,980	-	-
%	0.01	-	-
Bank interest	171,724	2,815	23
%	0.05	-	-
Other charges	393,911	108,496	6,749
%	0.11	0.14	0.92
<b>TOTAL</b>	<b>7,075,972</b>	<b>1,079,573</b>	<b>29,625</b>
%	<b>1.97</b>	<b>1.37</b>	<b>4.03</b>

## EDM INTERNATIONAL

### Comparative of Fees on the Average Net Assets (continued) over the Past Five Years (2018-2022)

	<b>Strategy Fund (in EUR)</b>	<b>Spanish Equity (in EUR)</b>	<b>European Flexible Bond Fund (in EUR)</b>
<i>AVERAGE NET ASSETS 2022</i>	<i>352,306,871</i>	<i>62,103,144</i>	<i>755,861</i>
Investment Management fees	5,181,424	663,167	2,393
%	1.47	1.07	0.32
Management Company fees	114,585	28,280	11,223
%	0.03	0.05	1.48
Depositary fees	455,164	44,269	5,240
%	0.13	0.07	0.69
Domiciliation, central administration and registrar and transfer agent fees	7,516	6,323	2,693
%	-	0.01	0.36
Audit fees, printing and publication expenses	11,541	14,660	55
%	-	0.02	0.01
Subscription tax	157,557	29,143	364
%	0.04	0.05	0.05
Transaction costs	71,562	-	-
%	0.02	-	-
Bank interest	62,974	1,322	-
%	0.02	-	-
Other charges	429,501	83,222	2,489
%	0.12	0.13	0.33
<b>TOTAL</b>	<b>6,491,824</b>	<b>870,386</b>	<b>24,457</b>
<b>%</b>	<b>1.84</b>	<b>1.40</b>	<b>3.24</b>

# EDM INTERNATIONAL

## Comparative Performances over the Past Five Years (2018-2022)

	Strategy Fund										Spanish Equity										European Flexible Bond Fund	
	Class I EUR		Class L EUR		Class L USD		Class R EUR		Class R USD		Class I EUR*		Class L EUR		Class L USD		Class R EUR		Class R USD		Class R EUR	
	NAV/ share Class I	annual perfor- mance	NAV/ share Class L	annual perfor- mance	NAV/ share Class L	annual perfor- mance	NAV/ share Class R	annual perfor- mance	NAV/ share Class R	annual perfor- mance	NAV/ share Class I	annual perfor- mance	NAV/ share Class L	annual perfor- mance	NAV/ share Class LUS	annual perfor- mance	NAV/ share Class R	annual perfor- mance	NAV/ share Class RUS	annual perfor- mance	NAV/ share Class R	annual perfor- mance
at December 31, 2018	88.66	-	1,226,141.68	(14.86)	-	-	334.40	(15.96)	98.99	(13.84)	90.12	-	115.26	(8.02)	103.25	(5.85)	109.57	(8.97)	92.81	(6.90)	92.37	(5.58)
at December 31, 2019	115.62	30.41	1,599,100.12	30.42	-	-	430.52	28.74	130.97	32.31	-	-	129.51	12.36	119.24	15.49	121.85	11.21	106.12	14.34	94.78	2.61
at December 31, 2020	115.94	0.28	1,603,517.63	0.28	-	-	426.22	(1.00)	132.50	1.17	-	-	116.33	(10.18)	-	-	108.33	(11.10)	96.15	(9.40)	91.73	(3.22)
at December 31, 2021	149.87	29.27	207.23	29.23	127.92	27.92	543.28	27.46	170.03	28.32	-	-	133.22	14.52	-	-	122.81	13.37	109.80	14.20	89.49	(2.44)
at December 31, 2022	123.23	(17.78)	170.33	(17.81)	101.58	(20.59)	440.33	(18.95)	132.81	(21.89)	-	-	116.32	(12.69)	-	-	106.16	(13.56)	91.45	(16.71)	82.63	(7.67)

Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

### The environment in 2022

2022 has been one of the worst years for capital markets in recent history. The sharp rise in interest rates that we have experienced over the last twelve months has negatively affected the valuations of both stock markets and bonds.

Inflation and its consequences continue to be the focus of debate in the markets. Every piece of economic activity data and every comment from central bankers is scrutinized with great interest by investors. In the last quarter, the US Federal Reserve has raised rates by 0.75% to 4.25%. At their last meeting in December, they pointed to a higher-than-anticipated terminal rate and argued for the need for monetary policy to remain tight until inflation falls more and more substantially. The European Central Bank, for its part, has left rates at 2% after two increases of 0.75% in October and 0.50% in November. In addition, the message was hardened by advancing that rates will continue to rise at a rate of 50 ppbb per meeting until inflation subsides. For its part, the Bank of Japan, which until now had not made a move, also surprised, expanding the maximum limit of the fluctuation band of the 10-year bond by 25 basis points, surely to try to support a yen that is has weakened enormously in recent times.

Leading indicators of activity indicate that the global economy is slowing down. We also see it in the price of raw materials and in the inversion of the interest rate curves. The real estate sector, which until now had withstood the pressure, is already beginning to show signs of weakness; prices stop rising and construction of new homes is stopping.

Employment remains strong, especially in the US, where there are still more than 10 million unfilled jobs.

Today, it seems that the central scenario is one of a soft landing, where central banks would manage to cool the economy without causing a severe recession. In any case, everything points to a higher structural level of both inflation and interest rates.

In its last October update, the IMF expected a positive growth in the World's GDP of +1,7% in 2022 followed by a rebound for the year 2023 of +2,7%.

### The markets in 2022

Despite the rebound experienced during the last quarter, the stock markets closed the year with an average loss of more than 10%. Despite the greater exposure of the European market to the Ukrainian conflict, it does better than the American one, which, having a higher growth profile and trading at higher multiples, is more penalized by the rise in interest rates.

Index	2022
S&P 500	-19.4%
Nasdaq	-33.1%
Stoxx 50	-4.4%
MSCI Emerging Markets	-14.9%
MSCI EM Latin American USD (MXLA)	-0.1%
Nikkei	-9.4%
MSCI World Local (MSDLWI)	-17.4%

The most significant losses are concentrated in the fixed income markets. The abrupt upward shift in interest rate curves, combined with the low implicit starting yield, explain the poor performance of bonds. Thus, for example, the 10-year American government bond, whose IRR has gone from 1.51% at the end of 2021 to 3.87% at the end of 2022, accumulates a loss of 16% during the year, its worst result in five decades.

Index	2022
GLOBAL HIGH YIELD BB-B SHORT DURATION LOCAL	-6.7%
MERRILL LYNCH US HIGH YIELD BB-B LOCAL	-10.6%
EURO BROAD MARKET 1-3 Years	-5.0%
1-5 Years EURO GOVERNMENT	-7.2%
EURO HIGH YIELD BB-B	-11.3%

In this market context, in which practically all assets, except the dollar and raw materials, have closed in the red, it has been practically impossible to avoid losses, even more so when deposit rates in euros have remained negative until the second half of the year.

# EDM INTERNATIONAL

## Directors' Report (continued)

### Our SICAV

The management style for the SICAV has not changed during the year. Our strategy consists in investing in high quality assets, trying not to overpay for this good companies, expecting markets to reward its quality in the medium term. In equities we are convinced that sustained earnings growth will be the main driver for price appreciation. By selecting high quality growth stocks, we expect to over perform the market in the long term.

The companies in our portfolios posted very good 2022 results with highly resilient profits. In 2022 we saw a major disconnect between company share prices and fundamentals and our equity funds delivered poor results in the year. Our equity portfolios have been penalized for not holding stocks from the banking sector or the basic materials sector.

The European strategy delivered negative returns and our EDM Strategy fund underperformed its benchmark.

EDM Spanish Equity Fund, which is a Master Feeder fund of EDM Inversion Fund, delivered negative returns and the fund underperformed its Spanish benchmark.

These have been the performances of our funds in 2022:

Index	2022
EDM EUROPEAN FLEXIBLE BOND FUND - R CLASS (EUR)	-7.67%
EDM STRATEGY FUND - L CLASS (EUR)	-17.81%
EDM SPANISH EQUITY - L CLASS (EUR)	-12.69%

### Outlook for 2023

The focus of attention in recent months has been the rise in inflation and interest rates. For the coming months, this focus should shift towards growth and if there is a risk of recession in the main areas: Europe and the US.

Central Banks are going to maintain a restrictive monetary policy until inflation is combated, although it is probable that in 2023 the cycle of interest rate rises will stop. With all this, we see long-term rates that are more contained than in previous quarters. In Europe, the inflation cycle is lagging behind the US and it will take a little longer to subside. The reopening in China and the very mild winter help to reduce the pessimism in European growth. In this scenario, the rate differential, and the growth of the dollar against the rest of the world mean that the depreciation trend of the currency will continue its course in 2023. This attracts capital to other areas, the emerging countries and Europe being the most benefited.

2022 has been a year of strong corrections in fixed income due to the strong rise in interest rates. We see it as a path towards their normalization, and it is an excellent opportunity for conservative investors. We will continue to invest the fund prudently in high credit quality assets in this highly volatile environment.

In equities, we maintain our investment style. We select quality companies, with competitive advantages and leaders in their sectors. These types of companies have been penalized in 2022 because of the normalization of the monetary policies of the main central banks to combat the rise in inflation, which has meant a sharp correction in their multiples. The most noteworthy aspect is valuation. Following the sharp contraction of multiples in the past year, our current portfolios are trading at very attractive levels. In this environment, we will continue to invest in quality companies, with competitive advantages and the ability to raise prices.

We remain confident that, over the medium and long term, share prices will be driven by profit growth, and therefore we believe there is a clear opportunity for investment in quality companies; the decoupling of price from profit will rectify itself which, in our opinion, will lead investors to obtain very attractive returns in the future.

The Board of Directors of the Company

February 2023

The information stated in this report is historical and not necessarily indicative of future performance.



**Audit report**

To the Shareholders of  
**EDM INTERNATIONAL**

---

O/S

---

*PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg  
T : +352 494848 1, F : +352 494848 2900, [www.pwc.lu](http://www.pwc.lu)*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518*



O/S





O/S

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, O/S

Fanny Sergent

# EDM INTERNATIONAL

## Statement of Net Assets as at December 31, 2022

		EDM International - Strategy Fund	EDM International - Spanish Equity	EDM International - European Flexible Bond Fund	Combined
	Note	EUR	EUR	EUR	EUR
<b>ASSETS</b>					
Investment portfolio at market value	(2)	310,235,671	52,334,342	810,308	363,380,321
Cash at bank and time deposits		20,778,000	295,431	2,669	21,076,100
Amounts receivable on subscriptions		237,812	41	-	237,853
Interest and dividends receivable, net		16,828	308	11	17,147
Other assets		520,133	-	872	521,005
<b>TOTAL ASSETS</b>		<b>331,788,444</b>	<b>52,630,122</b>	<b>813,860</b>	<b>385,232,426</b>
<b>LIABILITIES</b>					
Amounts payable on redemptions		1,076,635	240,323	-	1,316,958
Unrealised loss on forward foreign exchange contracts	(2)(7)	46,617	978	-	47,595
Investment Management fees payable	(3)	415,499	47,013	191	462,703
Management company fees payable	(4)	25,342	6,284	2,815	34,441
Taxes and expenses payable		201,260	19,537	-	220,797
<b>TOTAL LIABILITIES</b>		<b>1,765,353</b>	<b>314,135</b>	<b>3,006</b>	<b>2,082,494</b>
<b>TOTAL NET ASSETS</b>		<b>330,023,091</b>	<b>52,315,987</b>	<b>810,854</b>	<b>383,149,932</b>
<b>Net asset value per share</b>					
Class I EUR		123.23	-	-	
Class L EUR		170.33	116.32	97.48	
Class L USD		108.41	102.89	-	
Class R EUR		440.33	106.16	82.63	
Class R USD		141.74	97.60	-	
<b>Number of shares outstanding</b>					
Class I EUR		200,549.80	-	-	
Class L EUR		1,264,069.58	73,306.19	1,521.28	
Class L USD		15,921.31	986.76	-	
Class R EUR		183,220.98	410,553.25	8,018.52	
Class R USD		58,039.27	1,198.84	-	

The accompanying notes form an integral part of these financial statements.

