

# Alken Fund

Société d'investissement à capital variable

Annual report, including audited financial  
statements, as at December 31, 2022

R.C.S. Luxembourg B111842



# Alken Fund

Société d'investissement à capital variable  
(a Luxembourg domiciled open-ended investment company)

Annual report, including audited financial statements,  
as at December 31, 2022

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No subscription can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus accompanied by the Key Investor Information Documents ("KIIDs"), the Key Information Documents ("KIDs"), the latest annual report, including audited financial statements, and the most recent unaudited semi-annual report, if published thereafter.

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# Alken Fund

## Organisation of the SICAV

Registered Office	15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the SICAV	
Chairman	Ms Michèle BERGER, Independent Director, 12, rue Guillaume Schneider, L-2522 Luxembourg, Grand Duchy of Luxembourg
Directors	Mr Claude-Joseph PECH, Equity Partner, Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg  Mr Bruno VANDERSCHULDEN, Independent Director, VDS Consult, 23, rue des Bruyères, L-1274 Hesperange, Grand Duchy of Luxembourg
Management Company	AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg
Board of Directors of the Management Company	Mr Philipp GREGOR, Managing Director, AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg  Mrs Amélie GUITTET-GARREAU, Independent Certified Director, ICFO S.A., 3, rue Belle-Vue, L-1227 Luxembourg, Grand Duchy of Luxembourg  Mr Jean-Christoph ARNTZ, Independent Certified Director, 5, rue de Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg  Mr Randall DUX, Director, Bannatyne Plantation House, 17030 Christ Church, Barbados (since May 19, 2022)
Persons in charge to conduct the Management Company	Mr Philipp GREGOR, Managing Director, AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg  Mr Stefano PORTOLAN, Conducting Officer, AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg (until February 28, 2022)  Mr Vincenzo PITRONE, Conducting Officer, AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg  Mr Romain NYGA, Conducting Officer, AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg (since April 16, 2022)
Investment Manager	Alken Asset Management Ltd., 25 Savile Row, London W1S 2ER, United Kingdom
Depository Bank	Pictet & Cie (Europe) S.A., 15A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

# Alken Fund

## Organisation of the SICAV (continued)

Central Administration Agent	FundPartner Solutions (Europe) S.A., 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
Cabinet de Révision agréé/Auditor	Deloitte Audit, <i>Société à responsabilité limitée</i> , 20, boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg
Promoter	AFFM S.A., 3, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg
Swiss Representative	FundPartner Solutions (Suisse) SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland
Swiss Paying Agent	Banque Pictet & Cie SA, 60, route des Acacias, CH-1211 Geneva 73, Switzerland
Facility Service Agent	Alken Asset Management Ltd., 25 Savile Row, London W1S 2ER, United Kingdom
Counterparty on Forward Foreign Exchange Contracts (note 10)	Pictet & Cie (Europe) S.A. Luxembourg
Counterparty on Contracts for Difference (note 12)	UBS AG London

## General information

Alken Fund (the "SICAV") publishes an annual report, including audited financial statements, within four months after the end of the financial year and an unaudited semi-annual report within two months after the end of the period to which it refers.

All these reports are made available to the Shareholders free of charge at the registered office of the SICAV, the Depositary Bank and other establishments appointed by the Depositary Bank.

Any other financial information to be published concerning the SICAV, including the Key Investor Information Documents ("KIIDs"), the Key Information Documents ("KIDs"), the issue, redemption and conversion price of the shares, is available to the public at the registered office of the SICAV and the Depositary Bank.

The net asset value per share, the issue price and the redemption price are available, in Luxembourg, at the offices of the Depositary Bank.

Any amendments to the articles of incorporation will be published in the *Recueil Electronique des Sociétés et Associations* ("RESA").

A detailed schedule of changes in the investments of the SICAV for the year ended December 31, 2022, is available free of charge upon request at the registered office of the SICAV.

# Alken Fund

## Distribution abroad

### OFFER IN SWITZERLAND

The SICAV has been authorised in Switzerland as a foreign investment fund.

<b>Representative</b>	The representative in Switzerland is FundPartner Solutions (Suisse) SA (the "Representative"), 60, route des Acacias, CH-1211 Geneva 73, Switzerland.
<b>Paying agent</b>	The paying agent in Switzerland is Banque Pictet & Cie SA with its registered office in 60, route des Acacias, CH-1211 Geneva 73, Switzerland.
<b>Place of distribution of reference documents</b>	The latest prospectus and the key information documents of the sub-funds distributed in Switzerland, the articles of incorporation and the annual report, including audited financial statements, and unaudited semi-annual report are available free of charge from the Representative.

The list of purchases and sales that have taken place during the financial year under review is available free of charge on request to the Representative in Switzerland.

### DISTRIBUTION IN GERMANY

<b>Additional information for investors in Germany</b>	Information Agent: Zeidler Legal Services Rechtsanwaltsgesellschaft mbH Bettinastrasse 48 D-60325 Frankfurt am Main Germany
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## Management report

### **MANAGEMENT REPORT 2022**

#### **Equity Market Review and Outlook**

Equity markets remained volatile in the year's first quarter, largely driven by political developments in Eastern Europe. Inflation data continued to be higher than expected driving monetary policy decisions with the US Federal Reserve announcing a rate hike and anticipating further increases in coming months. Commodity-related sectors maintained their leadership reflecting persistent worries about demand and supply imbalances.

Also, during the second quarter of the year were under significant pressure in June as sentiment deteriorated considerably, reflecting rising recessionary risks. Economic indicators missed expectations and point to slowing economic activity, however, central banks remain committed to addressing inflationary pressures. All sectors were under pressure, notably cyclical areas.

Equity markets were under significant pressure during the third quarter following a more hawkish tone from the US Federal Reserve, turmoil in the UK after an unprecedented set of tax cuts, and persistent issues with gas supply in Europe. The market selloff was broad, reflecting mounting fears of recession while monetary tightening continues.

As of the end of 2022, the equity markets were on a downward path with economic growth worries becoming the focus as leading indicators confirmed the negative trend. Central banks maintained their hawkish tone despite softer inflation data until there is clear evidence that pricing pressures are under control. Value names remain attractive in an environment where inflationary pressures are moderating, and interest rates normalise.

The market outlook remains fragile as investors adjust for negative earnings revisions reflecting the impact of the economic slowdown on companies' results. In an environment where inflationary pressures are moderating and interest rates normalise, we continue to see attractive opportunities in value names where there is a significant upside as the rotation out of growth has yet to materialise.

#### **Fixed income Market Review and outlook**

The convertible bond remained volatile in the first quarter mostly driven by conflicting signals about the outcome of the negotiations between Russian and Ukraine. Inflation data continued to exceed expectations putting more pressure on central banks to accelerate interest rate increases. The convertible bond market fell -0.5% as pressures on growth names continued.

The convertible bond market was particularly weak in June amid a challenging economic environment, which continued to weigh on the convertible bond market, down 5%. Negative returns were widespread, although economically sensitive sectors suffered the most driven by mounting fears of a recessionary environment. Selling pressure was also amplified by outflows across some of the largest convertible bond funds.

End of Q3 2022 convertible bonds have been under significant pressure this year on the back of weak equity markets and rising interest rates. Valuations have now reached very compelling levels providing significant support against persistent market headwinds. We are seeing interesting opportunities in the US market where fundamentals and credit quality are robust. We also expect the primary market to provide increasingly more investment opportunities as new issuance accelerates comes at more attractive terms.

The financial markets were under pressure in December as central banks maintained a hawkish stance despite easing inflationary pressures. Comments by the US Federal Reserve suggesting a higher terminal rate weighed on market sentiment. The convertible bond market tracked the underlying equities dragged by growth names, notably the technology sector. Asian markets performed better as the reopening continued in China.

## Management report (continued)

The market environment for convertible bonds has been very challenging over the past 18 months but following a major reset, current valuations seem very reasonable. Valuations have now reached very compelling levels, providing support against persistent market headwinds. However, we believe that there are still significant risks to earnings estimates as economic activity weakens and as a result, we remain focused on names with a quality bias to manage volatile market conditions.

## Management report (continued)

### **Alken Fund - European Opportunities**

#### **Profile of the typical Investor**

This sub-fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for Investors adhering to sustainability principle, who are more concerned with maximising long term returns than minimising possible short-term losses and who plan to invest for at least 5 years.