# EDM INTERNATIONAL

## Statement of Operations and Changes in Net Assets for the Year ended December 31, 2022

		EDM International - Strategy Fund	EDM International - Spanish Equity	EDM International - European Flexible Bond Fund	Combined
	Note	EUR	EUR	EUR	EUR
<b>TOTAL NET ASSETS AT THE BEGINNING OF THE YEAR</b>		<b>407,923,705</b>	<b>74,888,228</b>	<b>720,372</b>	<b>483,532,305</b>
<b>INCOME</b>					
Dividends, net	(2)	5,412,190	-	-	5,412,190
Bank interests, net		-	-	4	4
Other income	(2)	3,420	-	-	3,420
<b>TOTAL INCOME</b>		<b>5,415,610</b>	<b>-</b>	<b>4</b>	<b>5,415,614</b>
<b>EXPENSES</b>					
Investment Management fees	(3)	5,181,424	663,167	2,393	5,846,984
Management Company fees	(4)	114,585	28,280	11,223	154,088
Depository fees	(5)	455,164	44,269	5,240	504,673
Domiciliation, central administration and registrar and transfer agent fees	(5)	7,516	6,323	2,693	16,532
Audit fees, printing and publishing expenses		11,541	14,660	55	26,256
Subscription tax	(6)	157,557	29,143	364	187,064
Transaction costs	(8)	71,562	-	-	71,562
Bank interests		62,974	1,322	-	64,296
Other charges	(2)	429,501	83,222	2,489	515,212
<b>TOTAL EXPENSES</b>		<b>6,491,824</b>	<b>870,386</b>	<b>24,457</b>	<b>7,386,667</b>
<b>NET INCOME / (LOSS) FROM INVESTMENTS</b>		<b>(1,076,214)</b>	<b>(870,386)</b>	<b>(24,453)</b>	<b>(1,971,053)</b>
Net realised profit/(loss) on sale of investments	(2)	1,840,715	(13,050)	(206)	1,827,459
Net realised profit/(loss) on forward foreign exchange contracts	(2)	664,505	26,588	(5)	691,088
Net realised profit/(loss) on foreign exchange		(234,853)	(1,370)	-	(236,223)
<b>NET REALISED PROFIT/(LOSS)</b>		<b>2,270,367</b>	<b>12,168</b>	<b>(211)</b>	<b>2,282,324</b>
Change in net unrealised appreciation/ (depreciation) on:					
- investments		(76,866,256)	(8,914,859)	(32,352)	(85,813,467)
- forward foreign exchange contracts		(31,391)	(701)	-	(32,092)
<b>NET INCREASE/(DECREASE) IN NET ASSETS AS A RESULT OF OPERATIONS</b>		<b>(75,703,494)</b>	<b>(9,773,778)</b>	<b>(57,016)</b>	<b>(85,534,288)</b>
<b>MOVEMENTS IN CAPITAL</b>					
Issue of shares		78,053,203	7,341,468	150,224	85,544,895
Redemption of shares		(80,250,323)	(20,139,931)	(2,726)	(100,392,980)
<b>TOTAL NET ASSETS AT THE END OF THE YEAR</b>		<b>330,023,091</b>	<b>52,315,987</b>	<b>810,854</b>	<b>383,149,932</b>

The accompanying notes form an integral part of these financial statements.

# EDM INTERNATIONAL

## Changes in the Number of Shares for the Year ended December 31, 2022

	EDM International - Strategy Fund	EDM International - Spanish Equity	EDM International - European Flexible Bond Fund
<b>Capitalisation Class I EUR</b>			
Number of shares outstanding at the beginning of the year	270,701.97	-	-
Number of shares issued	168,384.14	-	-
Number of shares repurchased	(238,536.31)	-	-
<b>Number of shares outstanding at the end of the year</b>	<b>200,549.80</b>	<b>-</b>	<b>-</b>
<b>Capitalisation Class L EUR</b>			
Number of shares outstanding at the beginning of the year	1,220,473.33	116,382.60	-
Number of shares issued	241,819.39	10,204.82	1,521.28
Number of shares repurchased	(198,223.14)	(53,281.23)	-
<b>Number of shares outstanding at the end of the year</b>	<b>1,264,069.58</b>	<b>73,306.19</b>	<b>1,521.28</b>
<b>Capitalisation Class L USD</b>			
Number of shares outstanding at the beginning of the year	17,705.95	-	-
Number of shares issued	1,396.89	986.76	-
Number of shares repurchased	(3,181.53)	-	-
<b>Number of shares outstanding at the end of the year</b>	<b>15,921.31</b>	<b>986.76</b>	<b>-</b>

## Statistics

	EDM International - Strategy Fund	EDM International - Spanish Equity	EDM International - European Flexible Bond Fund
	EUR	EUR	EUR
<b>Total Net Asset Value</b>			
December 31, 2022	330,023,091	52,315,987	810,854
December 31, 2021	407,923,705	74,888,228	720,372
December 31, 2020	301,438,528	76,395,534	744,050
<b>December 31, 2022 - Net asset value per share</b>			
Capitalisation Class A EUR	-	-	-
Capitalisation Class A USD	-	-	-
Capitalisation Class B EUR	-	-	-
Capitalisation Class B USD	-	-	-
Capitalisation Class I EUR	123.23	-	-
Capitalisation Class I USD	-	-	-
Capitalisation Class L EUR	170.33	116.32	97.48
Capitalisation Class L USD	108.41	102.89	-
Capitalisation Class R EUR	440.33	106.16	82.63
Capitalisation Class R USD	141.74	97.60	-

# EDM INTERNATIONAL

## Changes in the Number of Shares (continued) for the Year ended December 31, 2022

	EDM International - Strategy Fund	EDM International - Spanish Equity	EDM International - European Flexible Bond Fund
<b>Capitalisation Class R EUR</b>			
Number of shares outstanding at the beginning of the year	194,023.32	479,386.49	8,049.73
Number of shares issued	20,706.96	52,612.25	-
Number of shares repurchased	(31,509.30)	(121,445.49)	(31.21)
<b>Number of shares outstanding at the end of the year</b>	<b>183,220.98</b>	<b>410,553.25</b>	<b>8,018.52</b>
<b>Capitalisation Class R USD</b>			
Number of shares outstanding at the beginning of the year	47,077.88	5,260.38	-
Number of shares issued	17,874.66	486.08	-
Number of shares repurchased	(6,913.27)	(4,547.62)	-
<b>Number of shares outstanding at the end of the year</b>	<b>58,039.27</b>	<b>1,198.84</b>	<b>-</b>

## Statistics (continued)

	EDM International - Strategy Fund	EDM International - Spanish Equity	EDM International - European Flexible Bond Fund
	EUR	EUR	EUR
<b>December 31, 2021 - Net asset value per share</b>			
Capitalisation Class A EUR	-	-	-
Capitalisation Class A USD	-	-	-
Capitalisation Class B EUR	-	-	-
Capitalisation Class B USD	-	-	-
Capitalisation Class I EUR	149.87	-	-
Capitalisation Class I USD	-	-	-
Capitalisation Class L EUR	207.23	133.22	-
Capitalisation Class L USD	127.92	-	-
Capitalisation Class R EUR	543.28	122.81	89.49
Capitalisation Class R USD	170.03	109.80	-
<b>December 31, 2020 - Net asset value per share</b>			
Capitalisation Class A EUR	-	-	-
Capitalisation Class A USD	-	-	-
Capitalisation Class B EUR	-	-	-
Capitalisation Class B USD	-	-	-
Capitalisation Class I EUR	115.94	-	-
Capitalisation Class I USD	-	-	-
Capitalisation Class L EUR	1,603,517.63	116.33	-
Capitalisation Class L USD	-	-	-
Capitalisation Class R EUR	426.22	108.33	91.73
Capitalisation Class R USD	132.50	96.15	-

# EDM INTERNATIONAL

## EDM International - Strategy Fund

### Statement of Investments as at December 31, 2022

(Expressed in EUR)

Description	Quantity	Currency	Cost	Evaluation	% net assets
<b>Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market</b>					
<b>Shares</b>					
<b>Denmark</b>					
Dsv Panalpina A/S	74,000	DKK	7,577,707	10,911,250	3.31
Novo Nordisk A/S /-B-	160,000	DKK	6,525,258	20,181,664	6.11
Orsted	38,000	DKK	4,157,074	3,225,920	0.98
			<b>18,260,039</b>	<b>34,318,834</b>	<b>10.40</b>
<b>France</b>					
Air Liquide	38,000	EUR	5,075,578	5,031,200	1.52
Dassault Systemes	160,000	EUR	4,147,340	5,359,200	1.62
Essilorluxott --- Act.	94,000	EUR	11,588,856	15,904,800	4.82
L Oreal	20,000	EUR	6,891,247	6,672,000	2.02
Lvmh Act.	26,500	EUR	11,200,980	18,017,350	5.46
Safran Sa	79,000	EUR	9,048,097	9,236,680	2.80
Schneider Electric Se	47,000	EUR	5,720,135	6,143,840	1.86
Vinci.	60,000	EUR	5,264,104	5,597,400	1.70
			<b>58,936,337</b>	<b>71,962,470</b>	<b>21.80</b>
<b>Germany</b>					
Brenntag	170,000	EUR	9,118,643	10,152,400	3.08
Deutsche Post Ag	260,000	EUR	9,633,241	9,146,800	2.77
Fresenius Se & Co Kga	140,000	EUR	3,595,356	3,675,000	1.11
Infineon Technologies /Nam.	363,000	EUR	12,192,537	10,320,090	3.13
			<b>34,539,777</b>	<b>33,294,290</b>	<b>10.09</b>
<b>Great Britain</b>					
Diageo Plc	130,000	GBP	6,011,001	5,348,101	1.62
Intercontinental Hotels Group Plc	105,000	GBP	5,585,365	5,614,322	1.70
Lse Group	40,000	GBP	3,800,215	3,217,201	0.97
Smith And Nephew Plc	440,000	GBP	7,445,304	5,502,288	1.67
			<b>22,841,885</b>	<b>19,681,912</b>	<b>5.96</b>
<b>Ireland</b>					
Accenture Plc	66,000	USD	17,751,879	16,501,701	5.00
Crh Plc	233,000	EUR	9,027,373	8,623,330	2.61
Kerry Group A	54,000	EUR	6,163,673	4,548,960	1.38
Linde Plc	52,000	EUR	12,992,181	15,883,400	4.81
			<b>45,935,106</b>	<b>45,557,391</b>	<b>13.80</b>
<b>Spain</b>					
Inditex	315,000	EUR	7,318,793	7,827,750	2.37
			<b>7,318,793</b>	<b>7,827,750</b>	<b>2.37</b>
<b>Sweden</b>					
Assa Abloy Ab	395,000	SEK	9,559,054	7,946,036	2.41
Atlas Copco Rg-A	405,000	SEK	4,205,776	4,483,328	1.36
			<b>13,764,830</b>	<b>12,429,364</b>	<b>3.77</b>
<b>Switzerland</b>					
Nestle /Act Nom	62,000	CHF	6,777,665	6,727,309	2.04
Roche Holding Ag /Genussschein	34,000	CHF	7,437,591	10,002,835	3.03

The accompanying notes form an integral part of these financial statements.

# EDM INTERNATIONAL

## EDM International - Strategy Fund

### Statement of Investments (continued) as at December 31, 2022

(Expressed in EUR)

Description	Quantity	Currency	Cost	Evaluation	% net assets
Sika Ltd	47,000	CHF	9,432,269	10,552,652	3.20
Straumann Hldg N	38,000	CHF	4,617,044	4,063,924	1.23
			<b>28,264,569</b>	<b>31,346,720</b>	<b>9.50</b>
<b>The Netherlands</b>					
Airbus Se	177,000	EUR	15,249,278	19,650,540	5.96
Asm International Reg Nv	38,000	EUR	9,483,322	8,954,700	2.71
Asml Holding Nv	40,000	EUR	13,231,430	20,152,000	6.11
Imcd B.V.	38,000	EUR	5,179,381	5,059,700	1.53
			<b>43,143,411</b>	<b>53,816,940</b>	<b>16.31</b>
<b>Total - Shares</b>			<b>273,004,747</b>	<b>310,235,671</b>	<b>94.00</b>
<b>Total - Transferable securities admitted to an official stock exchange listing or dealt in on another regulated market</b>			<b>273,004,747</b>	<b>310,235,671</b>	<b>94.00</b>
<b>TOTAL INVESTMENTS PORTFOLIO</b>			<b>273,004,747</b>	<b>310,235,671</b>	<b>94.00</b>

The accompanying notes form an integral part of these financial statements.

# EDM INTERNATIONAL

## EDM International - Strategy Fund

### Investments Breakdowns as at December 31, 2022

(expressed as a percentage of net assets)

<b>Geographical breakdown</b>	<b>%</b>
France	21.80
The Netherlands	16.31
Ireland	13.80
Denmark	10.40
Germany	10.09
Switzerland	9.50
Great Britain	5.96
Sweden	3.77
Spain	2.37
	<b>94.00</b>

<b>Economic breakdown</b>	<b>%</b>
Pharmaceuticals and Cosmetics	18.33
Electronic Semiconductor	11.95
Aerospace Technology	8.75
Mechanics, Machinery	8.58
Chemicals	7.80
Transportation	6.08
Textile	5.46
Other Services	5.00
Construction, Building Material	4.31
Retail	2.37
Holding and Finance Companies	2.35
Food and Distilleries	2.04
Electronics and Electrical Equipment	1.86
Leisure	1.70
Healthcare Education & Social Services	1.67
Internet Software	1.62
Tobacco and Spirits	1.62
Business Houses	1.53
Public Services	0.98
	<b>94.00</b>



# EDM INTERNATIONAL

## EDM International - Spanish Equity

### Statement of Investments as at December 31, 2022

(Expressed in EUR)

Description	Quantity	Currency	Cost	Evaluation	% net assets
<b>Investments Fund (UCITS)</b>					
<b>Spain</b>					
Edm Inversion - I /Cap	807,545	EUR	53,737,836	52,334,342	100.04
			<b>53,737,836</b>	<b>52,334,342</b>	<b>100.04</b>
<b>Total - Investments Fund (UCITS)</b>			<b>53,737,836</b>	<b>52,334,342</b>	<b>100.04</b>
<b>TOTAL INVESTMENTS PORTFOLIO</b>			<b>53,737,836</b>	<b>52,334,342</b>	<b>100.04</b>

The accompanying notes form an integral part of these financial statements.

# EDM INTERNATIONAL

## EDM International - Spanish Equity

### Investments Breakdowns as at December 31, 2022

(expressed as a percentage of net assets)

<b>Geographical breakdown</b>	<b>%</b>
Spain	100.04
	<b>100.04</b>

<b>Economic breakdown</b>	<b>%</b>
Investment Funds	100.04
	<b>100.04</b>

# EDM INTERNATIONAL

## EDM International - European Flexible Bond Fund

### Statement of Investments as at December 31, 2022

(Expressed in EUR)

Description	Quantity	Currency	Cost	Evaluation	% net assets
<b>Investments Fund (UCITS)</b>					
<b>Spain</b>					
Edm Ahorro Fi -Units- /Dist	31,697	EUR	827,845	810,308	99.93
			<b>827,845</b>	<b>810,308</b>	<b>99.93</b>
<b>Total - Investments Fund (UCITS)</b>			<b>827,845</b>	<b>810,308</b>	<b>99.93</b>
<b>TOTAL INVESTMENTS PORTFOLIO</b>			<b>827,845</b>	<b>810,308</b>	<b>99.93</b>

The accompanying notes form an integral part of these financial statements.

# EDM INTERNATIONAL

## EDM International - European Flexible Bond Fund

### Investments Breakdowns as at December 31, 2022

(expressed as a percentage of net assets)

<b>Geographical breakdown</b>	<b>%</b>
Spain	99.93
	<b>99.93</b>

<b>Economic breakdown</b>	<b>%</b>
Investment Funds	99.93
	<b>99.93</b>

# EDM INTERNATIONAL

## Notes to the Financial Statements as at December 31, 2022

### NOTE 1 - GENERAL INFORMATION

EDM INTERNATIONAL (the "Company") is an open-ended investment company with variable capital, incorporated in the Grand Duchy of Luxembourg as a "Société Anonyme" on the basis of the amended Law of August 10, 1915 on Commercial Companies and qualifies as a "Société d'Investissement à Capital Variable" ("SICAV") on the basis of part I of the amended Law of December 17, 2010 ("Law of 2010") relating to Undertakings for Collective Investment in Transferable Securities ("UCITS").

The Company has appointed the Management Company as its management company in accordance with the provisions of the Law of 2010 pursuant to the Management Company Agreement.

The Management Company is a public limited company (*Société Anonyme*) incorporated under the laws of Luxembourg on October 23, 2003 under the name of "Waystone Management Company (Lux) S.A.". The Management Company is authorised and regulated by the CSSF in Luxembourg under Luxembourg law. Its main business activity is the management of Luxembourg and foreign UCITS authorised according to EU Directive 2009/65/EC and the additional management of other Luxembourg and foreign undertakings for collective investment, in accordance with Article 101(2) and Annex II of the Law of 2010. The Management Company is registered with the Luxembourg Trade and Companies Register under number B 96744 and is approved as a management company under Chapter 15 of the amended Law of December 17, 2010.

The Company was incorporated as a SICAV for an unlimited period on March 15, 1995, after having first existed under the legal form of a FCP ("*Fonds Commun de Placement*"). The Articles of Incorporation of the Company were published in the *Mémorial C, Recueil des Sociétés et Associations* (the "*Mémorial C*"), of Luxembourg, on April 11, 1995.

The latest amendments of the Articles of Incorporation were made on September 15, 2020 and published in the *Recueil électronique des Sociétés et Associations (RESA)*, the central electronic platform of the Grand-Duchy of Luxembourg on September 29, 2020.

The Company is registered with the "*Registre de Commerce et des Sociétés*", Luxembourg under number B-50523.

The Company was set up in the form of an umbrella fund.

Three Sub-Funds are available to investors as at December 31, 2022:

- EDM International - Strategy Fund - in EUR  
As at December 31, 2022 this Sub-Fund offers eight types of classes: Class I EUR and Class I USD for institutional investors, Class L EUR and Class L USD for specific investors, Class R EUR and Class R USD for retail investors and Class Z EUR and Class Z USD for institutional investors.
- EDM International - Spanish Equity - in EUR  
As at December 31, 2022 this Sub-Fund offers eight types of classes: Class I EUR\* and Class I USD for institutional investors, Class L EUR and Class L USD for specific investors, Class R EUR and Class R USD for retail investors and Class Z EUR and Class Z USD for institutional investors.
- EDM International - European Flexible Bond Fund - in EUR  
As at December 31, 2022 this Sub-Fund offers four types of classes: Class L EUR for specific investors, Class R EUR for retail investors and Class Z EUR and Class Z USD for institutional investors.

For the Sub-Funds Strategy Fund and European Flexible Bond Fund:

Specific investors refer to:

- natural as well as legal persons with a discretionary portfolio management agreement or independent advisory contract; or
- natural as well as legal persons, providing non-independent advice pursuant to a separate fee arrangement with their clients under which they have agreed not to receive and retain inducements.

For the Sub-Fund Spanish Equity:

Specific investors refer to:

- natural as well as legal persons with a discretionary portfolio management agreement or independent advisory contract with third parties other than EDM Group; or
- natural as well as legal persons, other than EDM Group, providing non-independent advice pursuant to a separate fee arrangement with their clients under which they have agreed not to receive and retain inducements.

\* Share Class dormant since December 13, 2019.

# EDM INTERNATIONAL

## Notes to the Financial Statements (continued)

as at December 31, 2022

### NOTE 2 - PRINCIPAL ACCOUNTING POLICIES

The financial statements are prepared in accordance with generally accepted accounting principles in Luxembourg and legal and regulatory requirements relating to undertakings for collective investment in transferable securities.

a) Valuation of investment securities.

The value of securities which are quoted or dealt in on any stock exchange is in respect of each security, the last known price, and where appropriate, the middle market price on the stock exchange which is normally the principal market for such security.

The value of securities dealt in on another regulated market is in respect of each security, the last known price, and where appropriate, the middle market price on the stock exchange which is normally the principal market for such security.

Units in undertakings for collective investment are valued at their last available and published net asset value.

The value of money market instruments not admitted to official listing in any stock exchange or dealt in any other regulated market and with remaining maturity of less than 12 months and of more than 90 days is deemed to be the nominal value thereof, increased by any interest accrued thereon. Money market instruments with a remaining maturity of 90 days or less and not traded on any market are valued with the amortised cost method, which approximates the market value.

In the event that any of the securities held in any portfolio on the relevant Valuation Day are not quoted or dealt in on a stock exchange or another regulated market or, for any of the securities, no price quotation is available, or if the price as determined pursuant to preceding paragraphs is not in the opinion of the Board of Directors of the Company representative of the fair market value of the relevant securities, the value of such securities is determined based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the Company.

All other assets are valued at their respective fair values as determined in good faith by the Board of Directors of the Company in accordance with generally accepted valuation principles and procedures in Luxembourg.

If since the last Valuation Day there has been a material change in the quotations on the markets on which a substantial portion of the investments of the Company attributable to a particular Sub-Fund is listed or dealt in, the Board of Directors of the Company may, in order to safeguard the interests of the Shareholders and the Company, cancel the first valuation and carry out a second valuation.

The Board of Directors of the Company may also adopt, when circumstances so require, other valuation methods in accordance with generally accepted procedures.

b) Net realised profit/(loss) on sale of investments.

Net profit or loss realised on the sale of investments is calculated on the basis of the average cost of the securities sold.

c) Currency exchange for each Sub-Fund.

The value of each Sub-Fund's net assets is expressed in the following currencies:

- EDM International - Strategy Fund (EUR)  
This Sub-Fund offers eight types of classes: Class I EUR, Class I USD, Class L EUR, Class L USD, Class R EUR, Class R USD, Class Z EUR and Class Z USD
- EDM International - Spanish Equity (EUR)  
This Sub-Fund offers eight types of classes: Class I EUR\*, Class I USD, Class L EUR, Class L USD, Class R EUR, Class R USD, Class Z EUR and Class Z USD
- EDM International - European Flexible Bond Fund (EUR)  
This Sub-Fund offers four types of classes: Class L EUR, Class R EUR, Class Z EUR and Class Z USD

The value of the assets and liabilities denominated in a currency other than the currency of the relevant Sub-Fund is converted at the rates of exchange prevailing in Luxembourg at the time of the determination of the corresponding Net Asset Value.

As at December 31, 2022, the valuation of investment portfolio, cash at bank and other deposit and other net assets denominated in currencies other than that of the Sub-Fund are converted into such currency at the following exchange rates:

1 EUR	=	0.987420	CHF
1 EUR	=	7.436453	DKK

\* Share Class dormant since December 13, 2019.

# EDM INTERNATIONAL

## Notes to the Financial Statements (continued)

as at December 31, 2022

### NOTE 2 - PRINCIPAL ACCOUNTING POLICIES (continued)

c. Currency exchange for each Sub-Fund. (continued)

1 EUR	=	0.887231	GBP
1 EUR	=	11.120199	SEK
1 EUR	=	1.067250	USD

d) The Company's combined financial statements.

Individual financial statements are prepared for each Sub-Fund in that Sub-Fund's currency. In order to present the Company's situation as a whole, these financial statements are combined after conversion into the Company's reference currency, which is the EUR.

The difference between the opening net assets stated at the rate of exchange used for conversion into EUR as of December 31, 2021 and December 31, 2022 is shown as currency conversion in the combined statement of operations and changes in net assets.

e) Acquisition cost of investment securities.

The acquisition cost of investment securities denominated in currencies other than that Sub-Fund's currency is converted into such currency at the exchange rate prevailing on the day of purchase.

f) Income from investments.

Dividends net are recognized as income on the date the securities are first quoted ex-dividend. Interest is accrued for each net asset valuation.

Dividends net are recorded at ex-date. Interests on bonds net are accrued on a pro rata basis pursuant to the terms of the underlying investment. Income is recorded net of respective withholding taxes, if any. Bank interests net are accounted on an accrual basis. Other income is mainly composed of the reimbursement of withholding taxes reclaimed to tax authorities of concerned countries. They are recorded in the Statement of Operations and Changes in Net Assets at settlement date.

g) Forward foreign exchange contracts.

Profit or loss arising from un-matured forward foreign exchange contracts is determined on the basis of the applicable forward exchange rates at the valuation date, and is recorded in the statement of net assets under the captions "Unrealised profit on forward foreign exchange contracts" and "Unrealised loss on forward foreign exchange contracts". The net realised profit/loss and the change in net unrealised appreciation/depreciation are presented in the statement of operations and changes in net assets.

h) Other charges.

Other charges are mainly composed of VAT, CSSF fees, KIID reporting fees, Registration fees, Distribution fees, Brokerage fees - research costs, Legal fees and Directors fees.

i) Formation expenses / setting-up costs.

The fees and costs incurred in connection with the establishment and launch of any additional Sub-Fund shall be borne by the relevant Sub-Fund and shall be amortised over the first five (5) Financial Years following the launch of that Sub-Fund under the caption "Taxes and expenses payable".

### NOTE 3 - INVESTMENT MANAGEMENT FEES AND SUB-INVESTMENT MANAGEMENT FEES

The Investment Manager and the Sub-Investment Managers are entitled to receive a monthly Investment Management Fee and Sub-Investment Management Fee at an annual rate applicable on the average monthly net assets as described below:

EDM Gestion S.A., S.G.I.I.C.

- 2.50% for EDM International - Strategy Fund Class R EUR
- 2.50% for EDM International - Strategy Fund Class R USD
- 1.10% for EDM International - Strategy Fund Class L EUR
- 1.10% for EDM International - Strategy Fund Class L USD
- 1.10% for EDM International - Strategy Fund Class I EUR
- 1.10% for EDM International - Strategy Fund Class I USD

# EDM INTERNATIONAL

## Notes to the Financial Statements (continued)

as at December 31, 2022

### **NOTE 3 - INVESTMENT MANAGEMENT FEES AND SUB-INVESTMENT MANAGEMENT FEES (continued)**

- 1.10% for EDM International - Strategy Fund Class Z EUR
- 1.10% for EDM International - Strategy Fund Class Z USD
- 1.25% for EDM International - Spanish Equity Class R EUR
- 1.25% for EDM International - Spanish Equity Class R USD
- 0.25% for EDM International - Spanish Equity Class L EUR
- 0.25% for EDM International - Spanish Equity Class L USD
- 0.25% for EDM International - Spanish Equity Class I EUR\*
- 0.25% for EDM International - Spanish Equity Class I USD
- 0.25% for EDM International - Spanish Equity Class Z EUR
- 0.25% for EDM International - Spanish Equity Class Z USD
- 0.35% for EDM International - European Flexible Bond Fund Class R EUR
- 0.00% for EDM International - European Flexible Bond Fund Class L EUR

### **NOTE 4 - MANAGEMENT COMPANY FEES**

On January 11, 2016, the Company has appointed Waystone Management Company (Lux) S.A., as its management company in accordance with the provisions of chapter 15 of the amended Law of December 17, 2010.

#### **Fees to be paid to the Management Company**

The Company pays to the Management Company fees out of the assets of the Company for the execution of its duties as the Company's designated management company under this Agreement, such fees amounting to the annual percentage rates of the net asset value of the Company as set out below.

The Management Company fee is as follows:

- 6 bps per annum under management up to EUR 50 million;
- 5 bps per annum for assets under management between EUR 50 million and EUR 100 million;
- 4 bps per annum for assets under management between EUR 100 million and EUR 250 million;
- 3 bps per annum for assets under management between EUR 250 million and EUR 500 million;
- 2 bps per annum for assets under management between EUR 500 million and EUR 800 million;
- 1.5 bps per annum for assets under management between EUR 800 million and EUR 1.5 billion;
- 1 bps per annum for assets under management above EUR 1.5 billion.

A minimum fee of EUR 15,000 p.a. per Sub-Fund is charged.