#### **Investment Objective**

To provide capital growth and to enable Investors to benefit from growth in the European equity market, primarily through dynamic investment in a growth/value style biased portfolio of equity securities of undervalued European companies with a high growth potential. This sub-fund is a relative return fund implying a medium tolerance to risk, with the objective to realise a relative net performance over the MSCI Europe Index (EUR) Index. In line with the Sustainable Finance Disclosure Regulation, the sub-fund seeks to promote environmental/social characteristics as per its Article 8 classification of the Sustainable Finance Disclosure Regulation.

#### **Investment Policy**

The sub-fund will invest at least 75% of its net assets in equities and equity related securities issued by companies that are headquartered in Europe, or conduct the preponderant part of their activity in Europe. At least 90% of its net assets (excluding cash, derivatives or any such non-applicable instruments) will promote E/S characteristics according to the investment process and to the ESG policy of the Investment Manager Alken Asset Management Ltd. The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers. The Investment Manager has opted to consider the principal adverse impacts of investment decisions on sustainability factors and sustainability risks through its internal ESG integration approach.

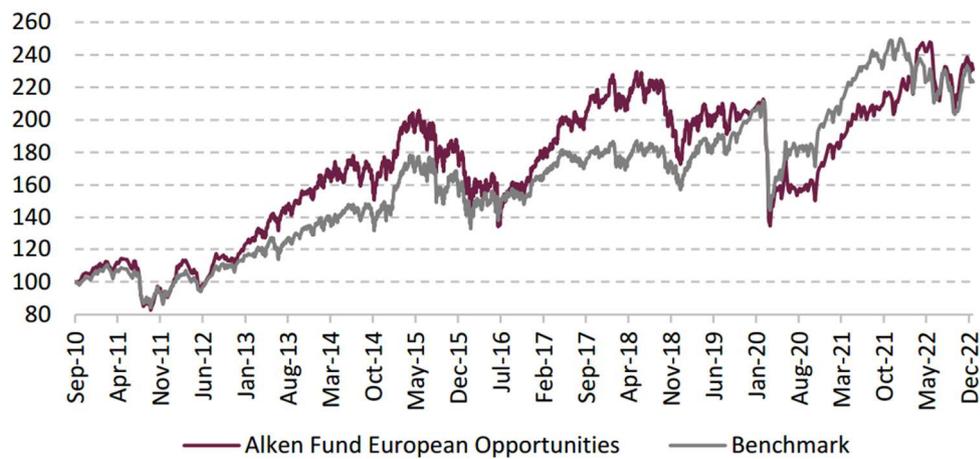
# Alken Fund

## Management report (continued)

### Performance Review 2022

The Alken Fund - European Opportunities Sub-Fund was up 6.4% vs. the composite Benchmark\* being down 10.6%. This brings the relative performance to 17% in 2022.

#### Performance since inception <sup>1</sup>



(1) Performance of the A share class for the fund

\* Until November 24, 2022 the sub-fund's performance was measured against the STOXX 600 EUR (Return) Index and then against the MSCI Europe Index (EUR).

Past performance is not an indicator of current or future returns.

# Alken Fund

## Management report (continued)

### Key Statistics as of end of 2022

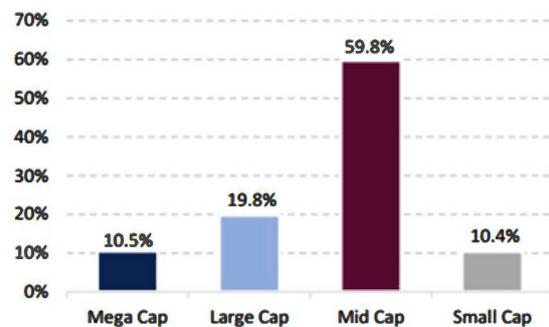
Key Contributors	Exposure	Contribution
Energy (Single Stock)	6.2%	0.6%
Industrials (Single Stock)	3.8%	0.3%
C. Services (Single Stock)	3.5%	0.2%

Key Detractors	Exposure	Contribution
Energy (Single Stock)	5.3%	-0.7%
Materials (Single Stock)	4.8%	-0.7%
C. Discretionary (Single Stock)	3.9%	-0.5%

Top 5 Holdings	Exposure
Energy (Single Stock)	6.2%
Energy (Single Stock)	5.3%
Materials (Single Stock)	4.8%
Consumer Staples (Single Stock)	4.7%
Consumer Staples (Single Stock)	4.7%

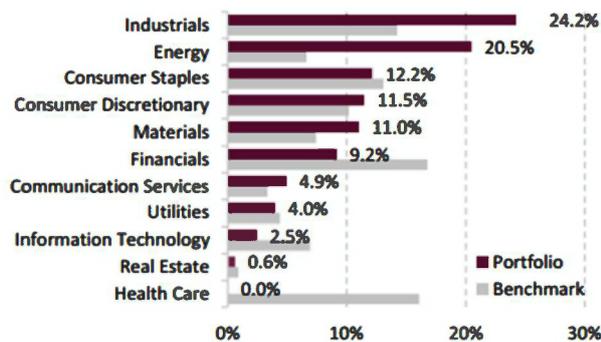
Concentration	Fund	Benchmark
Top 10 Holdings	45.0%	22.5%
Top 20 Holdings	72.0%	33.3%
Number of Holdings	52	426
Cash Holding	1.2%	

### Market Capitalisation<sup>1</sup>



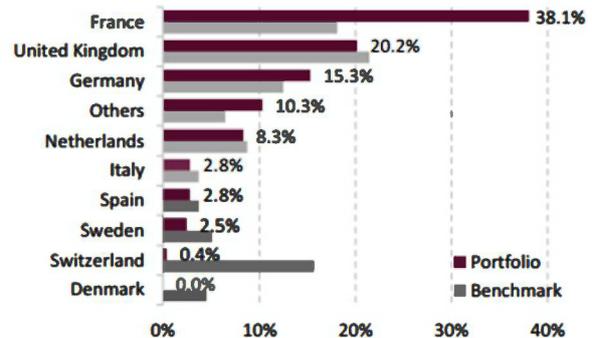
(1) Mega Cap > €50 bn, Large Cap < €50 bn, Mid Cap < €10 bn, Small Cap < €2 bn

### Sector Breakdown



Exposure: end of month exposures

### Country Breakdown



Past performance is not an indicator of current or future returns.

## Management report (continued)

### **Alken Fund - Small Cap Europe**

#### **Profile of the typical Investor**

This sub-fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for Investors adhering to sustainability principle, who are more concerned with maximising long term returns than minimising possible short-term losses and who plan to invest for at least 5 years.

#### **Investment Objective**

To provide capital growth and to enable Investors to benefit from growth in the European equity market, primarily through dynamic investment in a growth/value style biased portfolio of equity securities of undervalued European companies with a high growth potential focussing albeit not exclusively on small caps being companies with a capitalisation of less than EUR 3 billion, and mid-caps being companies with a market capitalisation of around more than EUR 3 billion but less than EUR 10 billion. This sub-fund is a relative return fund implying a medium tolerance to risk, with the objective to realise a relative net performance over the MSCI Europe Small Cap Index (EUR). In line with the Sustainable Finance Disclosure Regulation, the sub-fund seeks to promote environmental/social characteristics as per its Article 8 classification of the Sustainable Finance Disclosure Regulation.

#### **Investment Policy**

The sub-fund will invest at least 75% of its net assets in equities and equity related securities issued by companies that are headquartered in Europe, or conduct the preponderant part of their activity in Europe, which are small and mid-caps as defined above. At least 90% of its net assets (excluding cash, derivatives or any such non-applicable instruments) will promote E/S characteristics according to the investment process and ESG policy of the Investment Manager Alken Asset Management Ltd. The responsible investing approach assessment is based on the manager's proprietary ESG analysis and all information gathered from external ESG providers. The Investment Manager has opted to consider the principal adverse impacts of investment decisions on sustainability factors and sustainability risks through its internal ESG integration approach.

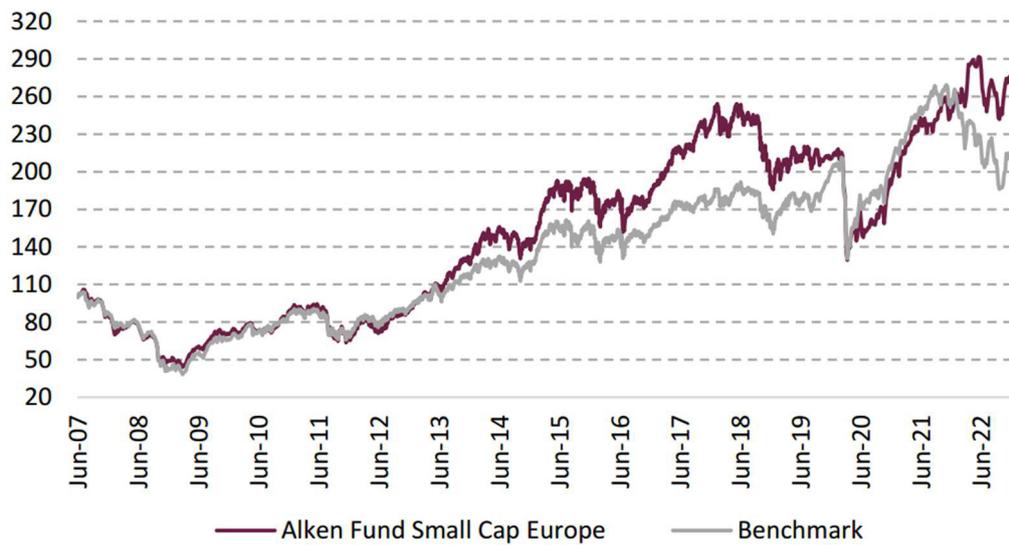
# Alken Fund

## Management report (continued)

### Performance Review 2022

The Alken Fund - Small Cap Europe was up 5.9% vs. the composite Benchmark\* being down 22.5%. This brings the relative performance to 28.4% in 2022.

#### Performance since inception <sup>1</sup>



(1) Performance of the R share class for the fund

\* Until November 24, 2022 the sub-fund's performance was measured against the STOXX 600 EUR (Return) Index and then against the MSCI Europe Index (EUR).

Past performance is not an indicator of current or future returns.

# Alken Fund

## Management report (continued)

### Key Statistics as of end of 2022

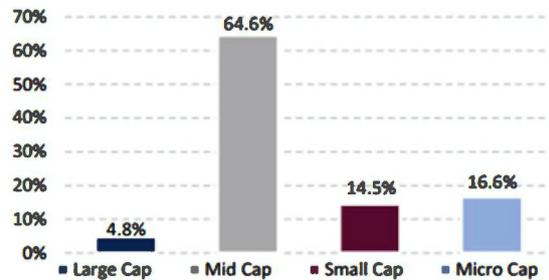
Key Contributors	Exposure	Contribution
Energy (Single Stock)	7.0%	0.7%
Industrials (Single Stock)	4.2%	0.3%
Industrials (Single Stock)	3.0%	0.3%

Key Detractors	Exposure	Contribution
Energy (Single Stock)	7.2%	-1.0%
Materials (Single Stock)	4.7%	-0.7%
C. Services (Single Stock)	2.0%	-0.3%

Top 5 Holdings	Exposure
Energy (Single Stock)	7.2%
Energy (Single Stock)	7.0%
Financials (Single Stock)	4.9%
Materials (Single Stock)	4.7%
Industrials (Single Stock)	4.2%

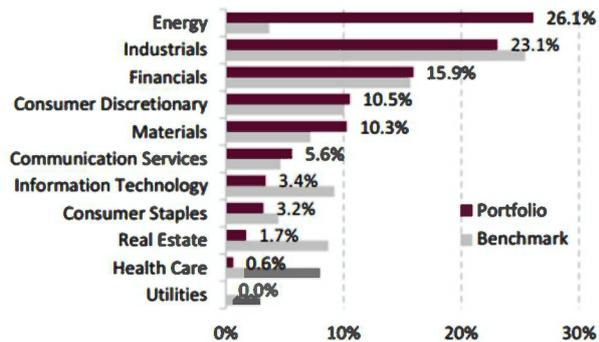
Concentration	Fund	Benchmark
Top 10 Holdings	45.7%	4.8%
Top 20 Holdings	70.2%	8.8%
Number of Holdings	51	990
Cash Holding	1.5%	

### Market Capitalisation<sup>1</sup>



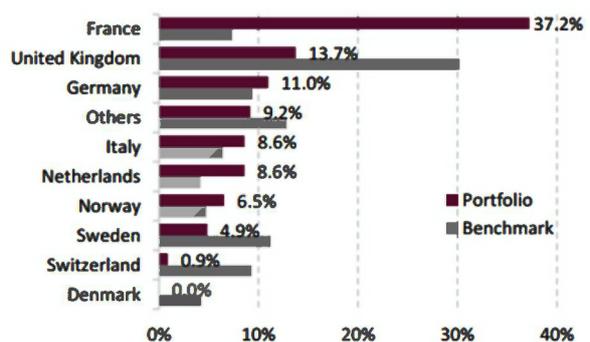
(1) Large Cap > €10 bn, Mid Cap < €10 bn, Small Cap < €2 bn, Micro Cap < €1 bn

### Sector Breakdown



Exposure: end of month exposures

### Country Breakdown



Past performance is not an indicator of current or future returns.

## Management report (continued)

### **Alken Fund - Absolute Return Europe**

#### **Profile of the typical Investor**

This sub-fund is a medium risk vehicle aiming to provide capital growth on the long term. It may be suitable for Investors adhering to sustainability principle, who are more concerned with maximising long term returns than minimising possible short-term losses and who plan to invest for at least 5 years.

#### **Investment Objective**

Provide capital growth and aim for a positive absolute return over long term period through long and short market exposure in the European markets primarily in equities or related derivative contracts. The sub-fund aims to typically deliver absolute (more than zero) returns in each year, although an absolute return performance is not guaranteed and over the short-term it may experience periods of negative return and consequently the sub-fund may not achieve this objective. In line with the Sustainable Finance Disclosure Regulation, the sub-fund seeks to promote environmental/social characteristics as per its Article 8 classification of the Sustainable Finance Disclosure Regulation.

#### **Investment Policy**

The strategy will seek to gain market exposure primarily on equities and equity related securities of companies that are headquartered, domiciled in Europe, or conduct a preponderant part of their activity in Europe. At least 90% of its net assets (excluding cash, derivatives or any such non-applicable instruments) will promote E/S characteristics according to the investment process and to the ESG policy of the Investment Manager Alken Asset Management Ltd. The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers. The Investment Manager has opted to consider the principal adverse impacts of investment decisions on sustainability factors and sustainability risks through its internal ESG integration approach.

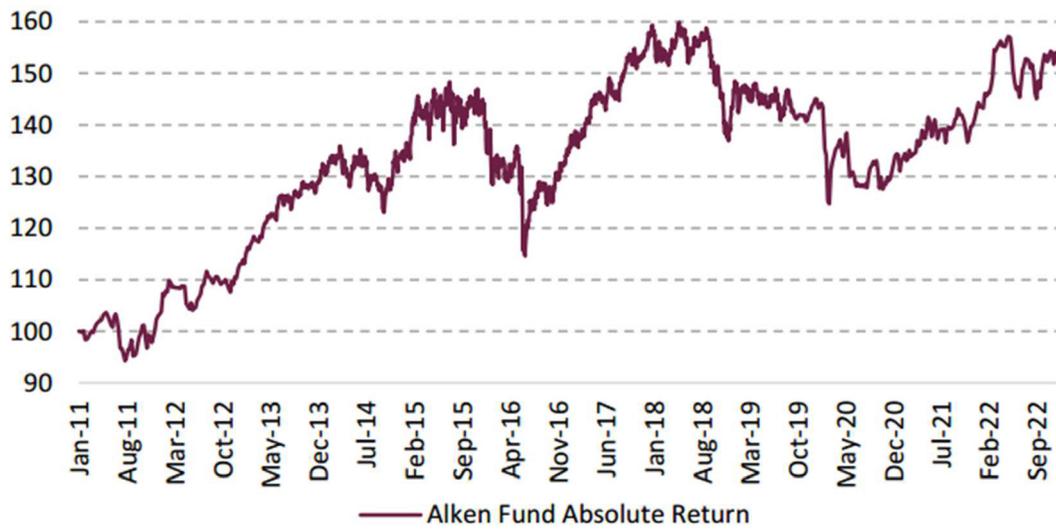
# Alken Fund

## Management report (continued)

### Performance Review 2022

The Alken Fund - Absolute Return Europe sub-fund was up 7.7% in 2022.

### Performance since inception <sup>1</sup>



(1) Performance of the I share class for the fund

Past performance is not an indicator of current or future returns.