The Management Company fee is calculated quarterly on the average of the month-end Net Asset Value of the previous quarter and invoiced quarterly in arrears.

In addition, the Management Company is entitled to a fee of EUR 11,000 p.a. per Sub-Fund using the commitment approach for the additional performance of risk management and investment compliance services.

The fees payable to the Management Company are exclusive of VAT or similar charges, which, if chargeable, shall be charged in addition where appropriate at the rate for the time being applicable.

### **NOTE 5 - DEPOSITARY, DOMICILIARY, CENTRAL ADMINISTRATION AND REGISTRAR AND TRANSFER AGENT FEES**

The Company pays fees to RBC Investor Services Bank S.A. for its rendering of services as Depositary and Domiciliary, Central Administrative, Registrar and Transfer Agent, in accordance with normal banking practices in Luxembourg. These fees are annual fees calculated on the average net assets of the different Sub-Funds and are payable on a monthly basis as per the following rates with a minimum of EUR 25,000 per annum per Sub-Fund, to be charged to each Sub-Fund in proportion to the assets of each Sub-Fund:

- 0.18% per annum on the assets of the Company between 0 and EUR 50 millions;
- 0.09% per annum on the assets of the Company between 0 and EUR 50 millions for feeder Sub-Funds;
- 0.15% per annum on the assets of the Company between EUR 50 millions and EUR 100 millions;
- 0.075% per annum on the assets of the Company between EUR 50 millions and EUR 100 millions for feeder Sub-Funds;
- 0.12% per annum on the assets of the Company up to EUR 100 millions;
- 0.06% per annum on the assets of the Company up to EUR 100 millions for feeder Sub-Funds.

\* Share Class dormant since December 13, 2019.



# EDM INTERNATIONAL

## Notes to the Financial Statements (continued)

as at December 31, 2022

### NOTE 6 - SUBSCRIPTION TAX

The Sub-Funds of the Company are liable in Luxembourg to an annual subscription tax ("*taxe d'abonnement*") of 0.05% of their net assets, payable quarterly and calculated on the basis of the net assets of the Sub-Funds at the end of the relevant quarter.

Such tax rate is reduced to a rate of 0.01% in respect of the assets attributable to such Sub-Funds that are reserved for institutional investors within the meaning of, and as provided for in, article 174 of the Law of 2010. The tax is payable quarterly and calculated on the Net Asset Value of the relevant Sub-Fund at the end of the relevant quarter.

No "*taxe d'abonnement*" is paid on the part of the assets of any Sub-Fund invested in other Luxembourg undertakings for collective investment that already pay a "*taxe d'abonnement*".

### NOTE 7 - FORWARD FOREIGN EXCHANGE CONTRACTS

As at December 31, 2022, the Sub-Fund EDM International - Strategy Fund had the following outstanding forward foreign exchange contract:

<b>Purchase currency</b>	<b>Purchase amount</b>	<b>Sale currency</b>	<b>Sale amount</b>	<b>Maturity date</b>	<b>Sub-Fund currency</b>	<b>Unrealised (Loss)</b>	
USD	10,193,118	EUR	9,576,182	31/01/2023	EUR	(46,617)	
						<b>EUR</b>	<b>(46,617)</b>

As at December 31, 2022, the Sub-Fund EDM International - Spanish Equity had the following outstanding forward foreign exchange contract:

<b>Purchase currency</b>	<b>Purchase amount</b>	<b>Sale currency</b>	<b>Sale amount</b>	<b>Maturity date</b>	<b>Sub-Fund currency</b>	<b>Unrealised (Loss)</b>	
USD	213,810	EUR	200,869	31/01/2023	EUR	(978)	
						<b>EUR</b>	<b>(978)</b>

All forward foreign exchange contracts were conducted with the counterparty: RBC Investor Services Bank S.A.

### NOTE 8 - TRANSACTION COSTS

For the year ended December 31, 2022, the following Sub-Fund of the Company incurred transaction costs relating to purchase or sale of transferable securities, money market instruments, derivatives or other eligible assets as follows:

EDM International - Strategy Fund	368,004 EUR
-----------------------------------	-------------

These transaction costs are composed of brokerage costs and are included in cost of securities.

Furthermore, in accordance with the practices of the bond markets, a bid-offer spread is applied to securities purchase or sale transactions. According to this principle, the selling and buying prices applied by the broker to a given transaction are not identical and the difference between them constitutes the broker's remuneration.

The amounts included under the caption "Transaction costs" in the Statement of Operations and Changes in Net Assets are composed of transaction fees (transaction fees paid to the depositary or sub-depositary) that are not included in the table above.

### NOTE 9 - INFORMATION ACCORDING TO THE ESMA'S "GUIDELINES ON ETFS AND OTHER UCITS ISSUES" ESMA/2014/937

During the financial year, no techniques for efficient portfolio management (according to ESMA guidelines) were applied.

The Company did not engage in any derivative transaction during the year under review, except for the forward foreign exchange contracts which are disclosed in note 7 to the Financial Statements. No collateral was received that could be attributed to the Company's counterparty risk.

# EDM INTERNATIONAL

## Notes to the Financial Statements (continued)

as at December 31, 2022

### NOTE 10 - MASTER/FEEDER STRUCTURE

#### Feeder Fund I

The Sub-Fund EDM International - Spanish Equity ("The Feeder Fund I") is a feeder Sub-Fund pursuant to article 77 (1) of the Law of 2010 and at all times invests at least 85% of its assets in units of the Master Fund I (EDM INVERSION, FI) which qualifies as a "master UCITS" within the meaning of Directive 2009/65/EC.

The Feeder Fund I may hold up to 15% of its assets in ancillary liquid assets, including cash, cash equivalents and short-term bank deposits. The objective of the Feeder Fund I is to achieve capital appreciation through investment in the Master Fund I. The investment objective and policy of the Master Fund I, its organisation and risk profile are summarised in the section "Master Fund I" below. The residual assets of the Feeder Fund I consists in ancillary liquid assets, as described above, as may be required from time to time for dealing liquidity purposes and payment of costs and expenses of the Sub-Fund. The Feeder Fund I intends to minimize the level of ancillary liquid assets held for these purposes. The Feeder Fund I did not enter into financial derivative instruments except forward foreign exchange contracts.

If and to the extent that voting rights attached to units of the Master Fund I are exercised on behalf of the Feeder Fund I, a summary description of the strategies followed in the exercise of such rights, as well as the actions taken on the basis of those strategies, will be made available to Shareholders upon their specific request addressed to the Company. It is expected that the performance of the Feeder Fund I is broadly in line with the performance of the Master Fund I subject to its level of investment in the Master Fund I and safe for additional fund expenses at the level of the Feeder Fund I, which will affect its performance.

#### Master Fund I

The Master Fund I is a collective investment institution structured as separate capital with no legal personality, established and existing under the laws of Spain, registered with the Spanish supervisory authority *Comisión Nacional del Mercado de Valores* (CNMV) under registration number 46. It was established on January 21, 1987 and is regulated and authorised by the CNMV as a UCITS fund. The Master Fund I has been authorised by the CNMV as a "master UCITS" within the meaning of the relevant provisions of Directive 2009/65/EC. As a consequence, the Master Fund I must, at all times, (i) have at least one feeder UCITS among its unitholders, (ii) not itself become a feeder UCITS, and (iii) not hold shares or units of a feeder UCITS. The Master Fund I invests in equities listed on the Spanish Stock Exchange.

Complete information about the Master Fund I, including prospectus and financial statements, can be obtained free of charge on the Spanish website [www.edm.es](http://www.edm.es), on the website of the CNMV (regulator) and also at distributor level.

The Feeder Fund I holds 92.34% of the units of the Class I of the Master Fund I as at December 31, 2022.

#### Feeder Fund II

The Sub-Fund EDM International - European Flexible Bond Fund ("The Feeder Fund II") is a feeder Sub-Fund pursuant to article 77 (1) of the Law of 2010 and will as such at all times invest at least 85% of its assets in units of the Master Fund II (EDM AHORRO, FI) which qualifies as a "master UCITS" within the meaning of Directive 2009/65/EC.

The Feeder Fund II may hold up to 15% of its assets in ancillary liquid assets, including cash, cash equivalents and short term bank deposits. The objective of this Sub-Fund is to achieve capital appreciation through investment in the Master Fund II. The Sub-Fund intends to realise its investment objective by investing substantially all of its assets into the units of the Master Fund II. The Master Fund II will invest in public and private fixed income. The investment objective and policy of the Master Fund II, its organisation and risk profile are summarised in the section "Master Fund II" below. The residual assets of the Sub-Fund will consist in ancillary liquid assets, as described above, as may be required from time to time for dealing liquidity purposes and payment of costs and expenses of the Sub-Fund. The Sub-Fund intends to minimize the level of ancillary liquid assets held for these purposes. The Sub-Fund will not enter into financial derivative instruments.

If and to the extent that voting rights attached to units of the Master Fund II will be exercised on behalf of the Sub-Fund, a summary description of the strategies followed in the exercise of such rights, as well as the actions taken on the basis of those strategies, will be made available to Shareholders upon their specific request which has to be addressed to the Company. It is expected that the performance of the Sub-Fund will be broadly in line with the performance of the Master Fund II, subject to its level of investment in the Master Fund II and safe for additional fund expenses at the level of the Sub-Fund which will affect its performance.

#### Master Fund II

The Master Fund II is a collective investment institution structured as separate capital with no legal personality, established and existing under the laws of Spain, registered with the Spanish supervisory authority *Comisión Nacional del Mercado de Valores* (CNMV) under registration number 47. It was established on 21 January 1987 and is regulated and authorised by the CNMV as

# EDM INTERNATIONAL

## Notes to the Financial Statements (continued)

as at December 31, 2022

### NOTE 10 - MASTER/FEEDER STRUCTURE (continued)

#### Master Fund II (continued)

a UCITS fund. The Master Fund II has been authorised by the CNMV as a "master UCITS" within the meaning of the relevant provisions of Directive 2009/65/EC. As a consequence, the Master Fund II must, at all times, (i) have at least one feeder UCITS among its unitholders, (ii) not itself become a feeder UCITS, and (iii) not hold shares or units of a feeder UCITS.

Complete information about the Master Fund II, including prospectus and financial statements, can be obtained free of charge on the Spanish website [www.edm.es](http://www.edm.es), on the website of the CNMV (regulator) and also at distributor level.

The Feeder Fund II holds 1.34% of the units of the Class R of the Master Fund II as at December 31, 2022.

#### Aggregate expenses

According to the last prospectus available, the total management fees applied to the Master Fund I and to its investees shall not exceed 2.25% p.a. and the total depositary fees shall not exceed 0.20% p.a..

For the year ended December 31, 2022:

Share-Class	Investment Management Fee p.a. (Feeder)	Management Fee p.a. (Master)	Total
EDM International - Spanish Equity Class R EUR	1.25%	1.00%	2.25%
EDM International - Spanish Equity Class R USD	1.25%	1.00%	2.25%
EDM International - Spanish Equity Class L EUR	0.25%	1.00%	1.25%
EDM International - Spanish Equity Class L USD	0.25%	1.00%	1.25%
EDM International - Spanish Equity Class I EUR*	0.25%	1.00%	1.25%

Sub-Fund	Depositary Fee p.a. (Feeder)	Depositary Fee p.a. (Master)	Total
EDM International - Spanish Equity	0.084%	0.07%	0.154%

The annualised Total Expenses Ratios ("TER") for the year ended December 31, 2022 amounted to:

Share-Class	TER Feeder	TER Master
EDM International - Spanish Equity Class R EUR	1.58%	1.11%
EDM International - Spanish Equity Class R USD	1.60%	1.11%
EDM International - Spanish Equity Class L EUR	0.58%	1.11%
EDM International - Spanish Equity Class L USD	0.54%	1.11%

The total expenses for the Class I of the Master Fund I amounted to EUR 777,361.97 as at December 31, 2022.

#### Aggregate expenses

According to the last prospectus available, the total management fees applied to the Master Fund II and to its investees shall not exceed 2.25% p.a. and the total depositary fees shall not exceed 0.20% p.a..

For the year ended December 31, 2022:

Sub-Fund	Investment Management Fee p.a. (Feeder)	Management Fee p.a. (Master)	Total
EDM International - European Flexible Bond Fund	0.35%	0.90%	1.25%

Sub-Fund	Depositary Fee p.a. (Feeder)	Depositary Fee p.a. (Master)	Total
EDM International - European Flexible Bond Fund	0.09%	0.07%	0.16%

\* Share Class dormant since December 13, 2019.

# EDM INTERNATIONAL

## Notes to the Financial Statements (continued)

as at December 31, 2022

### NOTE 10 - MASTER/FEEDER STRUCTURE (continued)

#### Aggregate expenses (continued)

The Total Expenses Ratios ("TER") for the year ended December 31, 2022 amounted to:

Share-Class	TER Feeder	TER Master
EDM International - European Flexible Bond Fund Class R EUR	3.47%	1.01%

The total expenses for the Class R of the Master Fund II amounted to EUR 630,417.80 as at December 31, 2022.

### NOTE 11 - DIRECTOR FEES

For the year ended December 31, 2022, the Directors of the Company received EUR 30,000 as remuneration to fulfill their duties and responsibilities as directors of EDM International.

### NOTE 12 - SIGNIFICANT EVENTS DURING THE YEAR

As of July 15, 2022 the SFDR article 8 sub-funds (EDM International - Spanish Equity, EDM International - Strategy Fund and EDM International - European Flexible Bond Fund) consider principal adverse sustainability impacts when making investment decisions. Information related to the environmental and social characteristics can be found in the Information for Shareholders section.