# Alken Fund

## Management report (continued)

### Key Statistics as of end of 2022

Key Contributors	Exposure	Contribution
Energy (Single Stock)	3.9%	0.4%
Index (Single Short)	-10.3%	0.4%
Industrials (Single Stock)	1.8%	0.3%

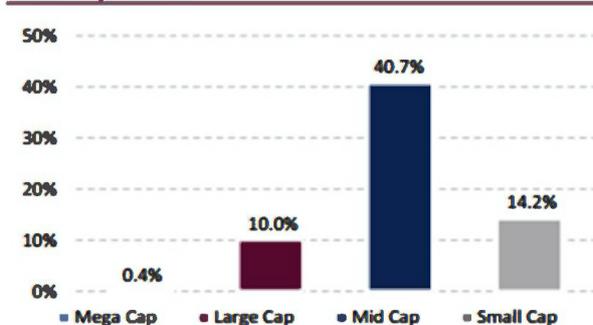
Key Detractors	Exposure	Contribution
Energy (Single Stock)	3.6%	-0.5%
Materials (Single Stock)	3.2%	-0.4%
C. Discretionary (Single Stock)	2.8%	-0.3%

Contribution	MTD	YTD
Index	0.8%	1.4%
Longs	0.0%	4.7%
Shorts	0.2%	1.6%
Bonds	veightExCas	Weight

Top 5 Holdings	Exposure
Consumer Staples (Single Stock)	4.4%
Energy (Single Stock)	3.9%
Energy (Single Stock)	3.6%
Energy (Single Stock)	3.6%
Energy (Single Stock)	3.3%

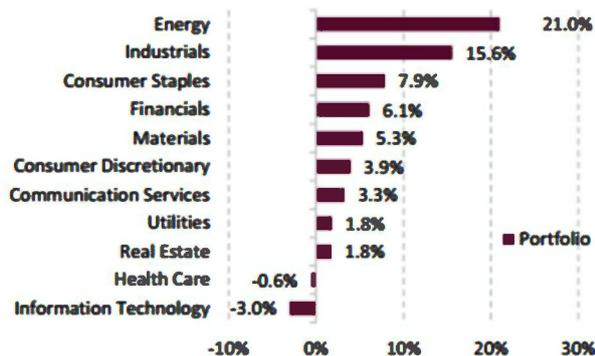
Portfolio Breakdown	Fund
Top 10 Holdings	32.8%
Number of Holdings	82
Long Exposure	9.5%
Short Exposure	24.7%
Net Equity Exposure	39.6%
Gross Equity Exposure	1.0%

### Market Capitalisation<sup>1</sup>

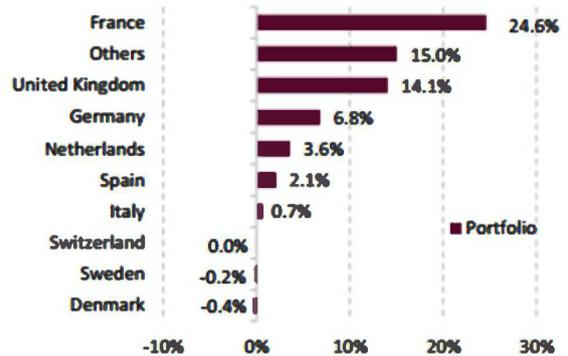


(1) Mega Cap > €50 bn, Large Cap <€50 bn, Mid Cap <€10bn, Small Cap <€2 bn

### Sector Breakdown



### Country Breakdown



Past performance is not an indicator of current or future returns.

## Management report (continued)

### Alken Fund - Sustainable Europe

#### Profile of the typical Investor

This sub-fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for Investors adhering to sustainability principle, who are more concerned with maximising long term returns than minimising possible short-term losses and who plan to invest for at least 5 years.

#### Investment Objective

To provide capital growth and to enable Investors to benefit from growth in the European equity market, primarily through dynamic investment in a growth/value style biased portfolio of equity securities of undervalued European companies with a high growth potential. This sub-fund is a relative return fund implying a medium tolerance to risk, with the objective to realise a relative net performance over the MSCI Europe ex UK Net Return EUR Index. In line with the Sustainable Finance Disclosure Regulation, the Sub-Fund seeks to promote environmental/social characteristics as per its Article 8 classification of the Sustainable Finance Disclosure Regulation.

#### Investment Policy

The sub-fund will invest at least 80% of their assets in European equities with a maximum of up to 5% (but no more than 5%) of the total assets of the Sub-Fund can be invested in UK equities.

The portfolio will contain a limited selection of securities considered as offering the greatest potential. Selection will comprise a mixture of "growth" and "value" stocks believed to have the potential to provide enhanced returns relative to the market. Growth stocks are those whose earnings are expected to grow faster than the average for the market, whereas value stocks, on the other hand, are inexpensive compared with the earnings or assets of the companies that issue them, often because they are in a mature or depressed industry, or because the company has suffered a setback. The sub-fund will be managed on a bottom-up basis, whereby overweight and underweight positions in securities of a given country, sector and stock will be determined through the application of analytical techniques to such countries, sectors, and stocks; furthermore, the sub-fund will endeavour to benefit from the regular movements of stock exchanges by investing according to geographical, sectorial, and thematic trends.

At least 90% of its net assets (excluding cash, derivatives or any such non-applicable instruments) will promote E/S characteristics according to the investment process and to the ESG policy of the Investment Manager Alken Asset Management Ltd. The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers. The Investment Manager has opted to consider the principal adverse impacts of investment decisions on sustainability factors and sustainability risks through its internal ESG integration approach.

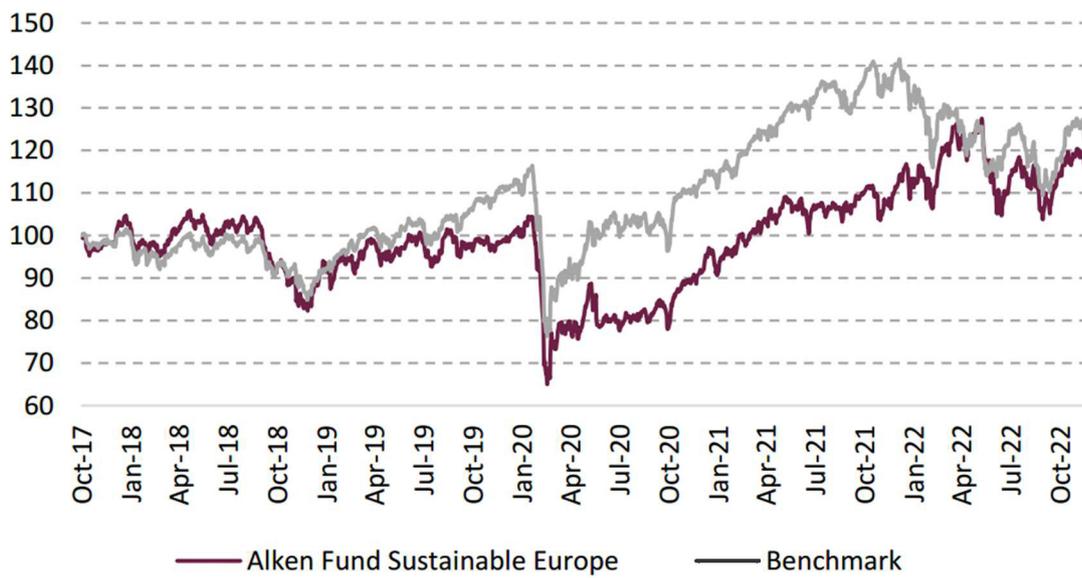
# Alken Fund

## Management report (continued)

### Performance Review 2022

The Alken Fund - Sustainable Europe sub-fund was up 5.9% vs. the MSCI Europe Ex UK Net Return Index being down 12.6%. This brings the relative performance to 18.5% in 2022.