On November 2, 2022 Lluís Fortuny resigned as a director of the Company.

On December 13, 2022 María Isabel Gómez-Arevalillo Magán was appointed as a director of the Company.

### NOTE 13 - SUBSEQUENT EVENTS

The board of directors of the Company intends to merge:

- a) the Sub-Fund EDM INTERNATIONAL - EUROPEAN FLEXIBLE BOND FUND as the absorbing sub-fund with its master fund "EDM AHORRO, FI", incorporated and existing under the laws of Spain (the "Master Fund").
- b) the Sub-Fund EDM INTERNATIONAL - SPANISH EQUITY as the absorbing sub-fund with its master fund "EDM INVERSION, FI", incorporated and existing under the laws of Spain (the "Master Fund").

This merger process is expected to take place in 2023, and it is expected to result in a more streamlined and efficient investment structure for our clients.

## Information for Shareholders (unaudited)

### **INFORMATION CONCERNING THE REMUNERATION POLICY:**

The management company has adopted a remuneration policy pursuant to applicable laws and regulations with the objective to ensure that its remuneration structure is in line with its interests and those of the collective investment schemes it manages and to prevent risk-taking which is inconsistent with the risk profiles, rules or articles of incorporation or management regulations of the collective investment schemes it manages.

Details of the remuneration policy of the management company, including the persons in charge of determining the fixed and variable remunerations of staff, a description of the key remuneration elements and an overview of how remuneration is determined, is available at <https://www.waystone.com/waystone-policies/>.

With respect to the financial year ended December 31, 2022 (as of that date, the management company had a headcount of 92 employees), the total fixed and variable remuneration paid by the management company to its employees amounted to EUR 6,680,489 and to EUR 865,638 respectively. The total remuneration paid by the management company to senior management and members of its staff whose actions have a material impact on the risk profile of the collective investment schemes managed amounted to EUR 3,736,655. The remuneration committee of the management company has reviewed the implementation of the remuneration policy and has not identified any deficiency in that respect. Moreover, the current version of the remuneration policy was updated and approved by the board of directors in the course of the financial year ended December 31, 2022, the current version being dated February 2022.

### **RISK EXPOSURE**

The Company uses a risk management procedure in accordance with the Law of 2010 and other applicable regulations, in particular CSSF Circular 18/698. This risk management procedure provides for the measurement and control of the overall risk of all funds using the commitment approach or the Value at Risk approach. The methodology used in order to calculate the Global Exposure is the commitment approach for all the Sub-Funds of the Company.

### **SFTR (EU REGULATION N 2015/2365)**

During the year ending December 31, 2022, the Company did not engage in transactions which are subject to EU regulation N 2015/ 2365 on the transparency of securities financing transactions and of reuse. Accordingly, no global, concentration or transaction data, or information on the reuse or safekeeping of collateral is required to be reported.

## Information for Shareholders (continued)

### **INFORMATION FOR INVESTORS IN SWITZERLAND**

The state of the origin of the fund is Luxembourg.

– The representative is Acolin Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich.

– The paying agent is Bank Vontobel Ltd, Gotthardstrasse 43, CH-8022 Zurich.

– The prospectus, the key information documents or the key investor information documents, the articles of incorporation, the list of purchases and sales as well as the annual and semi-annual reports may be obtained free of charge from the representative.

– The total expense ratio (TER) was calculated based on the version currently applicable of the “Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes” of the Asset Management Association Switzerland (AMAS).

Figures as at December 31, 2022

<b>Sub-Funds</b>	<b>Share Class(es)</b>	<b>TER (%)</b>
Strategy Fund	I (EUR)	1.41%
	L (EUR)	1.45%
	L (USD)	1.44%
	R (EUR)	2.85%
	R (USD)	2.84%
Spanish Equity	L (EUR)	1.69%
	L (USD)	1.65%
	R (EUR)	2.69%
	R (USD)	2.71%
European Flexible Bond Fund	L (EUR)	3.44%
	R (EUR)	4.48%

**Template periodic disclosure for financial products referred to in Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852**

**Product name:** EDM International - Strategy Fund

**Legal entity identifier:** 5493005VV8S3RN6YUR21

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

**Yes**

It made **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 made **sustainable investments with a social objective:** \_\_\_\_%

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a 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 promoted E/S characteristics, but **did not make any sustainable investments**

**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, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**To what extent were the environmental and/or social characteristics promoted by this financial product met?** *[list the environmental and/or social characteristics promoted by the financial product. For financial products referred to in Article 6 of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed. For financial products that made sustainable investments with social objectives, list the social objectives]*

. *The Sub-Fund promotes, among other characteristics, environmental and social characteristics according to article 8 of the SFDR but does not have as its objective a sustainable investment.*

*The Sub-Fund will have a high exposure to ESG related investments and aims to invest at least 50% of the Sub-Funds assets in investments which meet ESG score characteristics as defined hereafter.*

*To measure, monitor and verify the promotion of ESG characteristics of the financial product, the Managers consider several sustainability indicators. The main metrics used are:*

- *Specifically, the Sub-Fund follows an exclusion strategy that consists in excluding companies in which the revenues derived from gambling, pornography and the manufacture and delivery of controversial weaponry account for more than 10% of their total revenue.*

*The percentage of an individual issuer`s revenue that can be derived from activities specific businesses (for example, production of controversial weapons, gambling and adult entertainment - pornography) to determine if they meet the exclusion criteria of the product sector. The threshold is when it represents more than 10% of total revenue.*

- *The percentage of the portfolio with an ESG score  $\geq 50$ . This is the minimum ESG score requirement established for a company to be included in the investment universe of the product.*
- *The carbon intensity of the portfolio to determine if the product meets its carbon efficiency criteria.*
- *Management boards*

● **How did the sustainability indicators perform?**

*The performance was measured using different indicators.*

- *Related to the exclusion criteria, EDM reviews the threshold on a quarterly basis to ensure that is not being breached.*



*During 2022 we detected a passive breach in which the internal review procedure, engagement process and a final decision was applied. The follow-up process is reported in our Voting and Engagement Report which is public on our website.*

*It was less than 10% of the average weight of the portfolio.*

- *Regarding the percentage of the portfolio with a minimum ESG score of 50.*

*In EDM Strategy, all investee companies comply with ESG metrics and the established minimums, including risks and opportunities. This analysis is reviewed annually based on our internal methodology and compared with metric provided by the ESG data provider.*

*According to our internal ESG factor methodology, EDM Strategy scores 72 compared to 68 ESG risk score by the ESG data provider – both methodologies apply in a range of 0-100 (0: worst, 100: best).*

*100% of the portfolio meets the minimum score of 50 both in internal methodology and by external provider.*

*Internally we classify the portfolio based on ESG scores:*

- *Group 1 (scores of 50-70) is 20% of the portfolio.*
- *Group 2 (scores of 70-90) is 47% of the portfolio.*
- *Group 3 (scores of 90-100) is 26% of the portfolio.*

- *Carbon Footprint. At EDM we measure the average carbon intensity of the Sub-Fund and monitor its evolution on a quarterly basis. At EDM Strategy we measure and monitor 2022 data from June to December.*

*In June the average intensity of the portfolio was 162.88 t CO2/M EUR revenue*

*In September the average intensity of the portfolio was 155.78 t CO2/M EUR revenue*

*In December the average intensity of the portfolio was 179.71 t CO2/M EUR revenue*

*The increase in CO2 emissions in December was due to (i) an increase in weight in the Hotels, Restaurants & Leisure sector, (ii) the Fund's exposure to the Materials sector, specifically to the Chemical sector and in particular the increase in Industrial Gases sector, (iii) the Fund's exposure to Utilities. These are the most intensive sectors in CO2 emissions within the portfolio.*

- *Good corporate Governance practices, such as having a minimum of 30% independent members as well as 30% women on Board.*

*EDM Strategy meets these criteria in more than 75% of the portfolio.*

*Additionally, the performance was measured using SFDR Principal Adverse Impact (PAI) indicators:*

Adverse sustainability indicator	Metric	Impact [year n]	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>			
<b>Greenhouse gas emissions</b>	<b>1. GHG emissions</b>	Scope 1 GHG emissions	10748.536 tons CO <sub>2</sub> e
		Scope 2 GHG emissions	5266.9507 tons CO <sub>2</sub> e
		From 1 January 2023, Scope 3 GHG emissions	154683.31 tons CO <sub>2</sub> e
		Total GHG emissions	175342.1 tons CO <sub>2</sub> e
	<b>2. Carbon footprint</b>	Carbon footprint	646.2148 tons CO <sub>2</sub> e / EUR M invested
	<b>3. GHG intensity of investee companies</b>	GHG intensity of investee companies	1590.9862 tons CO <sub>2</sub> e / EUR M revenue
	<b>4. Exposure to companies active in the fossil fuel sector</b>	Share of investments in companies active in the fossil fuel sector	0 %
<b>5. Share of non-renewable energy consumption and production</b>	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	Consumption: 68.77 %	
<b>6. Energy consumption intensity per high impact climate sector</b>	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	Total: 0.48218724 GWh / EUR M revenue Sector B: 0.045671348 GWh / EUR M revenue Sector C: 0.5622628 GWh / EUR M revenue Sector D: 2.2700408 GWh / EUR M revenue	
<b>Biodiversity</b>	<b>7. Activities negatively affecting biodiversity-sensitive areas</b>	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	2.51 %
<b>Water</b>	<b>8. Emissions to water</b>	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	3.7300134e-7 tons / EUR M invested
<b>Waste</b>	<b>9. Hazardous waste ratio</b>	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.21112378 tons / EUR M invested
<b>SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>			
<b>Social and employee matters</b>	<b>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for</b>	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	9.75 %

<b>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</b>	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	0 %
<b>12. Unadjusted gender pay gap</b>	Average unadjusted gender pay gap of investee companies	10.47 %
<b>13. Board gender diversity</b>	Average ratio of female to male board members in investee companies	37 %
<b>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)</b>	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0 %

- **...and compared to previous periods?** *[include question for financial products where at least one previous periodic report was provided in accordance with Section 1 of Chapter V of Commission Delegated Regulation (EU) 202x/xxx]*

N/A

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.

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?** *[include question for financial products that made sustainable investments, where not included in the reply to the above question, describe the objectives. Describe how the sustainable investments contributed to the sustainable investment objective. For financial products referred to in Article 6 of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed.]*

N/A

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?** *[include question where the financial product includes sustainable investments]*

How were the indicators for adverse impacts on sustainability factors taken into account?

N/A

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

N/A

*[Include statement for financial products referred to in Article 6 of Regulation (EU) 2020/852]*  
 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.



### How did this financial product consider principal adverse impacts on sustainability factors? *[include section if the financial product considered principal adverse impacts on sustainability factors]*

*These impacts are considered by analyzing the evolution of the “mandatory” indicators established in Appendix 1, Table 1 and any relevant ones from Tables 2 and 3 (such as the companies with a policy to reduce carbon emissions) of the RTS regulation (2022/1288).*

*According to an established procedure, EDM also exercises its right to vote in investee companies.*

*EDM considers this right fundamental to ensure the proper management, not only of financial matters, but of environmental, social, and governance aspects as well.*

*EDM engages in active dialogue with the companies in which it invests to monitor the indicators it considers relevant and obtain an in-depth understanding of their policies regarding ESG and how these companies intend to address the evolution of the PAIS, if needed. Additionally, we monitor GHG emissions and carbon intensity.*

*Principal adverse impact indicators were selected based on the environmental and social objectives of this product.*

*Once selected, vendor data was sourced for each investment to assess the impact.*



### What were the top investments of this financial product?

Largest investments	Sector	Country	% Assets
NOVO NORDISKA/S/-B-	Pharmaceuticals	DENMARK	6,10%
ASML HOLDING NV	Semiconductors	NETHERLANDS	6,09%
AIRBUS SE	Aerospace/Defense	NETHERLANDS	5,94%
LVMH ACT.	Apparel	FRANCE	5,44%
ACCENTURE PLC	Computers	IRELAND	4,99%
ESSILORLUXOTT -ACT.	Healthcare-Products	FRANCE	4,80%
LINDE PLC	Chemicals	IRELAND	4,80%
DSV BEARER AND/OR REG SHS	Transportation	DENMARK	3,30%
SIKALTD	Building Materials	SWITZERLAND	3,19%
INFINEON TECHNOLOGIES/NAM.	Semiconductors	GERMANY	3,12%
BRENNTAG	Chemicals	GERMANY	3,07%
ROCHE HOLDING AG /GENUSSSCHEIN	Pharmaceuticals	SWITZERLAND	3,02%
SAFRAN SA	Aerospace/Defense	FRANCE	2,79%
DEUTSCHE POSTAG	Transportation	GERMANY	2,76%
ASM INTERNATIONALREG NV	Semiconductors	NETHERLANDS	2,71%

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period which is: **[complete]**



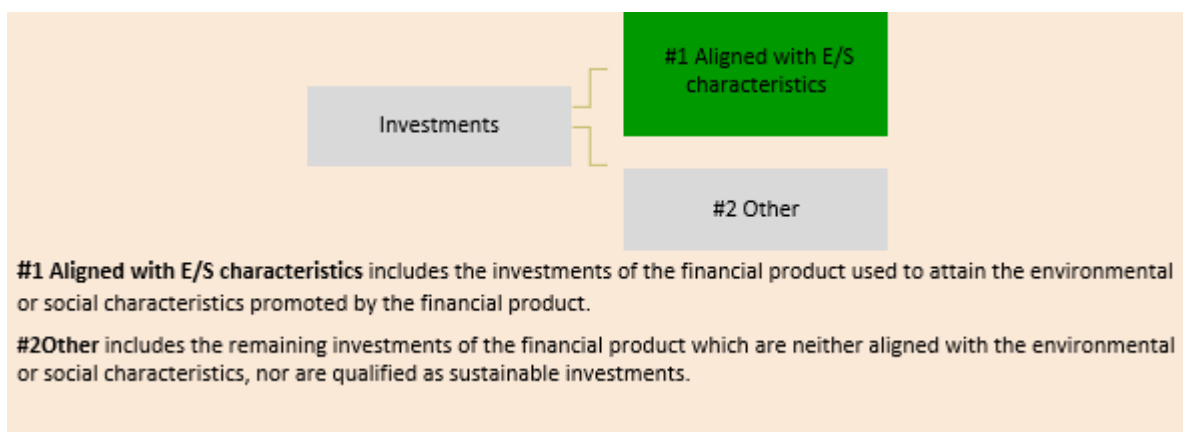
**What was the proportion of sustainability-related investments?**

*The Sub-fund expects to allocate 50% of its assets to investments adjusted to environmental and/or social aspects. The remaining 50% will consist primarily of ancillary liquid assets, cash equivalent fixed-income assets, and money market assets with maturities of less than one year. The Sub-fund does not commit to a minimum percentage of sustainable investments.*

**Asset allocation**

describes the share of investments in specific assets.