### Performance since inception <sup>1</sup>



(1) Performance of the SEU1 share class for the fund

# Alken Fund

## Management report (continued)

### Key Statistics as of end of 2022

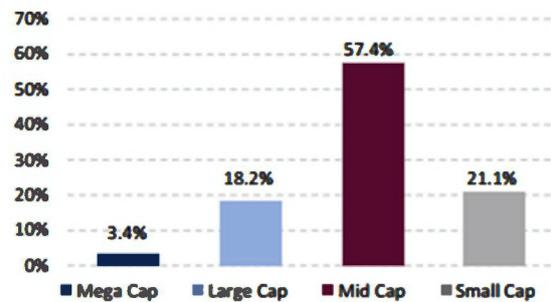
Key Contributors	Exposure	Contribution
Energy (Single Stock)	7.1%	0.7%
Industrials (Single Stock)	4.6%	0.4%
C. Services (Single Stock)	4.1%	0.3%

Key Detractors	Exposure	Contribution
Materials (Single Stock)	4.9%	-0.7%
C. Discretionary (Single Stock)	4.4%	-0.5%
C. Discretionary (Single Stock)	3.9%	-0.4%

Top 5 Holdings	Exposure
Energy (Single Stock)	7.1%
Consumer Staples (Single Stock)	5.4%
Materials (Single Stock)	4.9%
Energy (Single Stock)	4.9%
Financials (Single Stock)	4.8%

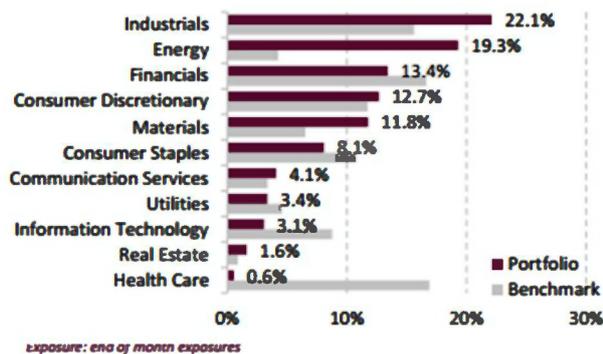
Concentration	Fund	Benchmark
Top 10 Holdings	47.7%	26.4%
Top 20 Holdings	74.6%	36.8%
Number of Holdings	52	345
Cash Holding	1.5%	

### Market Capitalisation<sup>1</sup>

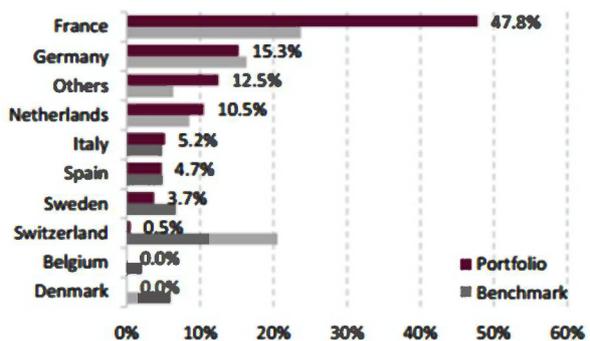


(1) Mega Cap >€50bn, Large Cap <€50bn, Mid Cap <€10bn, Small Cap <€2bn

### Sector Breakdown



### Country Breakdown



Past performance is not an indicator of current or future returns.

# Alken Fund

## Management report (continued)

### Alken Fund - Global Sustainable Convertible

#### Profile of the typical Investor

This sub-fund is suitable for Investors adhering to sustainability principle and seeking capital growth as well as income and who plan to invest for at least 5 years.

#### Investment Objective

The investment objective of the sub-fund is to provide capital growth and income by investing primarily in a globally diversified portfolio of Convertible and Exchangeable bonds. The sub-fund is actively managed without reference to a benchmark. In line with the Sustainable Finance Disclosure Regulation, the sub-fund seeks to promote environmental/social characteristics as per its Article 8 classification of the Sustainable Finance Disclosure Regulation.

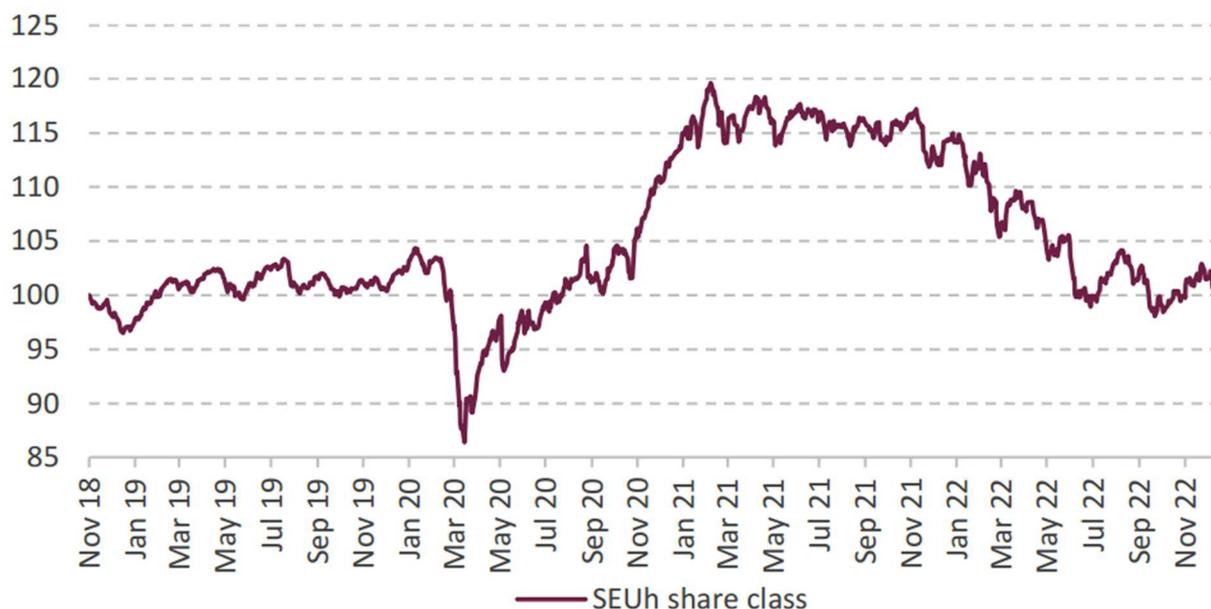
#### Investment Policy

The Sub-Fund aims at investing in companies which have both, an attractive long-term value creation. The sub-fund will invest at least 67% of its net assets in convertible securities. At least 90% of its net assets (excluding cash, derivatives or any such non-applicable instruments) will promote E/S characteristics according to the investment process and to the ESG policy of the Investment Manager Alken Asset Management Ltd. The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers. The Investment Manager has opted to consider the principal adverse impacts of investment decisions on sustainability factors and sustainability risks through its internal ESG integration approach.

#### Performance Review 2022

The Alken Fund Global Sustainable Convertible sub-fund was down by 12.22% in 2022.

#### Performance since inception <sup>1</sup>



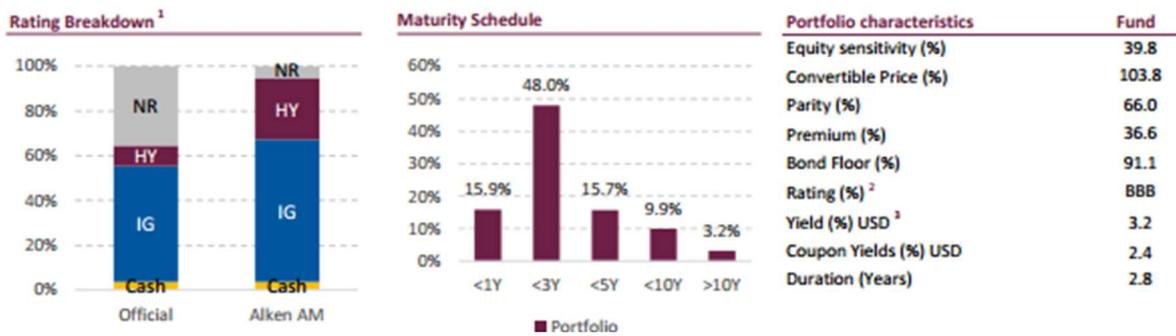
Past performance is not an indicator of current or future returns.

# Alken Fund

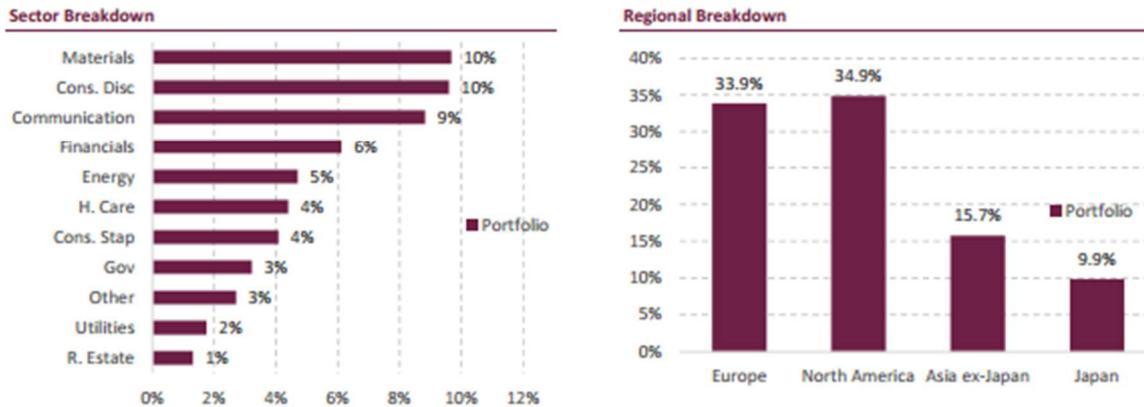
## Management report (continued)

### Key Statistics as of end of 2022

Key Portfolio Holdings	Sector	Fund	Portfolio Concentration	Fund
BP 1.000% Apr 2023	Energy	4.7%	Top 10 Holdings	31%
Nippon Steel 0.000% Oct 2026	Materials	3.4%	Top 20 Holdings	51%
Genfit 3.500% Oct 2025 (Restructured)	Health Care	3.2%	Number of Holdings	91
Bank Of America 7.250% Perp Pfd L	Financials	3.2%	Cash Holding (%)	5.1%
US Treasury 4.25% 15/10/2025	Government	3.1%		



(1) Rating on either the security, the issuer, the parent company or the guarantor from 6 rating agencies and completed by Alken AM for the non-rated ("NR") | (2) Alken internal rating for non-rated securities or issuers & cash assumed with a AAA rating equivalent | (3) Yield to maturity/Put or to Parity when the bond trades above the redemption prices



Past performance is not an indicator of current or future returns.

## Management report (continued)

### **Alken Fund - Sustainable Income Opportunities**

#### **Profile of the typical Investor**

This is a bond sub-fund suitable for Investors adhering to sustainability principle and seeking regular income and capital growth and who wish to gain exposure to a total return fund and who plan to invest for at least 5 years.

#### **Investment Objective**

The investment objective of the sub-fund is to achieve a return by exploiting investment opportunities in income generating securities including but not limited to debt and convertible markets. The sub-fund will seek to provide a positive return over the medium term irrespective of market conditions. Returns will be generated by income and capital growth of the invested security. In line with the Sustainable Finance Disclosure Regulation, the sub-fund seeks to promote environmental/social characteristics as per its Article 8 classification of the Sustainable Finance Disclosure Regulation.

#### **Investment Policy**

The sub-fund is an actively managed strategy and aims at investing in companies which have an attractive long-term value creation. The Sub-Fund will invest at least 67% of its net assets in bonds, corporate bonds, and other types of bonds. At least 90% of its net assets (excluding cash, derivatives or any such non-applicable instruments) will promote E/S characteristics according to the investment process and to the ESG policy of the Investment Manager Alken Asset Management Ltd. The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers. The Investment Manager has opted to consider the principal adverse impacts of investment decisions on sustainability factors and sustainability risks through its internal ESG integration approach.

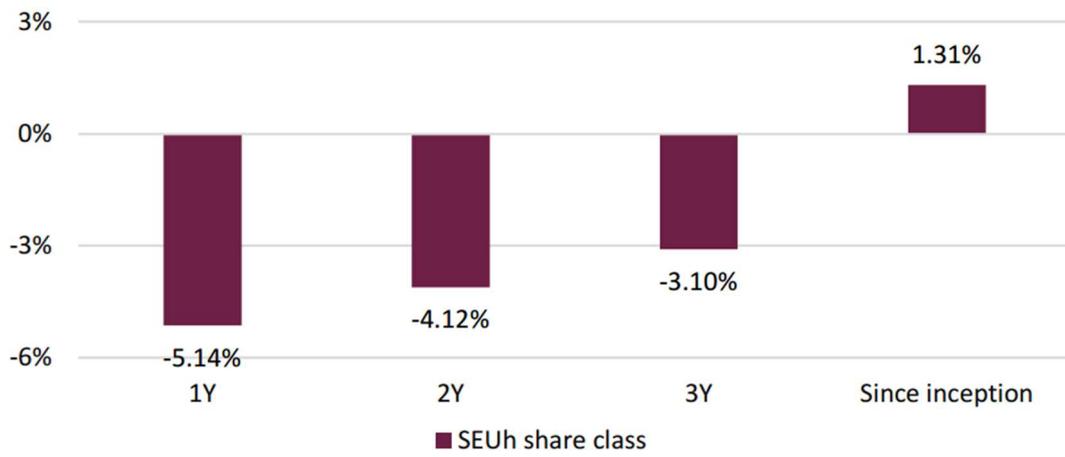
# Alken Fund

## Management report (continued)

### Performance Review 2022

The Alken Fund - Sustainable Income Opportunities Sub-Fund was down by 5.04% in 2022.

### Performance since inception



*Past performance is not an indicator of current or future returns.*

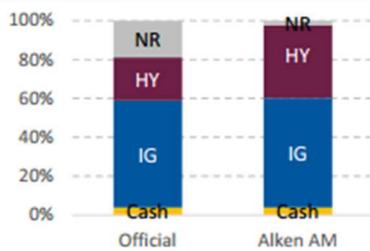
# Alken Fund

## Management report (continued)

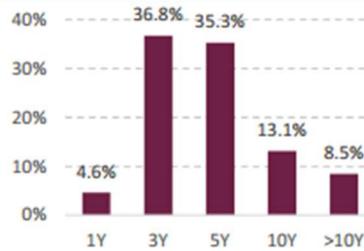
### Key Statistics as of end of 2022

Key Portfolio Holdings	Sector	Fund	Portfolio Concentration	Fund
US Treasury 4.25% 15/10/2025	Government	11.19%	Top 10 Holdings	36%
US Treasury 2.75% 30/04/2027	Government	8.27%	Top 20 Holdings	51%
Bank Of America 7.250% Perp Pfd L	Financials	3.04%	Number of Holdings	84
US Treasury 2.875% 15/06/2025	Government	2.07%	Cash Holding (%)	4.9%
HSBC Holdings Plc 7.336% 03/11/2026	Financials	2.06%		

#### Rating Breakdown<sup>1</sup>



#### Maturity Schedule

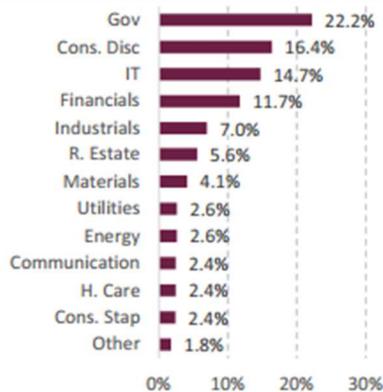


#### Portfolio characteristics

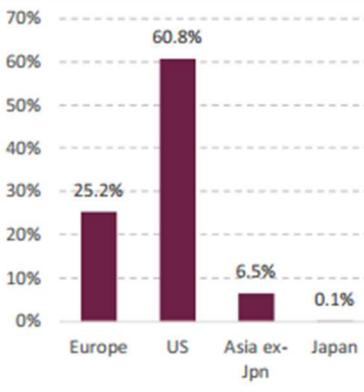
Portfolio characteristics	Fund
Rating <sup>2</sup>	BBB+
Yield (%) \$	6.5
Coupon Yields (%) \$	4.0
Average Life (Years)	4.0
Duration	1.5

(1) Rating on either the security, the issuer, the parent company or the guarantor from 6 rating agencies and completed by Alken AM for the non-rated ("NR") | (2) Official and Alken internal rating for non-rated securities or issuers; cash assumed with a AA- rating equivalent (custodian rating)

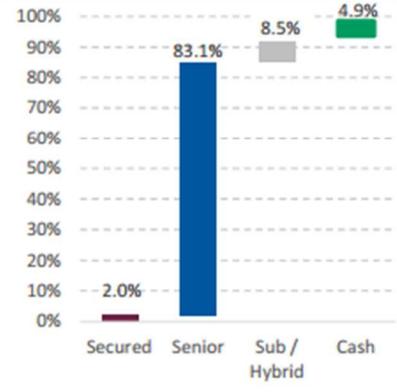
#### Sector Breakdown



#### Regional Breakdown



#### Debt Type Breakdown



April 2022

Established by the Investment Manager

Approved by the Board of Directors of the SICAV

Past performance is not an indicator of current or future returns.