● **What was the asset allocation?**



● **In which economic sectors were the investments made?**

Sector weightings as of 30/12/2022

<b>Economic breakdown</b>	<b>%</b>
Pharmaceuticals and Cosmetics	18.33
Electronic Semiconductor	11.95
Aerospace Technology	8.75
Mechanics, Machinery	8.58
Chemicals	7.80
Transportation	6.08
Textile	5.46
Other Services	5.00
Construction, Building Material	4.31
Retail	2.37
Holding and Finance Companies	2.35
Food and Distilleries	2.04
Electronics and Electrical Equipment	1.86
Leisure	1.70
Healthcare Education & Social Services	1.67
Internet Software	1.62
Tobacco and Spirits	1.62
Business Houses	1.53
Public Services	0.98
	<b>94.00</b>

*[include note when for financial products referred to in Article 6 of Regulation (EU) 2020/852*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.

- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.

- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

*[include subsection for financial products referred to in Article 6 of Regulation (EU) 2020/852 and include in that text a narrative explanation of the proportion of investments that consist of sovereign exposures where the financial market participant cannot assess the extent to which those exposures contribute to Taxonomy-aligned economic activities. According to Article 61a(b)(i), include the indication of whether the compliance of the investments with the taxonomy was subject to an assurance by auditors or a review by third parties and, if so, the name of the auditor(s) or third party(ies). According to Article 61a(b)(iv), include the details of how equivalent information was obtained directly from investee companies or from third party providers]*

*The Sub-Fund does not currently commit to invest in any “sustainable investment” within the meaning of the Taxonomy Regulation. However, the position will be kept under the review as the underlying rules are finalized and the availability of reliable data increases over time.*

● **Did this financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?**

Yes: *[specify below, and details in the graphs of the box]*

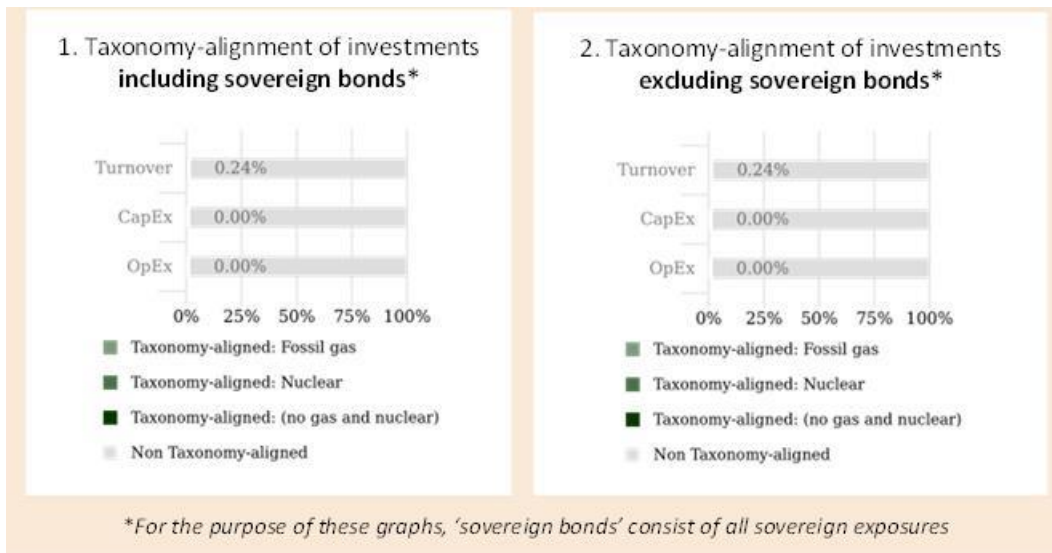
*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852]*

**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.

- In fossil gas
- In nuclear energy
- No

**The graphs below show in green the percentage of investments that were 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.**



● **What was the share of investments made in transitional and enabling activities?** *[include a breakdown of the proportions of investments during the reference period]*

The portfolio is 0.15% aligned with the EU Taxonomy through enabling activities only and 0.09% is own performance. So, 0.24% of the portfolio is aligned with Taxonomy.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?** *[include question where at least one previous periodic report was provided in accordance with Section 1 of Chapter V of Commission Delegated Regulation (EU) 202x/xxx]*

N/A



*[include note for financial products referred to in Article 6 of Regulation (EU) 2020/852 that invest in environmentally sustainable economic activities that are not environmentally sustainable economic activities]*

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



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?** *[include subsection only for financial products referred to in Article 6 of Regulation (EU) 2020/852 where the financial product included sustainable investments with an environmental objective that invested in economic activities that are not environmentally sustainable economic activities, and explain why the financial product invested in economic activities that were not Taxonomy-aligned]*

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



**What was the share of socially sustainable investments?** *[include question only where the financial product included sustainable investments with a social objective]*

N/A



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

*The “other investments” portion will consist of ancillary liquid assets, cash equivalent fixed-income assets, and money market assets with maturities of less than one year. Because these assets do not redirect capital flows toward sustainable investments, they have no minimum environmental and/or social guarantees.*



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

*An internal procedure has been developed at EDM in order to integrate ESG factors into the analysis.*

*ESG assessment is not only a way to mitigate investor risk, but also to align Funds with E/S objectives and ethical motivations.*

*The strategies that EDM Strategy applies to promote E/S characteristics are:*

- (1) Exclusionary screening. Sectors that do not conform to EDM’s philosophy and sustainability criteria are excluded.*
- (2) Analysis of ESG metrics. EDM Strategy does not invest in those companies that perform poorly in terms of sustainability. Through ESG integration, we use ESG data and ratings to assess material ESG risks and opportunities.*

*EDM methodology allows us to monitor and verify the evolution of ESG metrics. This analysis is updated annually and permits us to detect those companies which continue to advance in their process of addressing sustainable strategies and complying with responsible investment.*

*In addition, this ESG analysis is complemented by controversies, whether they are past or present actions which may affect the achievement of E/S characteristics.*

*In EDM Strategy, we highlight the case of Teleperformance which carried out an engagement process with the company after the Forbes article accusing Teleperformance of storing inappropriate videos. Although the financial risk was very limited, EDM Strategy Team decided to divest completely since the potential reputational risk is very high and it does not meet Social and Governance criteria.*

*The internal methodology consists of complying with the established ESG metrics in order to achieve the E/S characteristics. In the case of a low score or doubts about not meeting the criteria, the engagement process will be carried out to expand the information and if doubts persist, the position will be totally disinvested.*



**How did this financial product perform compared to the reference benchmark?**

*[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

N/A

*No reference benchmark has been designated to attain the environmental and social characteristics promoted.*

- **How does the reference benchmark differ from a broad market index?**

N/A

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- **How did this financial product perform compared with the reference benchmark?**

N/A

- **How did this financial product perform compared with the broad market index?**

*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

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

Annex III

ANNEX IV

Template periodic disclosure for financial products referred to in Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852

**Product name:** EDM International – Spanish Equity Fund

**Legal entity identifier:** 5493005VV8S3RN6YUR21

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?** *[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]*

**Yes**

It made **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 made **sustainable investments with a social objective:** \_\_\_\_%

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a 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 promoted E/S characteristics, but **did not make any sustainable investments**

**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, establishing a list of **environmentally sustainable economic activities**. For the time being, it does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**To what extent were the environmental and/or social characteristics promoted by this financial product met? *[list the environmental and/or social characteristics promoted by the financial product. For financial products referred to in Article 6 of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed. For financial products that made sustainable investments with social objectives, list the social objectives]***

*The Sub-Fund will be automatically categorized as an article 8 product according to the SFDR, i.e. a sub-fund that promotes, among other characteristics, environmental and social characteristics but does not have as its objective a sustainable investment, due to the fact that the Master Fund I in which the Sub-Fund invests, is categorized as an article 8 SFDR product. The Sub-Fund will have a high exposure to ESG related investments and aims to invest at least 50% of the Sub-Funds assets in investments which meet ESG score characteristics as defined hereafter*

*To measure, monitor and verify the promotion of ESG characteristics of the financial product, the Managers consider several sustainability indicators. The main metrics used are:*

- Specifically, the Sub-Fund follows an exclusion strategy that consists in excluding companies in which the revenues derived from gambling, pornography and the manufacture and delivery of controversial weaponry account for more than 10% of their total revenue.

*The percentage of an individual issuer`s revenue that can be derived from activities specific businesses (for example, production of controversial weapons, gambling and adult entertainment - pornography) to determine if they meet the exclusion criteria of the product sector. The threshold is when it represents more than 10% of total revenue.*

- *The percentage of the portfolio with an ESG score  $\geq 50$ . This is the minimum ESG score requirement established for a company to be included in the investment universe of the product.*
- *The carbon intensity of the portfolio to determine if the product meets its carbon efficiency criteria.*
- *Management boards*

● **How did the sustainability indicators perform?**

*The performance was measured using different indicators.*

- *Related to the exclusion criteria, EDM reviews the threshold on a quarterly basis to ensure that is not being breached.*

*During 2022 we detected a passive breach in which the internal review procedure, engagement process and a final decision was applied. The follow-up process is reported in our Voting and Engagement Report which is public on our website.*

*It was less than 5% of the average weight of the portfolio.*

- *Regarding the percentage of the portfolio with a minimum ESG score of 50.*

*The Sub-Fund invests in companies that complies with ESG metrics and the established minimums, including risks and opportunities. This analysis is reviewed annually based on our internal methodology and compared with metric provided by the ESG data provider.*

*According to our internal ESG factor methodology, the Sub-Fund scores 69 compared to 63 ESG risk score by the ESG data provider – both methodologies apply in a range of 0-100 (0: worst, 100: best).*

*Most of the portfolio's holdings meet the minimum ESG criteria required by the EDM methodology. The analysis is complemented by an engagement process to expand all the necessary information, especially in those companies for which we do not have enough data and for which the external ESG data provider penalizes them (such as Inmobiliaria Colonial or Vidrala).*

*Internally we classify the portfolio based on ESG scores:*

- *Group 1 (scores of 50-70) is 46% of the portfolio.*
- *Group 2 (scores of 70-90) is 38% of the portfolio.*
- *Group 3 (scores of 90-100) is 12% of the portfolio.*

- *Carbon Footprint. At EDM we measure the average carbon intensity of the Sub-Fund and monitor its evolution on a quarterly basis. We measure and monitor 2022 data from June to December.*

*In June the average intensity of the portfolio was 163.78 t CO2/M EUR revenue*

*In September the average intensity of the portfolio was 139.94 t CO2/M EUR revenue*

*In December the average intensity of the portfolio was 150.94 t CO2/M EUR revenue*

*The increase in CO2 emissions in December was due to (i) excellent performance of Energy sector in 2022, which increased the weight of the portfolio – Repsol, (ii) as well as the increase in the weight of Industrials and Materials sector; although relative Ibex-35, invested companies in the portfolio are less CO2 intensive.*

- *Good corporate Governance practices, such as having a minimum of 30% independent members as well as 30% women on Board.*

## EDM INTERNATIONAL

### SFDR (SUSTAINABLE FINANCE DISCLOSURE REGULATION) (Continued)

*In relation to Independence, the Sub-Fund meets these criteria in more than 75% of the portfolio, while in terms of Women on Board the Sub-Funds meets these criteria in more than 60% of the portfolio.*

*Additionally, the performance was measured using SFDR Principal Adverse Impact (PAI) indicators:*

Adverse sustainability indicator	Metric	Impact [year n]	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>			
<b>Greenhouse gas emissions</b>	<b>1. GHG emissions</b>	Scope 1 GHG emissions	15122.28 tons CO2e
		Scope 2 GHG emissions	5080.2383 tons CO2e
		From 1 January 2023, Scope 3 GHG emissions	107900.41 tons CO2e
		Total GHG emissions	124701.03 tons CO2e
	<b>2. Carbon footprint</b>	Carbon footprint	667.8741 tons CO2e / EUR M invested
	<b>3. GHG intensity of investee companies</b>	GHG intensity of investee companies	828.97943 tons CO2e / EUR M revenue
	<b>4. Exposure to companies active in the fossil fuel sector</b>	Share of investments in companies active in the fossil fuel sector	14.84 %
<b>5. Share of non-renewable energy consumption and production</b>	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	Consumption: 65.96 %	
<b>6. Energy consumption intensity per high impact climate sector</b>	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	Total: 0.327556 GWh / EUR M revenue Sector B: n/a Sector C: 0.32917857 GWh / EUR M revenue	
<b>Biodiversity</b>	<b>7. Activities negatively affecting biodiversity-sensitive areas</b>	Share of investments in investee companies with sites/operations located in or near to biodiversity- sensitive areas where activities of those investee companies negatively affect those areas	6.47 %
<b>Water</b>	<b>8. Emissions to water</b>	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.0023357617 tons / EUR M invested
<b>Waste</b>	<b>9. Hazardous waste ratio</b>	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	30.740435 tons / EUR M invested
<b>SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>			
<b>Social and employee matters</b>	<b>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational</b>	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	6.47 %

<b>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</b>	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	0 %
<b>12. Unadjusted gender pay gap</b>	Average unadjusted gender pay gap of investee companies	10.07 %
<b>13. Board gender diversity</b>	Average ratio of female to male board members in investee companies	28.21 %
<b>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)</b>	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0 %

- **...and compared to previous periods?** *[include question for financial products where at least one previous periodic report was provided in accordance with Section 1 of Chapter V of Commission Delegated Regulation (EU) 202x/xxx]*

N/A

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?** *[include question for financial products that made sustainable investments, where not included in the reply to the above question, describe the objectives. Describe how the sustainable investments contributed to the sustainable investment objective. For financial products referred to in Article 6 of Regulation (EU) 2020/852, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed.]*

N/A

- **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?** *[include question where the financial product includes sustainable investments]*

How were the indicators for adverse impacts on sustainability factors taken into account?