To the Shareholders of  
Alken Fund  
15, avenue J.F. Kennedy,  
L-1855 Luxembourg, Grand Duchy of Luxembourg

## REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

### Opinion

We have audited the financial statements of Alken Fund (the "SICAV") and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at December 31, 2022 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the SICAV and of each of its sub-funds as at December 31, 2022, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "*Commission de Surveillance du Secteur Financier*" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "*Responsibilities of the "réviseur d'entreprises agréé"* for the Audit of the Financial Statements" section of our report. We are also independent of the SICAV in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other information**

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the “*réviseur d’entreprises agréé*” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

## **Responsibilities of Board of Directors of the SICAV for the Financial Statements**

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as Board of Directors of the SICAV determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors of the SICAV is responsible for assessing the SICAV’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the SICAV either intends to liquidate the SICAV or to cease operations, or has no realistic alternative but to do so.

## **Responsibilities of the “*réviseur d’entreprises agréé*” for the Audit of the Financial Statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “*réviseur d’entreprises agréé*” that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SICAV's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the SICAV.
- Conclude on the appropriateness of the Board of Directors of the SICAV use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SICAV's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "*réviseur d'entreprises agréé*" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "*réviseur d'entreprises agréé*". However, future events or conditions may cause the SICAV to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Deloitte Audit, *Cabinet de révision agréé*

Nicolas Hennebert, *Réviseur d'entreprises agréé*

Partner

April 28, 2023

# Alken Fund

## Statement of net assets as at December 31, 2022

	COMBINED	Alken Fund - European Opportunities	Alken Fund - Small Cap Europe
	EUR	EUR	EUR
<b>ASSETS</b>			
Investments in securities at acquisition cost (note 2.f)	675,191,053.16	317,048,174.09	119,470,225.51
Net unrealised gain/loss on investments	83,966,865.48	51,065,253.24	20,998,181.78
Investments in securities at market value (note 2.d)	759,157,918.64	368,113,427.33	140,468,407.29
Options at market value (notes 2.i, 13)	276,993.19	0.00	0.00
Cash at banks (note 2.d)	16,468,871.52	4,297,976.97	2,002,678.99
Bank deposits	13,704,768.29	0.00	0.00
Interest receivable, net	597,955.12	0.00	12,156.77
	790,206,506.76	372,411,404.30	142,483,243.05
<b>LIABILITIES</b>			
Management fees payable (note 4)	2,356,482.86	1,227,180.41	455,105.42
Performance fees payable (note 6)	802,072.69	2,074.68	98.46
Net unrealised loss on forward foreign exchange contracts (notes 2.g, 10)	999,382.07	22,274.07	0.00
Other fees payable (note 7)	631,309.49	319,887.11	122,529.19
	4,789,247.11	1,571,416.27	577,733.07
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2022</b>	<b>785,417,259.65</b>	<b>370,839,988.03</b>	<b>141,905,509.98</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2021</b>	<b>717,108,428.65</b>	<b>311,366,513.82</b>	<b>132,446,025.36</b>
<b>TOTAL NET ASSETS AS AT DECEMBER 31, 2020</b>	<b>794,383,259.97</b>	<b>352,382,111.40</b>	<b>101,197,257.87</b>

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

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

Alken Fund - Absolute Return Europe	Alken Fund - Sustainable Europe	Alken Fund - Global Sustainable Convertible	Alken Fund - Sustainable Income Opportunities
EUR	EUR	USD	USD
94,834,532.18	33,320,699.47	56,246,935.21	61,702,856.95
13,812,588.79	4,824,916.62	-3,454,465.17	-3,732,480.81
108,647,120.97	38,145,616.09	52,792,470.04	57,970,376.14
0.00	0.00	295,621.17	0.00
5,750,503.74	605,230.93	2,851,030.43	1,217,842.34
12,140,000.00	0.00	0.00	1,670,000.00
98,695.07	3,618.87	58,976.82	457,022.24
126,636,319.78	38,754,465.89	55,998,098.46	61,315,240.72
469,974.14	72,735.15	61,487.65	78,842.73
799,877.32	0.00	0.00	23.72
30,863.05	0.00	608,122.12	401,758.43
110,810.39	33,747.44	21,418.60	25,898.34
1,411,524.90	106,482.59	691,028.37	506,523.22
<b>125,224,794.88</b>	<b>38,647,983.30</b>	<b>55,307,070.09</b>	<b>60,808,717.50</b>
<b>111,494,084.08</b>	<b>43,144,870.22</b>	<b>67,500,480.67</b>	<b>67,436,154.76</b>
<b>154,984,721.97</b>	<b>68,906,554.91</b>	<b>71,343,097.73</b>	<b>71,705,320.34</b>

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

## Statement of operations and changes in net assets for the year ended December 31, 2022

	COMBINED	Alken Fund - European Opportunities	Alken Fund - Small Cap Europe
	EUR	EUR	EUR
<b>NET ASSETS AT THE BEGINNING OF THE YEAR</b>	<b>717,108,428.65</b>	<b>311,366,513.82</b>	<b>132,446,025.36</b>
<b>INCOME</b>			
Dividends, net (note 2.m)	25,897,886.64	14,915,633.47	5,505,516.05
Interest on bonds, net (note 2.m)	2,312,384.08	0.00	187,547.64
Bank interest	170,875.72	12,764.31	5,918.01
Other income	401.18	0.00	0.00
	28,381,547.62	14,928,397.78	5,698,981.70
<b>EXPENSES</b>			
Management fees (note 4)	9,485,653.98	4,936,521.21	1,823,759.62
Performance fees (note 6)	804,257.76	4,260.17	98.46
Bank charges and interest	960,498.07	383,931.19	151,456.50
Operating and administrative expenses (note 5)	2,588,784.18	1,289,429.36	505,333.47
Transaction fees (note 2.n)	2,390,313.09	1,372,011.77	374,810.28
	16,229,507.08	7,986,153.70	2,855,458.33
<b>NET INVESTMENT INCOME/LOSS</b>	<b>12,152,040.54</b>	<b>6,942,244.08</b>	<b>2,843,523.37</b>
Net realised gain/loss on sales of investments	42,263,508.49	25,673,836.55	9,535,819.85
Net realised gain on foreign exchange	1,782,804.12	651,216.09	214,391.20
Net realised gain/loss on options	-47,597.07	0.00	0.00
Net realised gain/loss on forward foreign exchange contracts	-2,589,599.88	579,620.59	-11,266.07
Net realised gain/loss on forward contracts	5,436,415.44	12,861.80	-95,434.71
<b>NET REALISED GAIN/LOSS</b>	<b>58,997,571.64</b>	<b>33,859,779.11</b>	<b>12,487,033.64</b>
<b>Change in net unrealised appreciation/depreciation:</b>			
- on investments	-30,994,518.97	-15,864,217.01	-4,528,404.82
- on options	279,769.37	0.00	0.00
- on forward foreign exchange contracts	-1,485,858.36	21,727.02	0.00
<b>INCREASE/DECREASE IN NET ASSETS AS A RESULT OF OPERATIONS</b>	<b>26,796,963.68</b>	<b>18,017,289.12</b>	<b>7,958,628.82</b>
Proceeds from subscriptions of shares	215,423,125.75	164,952,349.60	13,780,377.81
Cost of shares redeemed	-175,330,779.94	-123,955,238.33	-12,279,522.01
Dividends paid (note 16)	-63,137.40	0.00	0.00
Revaluation difference*	-6,294,279.14	459,073.82	0.00
Revaluation difference on the net assets at the beginning of the year**	7,776,938.05		
<b>NET ASSETS AT THE END OF THE YEAR</b>	<b>785,417,259.65</b>	<b>370,839,988.03</b>	<b>141,905,509.98</b>

\* The difference mentioned above is the result of fluctuations in the exchange rates used to convert the different items related to share classes denominated in a currency other than the currency of the sub-funds into the currency of the related sub-funds between December 31, 2021 and December 31, 2022.

\*\* The difference mentioned above results from the conversion of the net assets at the beginning of the year (for the sub-funds denominated in currencies other than Euro) at exchange rates applicable on December 31, 2021 and exchange rates applicable on December 31, 2022.