**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.



N/A

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

N/A

*[Include statement for financial products referred to in Article 6 of Regulation (EU) 2020/852]*

*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.*



**How did this financial product consider principal adverse impacts on sustainability factors?** *[include section if the financial product considered principal adverse impacts on sustainability factors]*

*These impacts are considered by analyzing the evolution of the “mandatory” indicators established in Appendix 1, Table 1 and any relevant ones from Tables 2 and 3 (such as the companies with a policy to reduce carbon emissions) of the RTS regulation (2022/1288).*

*According to an established procedure, EDM also exercises its right to vote in investee companies.*

*EDM considers this right fundamental to ensure the proper management, not only of financial matters, but of environmental, social, and governance aspects as well.*

*EDM engages in active dialogue with the companies in which it invests to monitor the indicators it considers relevant and obtain an in-depth understanding of their policies regarding ESG and how these companies intend to address the evolution of the PAIS, if needed. Additionally, we monitor GHG emissions and carbon intensity.*

*Principal adverse impact indicators were selected based on the environmental and social objectives of this product.*

*Once selected, vendor data was sourced for each investment to assess the impact.*



### What were the top investments of this financial product?

Largest investments	Sector	Country	% Assets
Industria de Diseno Textil SA (Inditex)	Retail	SPAIN	6,49%
Grupo Catalana Occidente SA	Insurance	SPAIN	6,44%
Gestamp Automocion SA	Auto Parts&Equipment	SPAIN	6,19%
Repsol SA	Oil&Gas	SPAIN	6,19%
LOGISTA HOLDINGS	Transportation	SPAIN	4,80%
CIE Automotive SA	Auto Parts&Equipment	SPAIN	4,65%
Global Dominion Access SA	Commercial Services	SPAIN	4,37%
Tubacex SA	Metal Fabricate/Hardware	SPAIN	4,04%
Coca-Cola European Partners PL	Beverages	BRITAIN	3,99%
Befesa SA	Environmental Control	LUXEMBOURG	3,79%
Cellnex Telecom SA	Engineering&Construction	SPAIN	3,77%
Applus Services SA	Commercial Services	SPAIN	3,64%
Viscofan SA	Food	SPAIN	3,60%
Grifols SA	Pharmaceuticals	SPAIN	3,57%
Fluidra SA	Environmental Control	SPAIN	3,44%

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **[complete]**

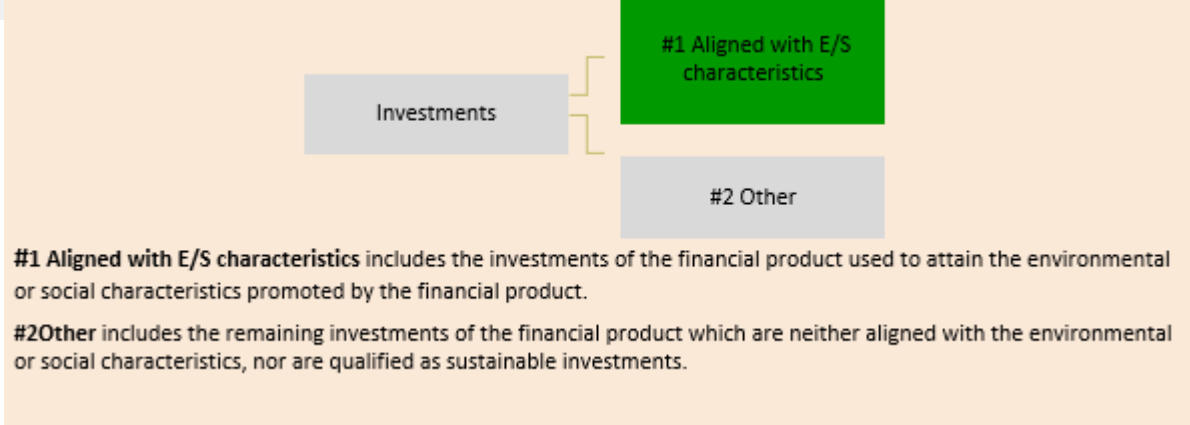


### What was the proportion of sustainability-related investments?

*The Sub-fund expects to allocate 50% of its assets to investments adjusted to environmental and/or social aspects. The remaining 50% will consist primarily of ancillary liquid assets, cash equivalent fixed-income assets, and money market assets with maturities of less than one year. The Sub-fund does not commit to a minimum percentage of sustainable investments.*

● **What was the asset allocation?**

**Asset allocation** describes the share of investments in specific assets.



**In which economic sectors were the investments made?**

Sector weightings as of 30/12/2022

Sector	weight
Industrials	22,11%
Consumer Discretionary	17,30%
Materials	12,83%
Financials	9,24%
Consumer Staples	7,59%
Health Care	6,91%
Energy	6,18%
Real Estate	6,18%
Information Technology	4,36%
Communication Services	3,76%
Utilities	2,87%



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?** *[include subsection for financial products referred to in Article 6 of Regulation (EU) 2020/852 and include in that text a narrative explanation of the proportion of investments that consist of sovereign exposures where the financial market participant cannot assess the extent to which those exposures contribute to Taxonomy-aligned economic activities. According to Article 61a(b)(i), include the indication of whether the compliance of the investments with the taxonomy was subject to an assurance by auditors or a review by third parties and, if so, the name of the auditor(s) or third party(ies). According to Article 61a(b)(iv), include the details of how equivalent information was obtained directly from investee companies or from third party providers]*

*The Sub-Fund does not currently commit to invest in any “sustainable investment” within the meaning of the Taxonomy Regulation. However, the position will be kept under the review as the underlying rules are finalized and the availability of reliable data increases over time.*

**Did this financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?**

Yes: *[specify below, and details in the graphs of the box]*

In fossil gas       In nuclear energy

No

*[include note when for financial products referred to in Article 6 of Regulation (EU) 2020/852*

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.

- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.

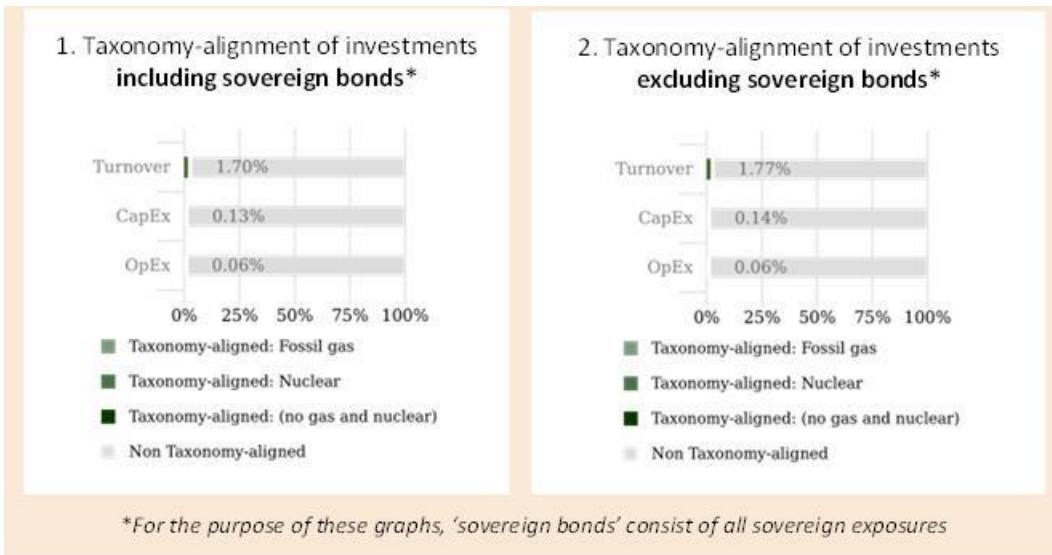
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

*[include note only for financial products referred to in Article 6 of Regulation (EU) 2020/852]*

**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.

**The graphs below show in green the percentage of investments that were 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.**



- **What was the share of investments made in transitional and enabling activities?** *[include a breakdown of the proportions of investments during the reference period]*

1.53% of the portfolio is aligned with the EU Taxonomy through transitional activities, 0.09% is aligned through enabling activities and 0.08% is own performance. So, 1.70% of the portfolio is aligned with Taxonomy.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?** *[include question where at least one previous periodic report was provided in accordance with Section 1 of Chapter V of Commission Delegated Regulation (EU) 202x/xxx]*

N/A

*[include note for financial products referred to in Article 6 of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*

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



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?** *[include subsection only for financial products referred to in Article 6 of Regulation (EU) 2020/852 where the financial product included sustainable investments with an environmental objective that invested in economic activities that are not environmentally sustainable economic activities, and explain why the financial product invested in economic activities that were not Taxonomy-aligned]*

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



**What was the share of socially sustainable investments?** *[include question only where the financial product included sustainable investments with a social objective]*

N/A



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

*The “other investments” portion will consist of ancillary liquid assets, cash equivalent fixed-income assets, and money market assets with maturities of less than one year. Because these assets do not redirect capital flows toward sustainable investments, they have no minimum environmental and/or social guarantees.*



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

*An internal procedure has been developed at EDM in order to integrate ESG factors into the analysis.*

*ESG assessment is not only a way to mitigate investor risk, but also to align Funds with E/S objectives and ethical motivations.*

*The strategies that the Sub-Fund applies to promote E/S characteristics are:*

- (1) Exclusionary screening. Sectors that do not conform to EDM’s philosophy and sustainability criteria are excluded.*
- (2) Analysis of ESG metrics. The Sub-Fund does not invest in those companies that perform poorly in terms of sustainability. Through ESG integration, we use ESG data and ratings to assess material ESG risks and opportunities.*

*EDM methodology allows us to monitor and verify the evolution of ESG metrics. This analysis is updated annually and permits us to detect those companies which continue to advance in their process of addressing sustainable strategies and complying with responsible investment.*

*In addition, this ESG analysis is complemented by controversies, whether they are past or present actions which may affect the achievement of E/S characteristics.*

*The internal methodology consists of complying with the established ESG metrics in order to achieve the E/S characteristics. In the case of a low score or doubts about not meeting the criteria, the engagement process will be carried out to expand the information and if doubts persist, the position will be totally disinvested.*



**How did this financial product perform compared to the reference benchmark?**

*[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

*[include note for financial products where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product]*

N/A

*No reference benchmark has been designated to attain the environmental and social characteristics promoted.*

● **How does the reference benchmark differ from a broad market index?**

N/A

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

● **How did this financial product perform compared with the reference benchmark?**

N/A

● **How did this financial product perform compared with the broad market index?**

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

Template periodic 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: EDM European Flexible Bond Fund

Legal entity identifier: 549300JIS2FERJ3WU556

## 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.

<b>Did this financial product have a sustainable investment objective?</b> <i>[tick and fill in as relevant, the percentage figure represents the minimum commitment to sustainable investments]</i>	
<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ____%	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> _____%	<input type="checkbox"/> with a social objective
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> _____%	<input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



**To what extent were the environmental and/or social characteristics by this financial product met?** *[[list the environmental and/or social characteristics promoted by the financial product. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852, in respect of sustainable investments with environmental objectives, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed. For financial products that made sustainable investments with social objectives, list the social objectives]*

The Sub-Fund will be automatically categorized as an article 8 product according to the SFDR, i.e.



a sub-fund that promotes, among other characteristics, environmental and social characteristics but does not have as its objective a sustainable investment, due to the fact that the Master Fund II in which the Sub-Fund invests, is categorized as an article 8 SFDR product. *At least 50% of the Sub-Fund's assets will be dedicated to the promotion of these characteristics.*

*To measure, monitor and verify the promotion of ESG characteristics of the financial product, the Managers consider several sustainability indicators. The main metrics used are:*

- Specifically, the Sub-Fund follows an exclusion strategy that consists in excluding companies in which the revenues derived from gambling, pornography and the manufacture and delivery of controversial weaponry account for more than 10% of their total revenue.

*The percentage of an individual issuer's revenue that can be derived from activities specific businesses (for example, production of controversial weapons, gambling and adult entertainment - pornography) to determine if they meet the exclusion criteria of the product sector. The threshold is when it represents more than 10% of total revenue.*

- *The percentage of the portfolio with an ESG score  $\geq 50$ . This is the minimum ESG score requirement established for a company to be included in the investment universe of the product.*
- *The carbon intensity of the portfolio to determine if the product meets its carbon efficiency criteria.*
- *Management board*

● **How did the sustainability indicators perform?**

*The performance was measured using different indicators.*

- *Related to the exclusion criteria, EDM reviews the threshold on a quarterly basis to ensure that is not being breached.*

*The Sub-Fund complied with the exclusion criteria, and we do not identify any passive breach within the Sub-Fund.*

- *Regarding the percentage of the portfolio with a minimum ESG score of 50. Most companies meet a minimum ESG score of 50. Companies that do not achieve a minimum score are due to a lack of data to be able to analyze ESG factors. For this reason, in our procedure we leave a period of 12 months for companies to integrate their strategic plans.*

*73 companies in the Sub-Fund obtain an ESG score. This represents 83% of the portfolio that meets the minimum score.*

*According to our internal ESG factor methodology, the Sub-Fund scores 65 in a range of 0-100 (0: worst, 100: best).*

*Internally we classify the portfolio based on ESG scores:*

- *Group 1 (score of N/R-50) is 16% of the portfolio.*
- *Group 2 (scores of 50-70) is 60% of the portfolio.*
- *Group 3 (scores of 70-90) is 24% of the portfolio.*
- *Group 4 (scores of 90-100) is 0% of the portfolio.*

- *Carbon Footprint. At EDM we measure the average carbon intensity of the Sub-Fund and monitor its evolution on a quarterly basis. At EDM we measure and monitor 2022 data from June to December.*

*In June the average intensity of the portfolio was 165,13 t CO<sub>2</sub>/M EUR revenue*

*In December the average intensity of the portfolio was 128,11 t CO<sub>2</sub>/M EUR revenue*

*The Sub-Fund identifies which sectors are more intensive in GHG emissions above the average emissions: mainly due to the Energy and Utilities sectors.*

*Additionally, we identified the percentage of the portfolio invested in green bonds, which at December 30 was 11.4% of the total portfolio.*

- *Good corporate Governance practices, such as having a minimum of 30% independent members as well as 30% women on Board.*

*The Sub-Fund meets these criteria in more than 60% of the portfolio.*

*Additionally, the performance was measured using SFDR Principal Adverse Impact (PAI) indicators:*

## SFDR (SUSTAINABLE FINANCE DISCLOSURE REGULATION) (Continued)

Adverse sustainability indicator	Metric	Impact [year n]	
<b>CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS</b>			
<b>Greenhouse gas emissions</b>	<b>1. GHG emissions</b>	Scope 1 GHG emissions	7389.721 tons CO <sub>2</sub> e
		Scope 2 GHG emissions	2035.2072 tons CO <sub>2</sub> e
		From 1 January 2023, Scope 3 GHG emissions	54459.934 tons CO <sub>2</sub> e
		Total GHG emissions	69783.61 tons CO <sub>2</sub> e
	<b>2. Carbon footprint</b>	Carbon footprint	455.95114 tons CO <sub>2</sub> e / EUR M invested
	<b>3. GHG intensity of investee companies</b>	GHG intensity of investee companies	914.67346 tons CO <sub>2</sub> e / EUR M revenue
	<b>4. Exposure to companies active in the fossil fuel sector</b>	Share of investments in companies active in the fossil fuel sector	5.42 %
<b>5. Share of non-renewable energy consumption and production</b>	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	Consumption: 69.7 %	
<b>6. Energy consumption intensity per high impact climate sector</b>	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	Total: 0.5417815 GWh / EUR M revenue Sector B: 30.83358 GWh / EUR M revenue Sector C: 0.34115392 GWh / EUR M revenue Sector D: 1.4594096 GWh / EUR M revenue	
<b>Biodiversity</b>	<b>7. Activities negatively affecting biodiversity-sensitive areas</b>	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0 %
<b>Water</b>	<b>8. Emissions to water</b>	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	1.6221337e-7 tons / EUR M invested
<b>Waste</b>	<b>9. Hazardous waste ratio</b>	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.4424529 tons / EUR M invested
<b>SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b>			
<b>Social and employee matters</b>	<b>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD)</b>	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0 %

	<b>Guidelines for Multinational Enterprises</b>		
	<b>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises</b>	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	1.77 %
	<b>12. Unadjusted gender pay gap</b>	Average unadjusted gender pay gap of investee companies	8.3 %
	<b>13. Board gender diversity</b>	Average ratio of female to male board members in investee companies	35.77 %
	<b>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)</b>	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0 %

- **...and compared to previous periods?** *[include for financial products where at least one previous periodic report was provided]*

N/A

- **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?** *[include for financial products that made sustainable investments, where not included in the reply to the above question, describe the objectives. Describe how the sustainable investments contributed to the sustainable investment objective. For the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/8520, list the environmental objectives set out in Article 9 of that Regulation to which the sustainable investment underlying the financial product contributed]*

N/A

*How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective? [include where the financial product includes sustainable investments]*

N/A

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

N/A

**[Include statement for financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852]**

*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 Union criteria.*

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

**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 did this financial product consider principal adverse impacts on sustainability factors? *[include section if the financial product considered principal adverse impacts on sustainability factors]*

*These impacts are considered by analyzing the evolution of the “mandatory” indicators established in Appendix 1, Table 1 and any relevant ones from Tables 2 and 3 (such as the companies with a policy to reduce carbon emissions) of the RTS regulation (2022/1288).*

*According to an established procedure, EDM also exercises its right to vote in investee companies.*

*EDM considers this right fundamental to ensure the proper management, not only of financial matters, but of environmental, social, and governance aspects as well.*

*EDM engages in active dialogue with the companies in which it invests to monitor the indicators it considers relevant and obtain an in-depth understanding of their policies regarding ESG and how these companies intend to address the evolution of the PAIS, if needed. Additionally, we monitor GHG emissions and carbon intensity.*

*Principal adverse impact indicators were selected based on the environmental and social objectives of this product. Once selected, vendor data was sourced for each investment to assess the impact.*

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **[complete]**



### What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
DBR 1.7 08/15/32	Government Bonds	2.65%	Germany
TTMTIN 3.875 03/01/23 REGS	Consumer Discretionary	1.81%	United Kingdom
SPGB 2.55 10/31/32	Government Bonds	1.73%	Spain
MEDGAM F 11/27/24	Real Estate	1.64%	Malta
Lar Espana Real Estate Socimi 22/07/2026 EUR	Real Estate	1.53%	Spain
VGPBB 3.9 09/21/23	Real Estate	1.43%	Belgium
CESA 5.2 06/26/23	Industrials	1.43%	Spain
SCYRSM 3.25 04/02/24 EMTN	Industrials	1.43%	Spain
ANASM 1.08 02/08/23 EMTN	Financials	1.43%	Spain
F 1.514 02/17/23	Financials	1.42%	United States
TEVA 1.25 03/31/23	Health Care	1.41%	Netherlands
KYGID 2.375 09/10/25	Financials	1.4%	Ireland
Enel 16/09/2024 EUR	Financials	1.37%	Netherlands
KERFP 1.25 05/05/25 EMTN	Consumer Discretionary	1.36%	France
VOVCAB 2 01/24/25 EMTN	Consumer Discretionary	1.36%	Sweden



**What was the proportion of sustainability-related investments?**

● **What was the asset allocation?**

**Asset allocation** describes the share of investments in specific assets.

*[Include only relevant boxes, remove irrelevant ones for the financial product]*

```

graph LR
    Investments --> N1["#1 Aligned with E/S characteristics"]
    Investments --> N2["#2 Other"]
    N1 --> N1A["#1A Sustainable"]
    N1 --> N1B["#1B Other E/S characteristics"]
    N1A --> TA["Taxonomy-aligned"]
    N1A --> OE["Other environmental"]
    N1B --> S["Social"]
    
```

**#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.

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

*[Include note below where the financial product commits to making sustainable investments]*  
 The category **#1 Aligned with E/S characteristics** covers:  
 - The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.  
 - The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **In which economic sectors were the investments made?**

INDUSTRY SECTOR	WEIGHT
CONSUMER, NON-CYCLICAL	20,50%
CONSUMER, CYCLICAL	13,70%
INDUSTRIAL	12,40%
FINANCIAL	10,90%
GOVERNMENT	10,20%
TECHNOLOGY	7,20%
COMMUNICAITONS	4,10%
UTILITIES	3,80%
BASIC MATERIALS	3,00%
ENERGY	0,80%
DIVERSIFIED	0,70%
N/I	12,70%

*[include note for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852.*

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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

*[include note only for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852*

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.



**To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?** *[include section for the financial products referred to in Article 6, first paragraph, of Regulation (EU) 2020/852 and include information in accordance with Article 51 of this Regulation]*

*The Sub-Fund does not currently commit to invest in any “sustainable investment” within the meaning of the Taxonomy Regulation. However, the position will be kept under the review as the underlying rules are finalized and the availability of reliable data increases over time.*

**Did this financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy?**

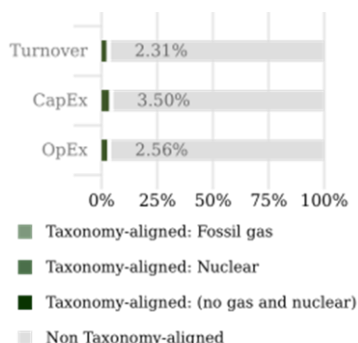
Yes: *[specify below, and details in the graphs of the box]*

In fossil gas       In nuclear energy

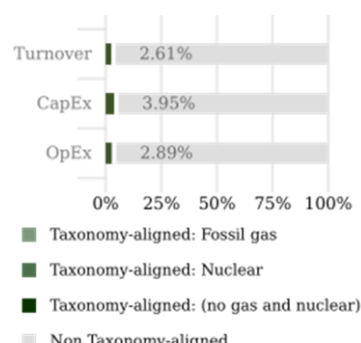
No

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

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures



- **What was the share of investments made in transitional and enabling activities?** *[include a breakdown of the proportions of investments during the reference period]*

*0.01% of the portfolio is aligned with the EU Taxonomy through transitional activities, 0.57% is aligned through enabling activities and 1.73% own performance. So, 2.31% of the portfolio is aligned with Taxonomy.*

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?** *[include where at least one previous periodic report was provided]*

N/A.

*[include note for the financial products referred to in Article 5, first paragraph, of Regulation (EU) 2020/852 that invest in environmental economic activities that are not environmentally sustainable economic activities]*



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



- **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?** *[[include section only for the financial products referred to in Article 6, first subparagraph, of Regulation (EU) 2020/852 where the financial product included sustainable investments with an environmental objective that invested in economic activities that are not environmentally sustainable economic activities, and explain why the financial product invested in economic activities that were not Taxonomy-aligned]*

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



- **What was the share of socially sustainable investments?** *[include only where the financial product includes sustainable investments with a social objective]*

N/A.



- **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

*The “other investments” portion will consist of ancillary liquid assets, cash equivalent fixed-income assets, and money market assets with maturities of less than one year. Because these assets do not redirect capital flows toward sustainable investments, they have no minimum environmental and/or social guarantees.*



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?** *[list the actions taken within in the period covered by the periodic report to meet the environmental or social characteristics promoted by the financial product, including shareholder engagement as referred to in Article 3g of Directive 2007/36/EC and any other engagement relating to the environmental or social characteristics promoted by the financial product]*

*An internal procedure has been developed at EDM in order to integrate ESG factors into the analysis.*

*ESG assessment is not only a way to mitigate investor risk, but also to align Funds with E/S objectives and ethical motivations.*

*The strategies that EDM Strategy applies to promote E/S characteristics are:*

- (1) Exclusionary screening. Sectors that do not conform to EDM's philosophy and sustainability criteria are excluded.*
- (2) Analysis of ESG metrics. The Sub-Fund does not invest in those companies that perform poorly in terms of sustainability. Through ESG integration, we use ESG data and ratings to assess material ESG risks and opportunities.*

*EDM methodology allows us to monitor and verify the evolution of ESG metrics. This analysis is updated annually and permits us to detect those companies which continue to advance in their process of addressing sustainable strategies and complying with responsible investment.*

*In addition, this ESG analysis is complemented by controversies, whether they are past or present actions which may affect the achievement of E/S characteristics.*

*The internal methodology consists of complying with the established ESG metrics in order to achieve the E/S characteristics. In the case of a low score or doubts about not meeting the criteria, the engagement process will be carried out to expand the information and if doubts persist, the position will be totally disinvested.*

*[include note for the financial products referred to in Article 9(1) of Regulation (EU) 2019/2088]*

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable objective.



**How did this financial product perform compared to the reference benchmark?** *[include section where an index has been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the financial product and indicate where the methodology used for the calculation of the designated index can be found]*

N/A

*No reference benchmark has been designated to attain the environmental and social characteristics promoted.*

● **How does the reference benchmark differ from a broad market index?**

N/A

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A