## Statement of operations and changes in net assets for the year ended December 31, 2022 (continued)

Alken Fund - Absolute Return Europe	Alken Fund - Sustainable Europe	Alken Fund - Global Sustainable Convertible	Alken Fund - Sustainable Income Opportunities
EUR	EUR	USD	USD
<b>111,494,084.08</b>	<b>43,144,870.22</b>	<b>67,500,480.67</b>	<b>67,436,154.76</b>
3,735,458.60	1,657,255.83	69,364.98	20,308.29
609,144.16	17,370.60	254,969.03	1,344,115.78
87,418.65	2,821.45	33,962.89	32,156.81
0.00	0.00	428.16	0.00
4,432,021.41	1,677,447.88	358,725.06	1,396,580.88
1,867,510.16	319,459.00	256,225.77	318,386.25
799,876.90	0.00	0.00	23.72
280,714.68	52,629.27	66,571.74	31,366.04
454,459.22	157,858.06	88,873.75	105,050.04
362,565.00	223,563.63	40,709.73	20,510.34
3,765,125.96	753,509.96	452,380.99	475,336.39
<b>666,895.45</b>	<b>923,937.92</b>	<b>-93,655.93</b>	<b>921,244.49</b>
4,502,132.71	3,620,905.33	-831,408.30	-309,681.12
1,313.57	63,920.60	479,395.69	429,862.03
0.00	0.00	-51,891.92	1,093.92
827,597.49	-3,756.30	-1,568,139.94	-2,681,434.06
3,489,221.46	-35,364.83	870,738.36	1,333,274.84
<b>9,487,160.68</b>	<b>4,569,642.72</b>	<b>-1,194,962.04</b>	<b>-305,639.90</b>
-632,494.10	-2,386,773.74	-5,787,056.45	-2,305,509.72
0.00	0.00	298,584.05	0.00
34,290.29	0.00	-1,030,085.61	-615,482.23
<b>8,888,956.87</b>	<b>2,182,868.98</b>	<b>-7,713,520.05</b>	<b>-3,226,631.85</b>
32,258,996.36	611,424.65	1,475,964.17	2,600,909.18
-28,086,234.75	-7,291,180.55	-1,929,960.05	-2,038,722.87
0.00	0.00	0.00	-67,383.43
668,992.32	0.00	-4,025,894.65	-3,895,608.29
<b>125,224,794.88</b>	<b>38,647,983.30</b>	<b>55,307,070.09</b>	<b>60,808,717.50</b>

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

# Alken Fund

## Statistics

Sub-fund Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2022	31.12.2022	31.12.2021	31.12.2020
Alken Fund - European Opportunities					
I	EUR	60,624.16	117.74	109.26	87.09
EU1d	EUR	3,559.16	128.98	119.75	95.50
US2h	USD	16,252.19	154.75	140.35	111.46
US1h	USD	35,620.98	167.27	150.98	119.31
CH1	CHF	1,697.00	132.22	128.82	107.23
US2	USD	7,382.94	132.65	131.90	113.73
CH2	CHF	3,760.38	139.65	136.74	114.39
US1	USD	8,038.66	150.11	148.51	127.42
GB1	GBP	5,604.46	210.82	185.23	157.48
EU1	EUR	612,145.00	218.97	203.30	162.13
A	EUR	93,793.80	230.98	217.18	175.31
Z	EUR	36,200.99	272.69	254.48	203.93
U	EUR	29,651.99	223.12	208.21	166.85
R	EUR	597,283.21	287.34	268.11	214.85
H	EUR	20,995.00	317.48	294.47	234.61
EUX	EUR	5,000.00	115.56	108.33	87.19
LUS3h	USD	-	-	108.60	-
LEU3	EUR	990.10	108.91	103.73	-
Alken Fund - Small Cap Europe					
A	EUR	4,087.10	248.02	235.27	181.40
R	EUR	40,862.82	272.21	256.93	197.11
EU1	EUR	557,567.06	232.74	218.60	166.87
Alken Fund - Absolute Return Europe					
CH3	CHF	1,735.00	103.77	96.64	89.31
US3	USD	26,079.84	120.25	110.29	100.83
US2	USD	7,299.05	135.96	123.98	112.51
CH1	CHF	607.00	121.11	112.27	102.57
CH2	CHF	6,816.91	117.06	108.68	99.69
GB1	GBP	12,251.31	132.04	121.07	109.84
EU1	EUR	158,273.82	139.93	129.56	118.08
US1	USD	20,812.24	161.14	146.46	132.54
A	EUR	177,648.33	134.27	125.07	115.30
K	EUR	3,784.74	98.74	91.71	83.92
I	EUR	368,350.49	152.66	141.80	129.76
H	EUR	77,354.99	164.45	152.02	138.29
Alken Fund - Sustainable Europe					
SEU1	EUR	220,676.07	117.98	111.36	91.20
SGB1	GBP	93,021.00	119.18	106.45	92.95
EUX	EUR	1,000.00	117.65	112.46	93.18
Alken Fund - Global Sustainable Convertible					
SUS	USD	2,433.88	109.12	121.32	119.03
US1	USD	10.00	101.66	-	-
SEUh	EUR	502,848.91	100.33	114.30	113.18
EU1h	EUR	10.00	100.99	-	-
EUIh	EUR	10,000.00	87.04	99.51	-
CH1h	CHF	10.00	100.88	-	-
SGBh	GBP	2,512.86	87.61	98.40	-
GB1h	GBP	10.00	101.30	-	-
Alken Fund - Sustainable Income Opportunities					
US1d	USD	10.00	103.27	-	-
IUSd	USD	15,000.00	99.60	-	-
EU1hd	EUR	1,000.00	90.19	97.35	98.58
EU3hd	EUR	4,750.00	90.25	98.02	99.97
CH1hd	CHF	10.00	102.36	-	-

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

# Alken Fund

## Statistics (continued)

Sub-fund Class	Currency	Number of shares outstanding	Net asset value per share	Net asset value per share	Net asset value per share
		31.12.2022	31.12.2022	31.12.2021	31.12.2020
Alken Fund - Sustainable Income Opportunities (continued)					
CH3hd	CHF	26,610.00	88.53	96.46	98.50
GB1h	GBP	3,847.44	98.90	102.95	101.57
GB1hd	GBP	10.00	102.95	-	-
SUS	USD	21,000.00	109.28	112.68	110.77
US1	USD	10.00	103.27	-	-
SEUh	EUR	464,243.44	101.31	106.69	105.63
EU3h	EUR	22,332.01	94.51	100.48	100.48
EU1h	EUR	10,043.00	94.15	99.44	-
CH1h	CHF	10.00	102.36	-	-

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

# Alken Fund - European Opportunities

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>AUSTRALIA</i>				
SOUTH32	GBP	2,073,100.00	5,292,388.03	1.43
			5,292,388.03	1.43
<i>CANADA</i>				
INTERNATIONAL PETROLEUM	SEK	409,296.00	4,302,678.02	1.16
			4,302,678.02	1.16
<i>FRANCE</i>				
ALD	EUR	1,319,785.00	14,200,886.60	3.83
BIC	EUR	47,801.00	3,056,873.95	0.82
CARMILA	EUR	171,101.00	2,282,487.34	0.62
CARREFOUR	EUR	1,126,725.00	17,621,979.00	4.75
DASSAULT AVIATION	EUR	53,992.00	8,541,534.40	2.30
EIFFAGE	EUR	111,495.00	10,248,620.40	2.76
ELIS	EUR	624,857.00	8,635,523.74	2.33
IMERYS	EUR	16,660.00	605,424.40	0.16
IPSOS	EUR	222,079.00	12,991,621.50	3.50
QUADIANT	EUR	129,563.00	1,784,082.51	0.48
RENAULT S.A.	EUR	461,562.00	14,435,351.55	3.89
SPIE	EUR	26,006.00	633,506.16	0.17
TELEPERFORMANCE	EUR	3,874.00	862,739.80	0.23
THERMADOR GROUPE	EUR	14,188.00	1,223,005.60	0.33
TOTAL ENERGIES	EUR	36,615.00	2,147,469.75	0.58
VALLOUREC	EUR	1,891,886.00	23,213,441.22	6.25
			122,484,547.92	33.00
<i>GERMANY</i>				
DEUTSCHE POST	EUR	105,049.00	3,695,623.82	1.00
FUCHS PETROLUB	EUR	2,440.00	67,832.00	0.02
FUCHS PETROLUB PFD	EUR	23,637.00	773,875.38	0.21
K+S REG.	EUR	979,818.00	18,004,155.75	4.85
R.W.E.	EUR	357,235.00	14,857,403.65	4.01
RHEINMETALL	EUR	42,767.00	7,956,800.35	2.15
SIXT	EUR	39,275.00	3,375,686.25	0.91
SIXT PFD -NVTG-	EUR	14,083.00	767,523.50	0.21
VITESCO TECHNOLOGIES GROUP	EUR	138,577.00	7,517,802.25	2.03
			57,016,702.95	15.39
<i>GREECE</i>				
MOTOR OIL (HELLAS) CORINTH REFINERIES SA	EUR	186,195.00	4,062,774.90	1.10
			4,062,774.90	1.10

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

# Alken Fund - European Opportunities

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>IRELAND</i>				
C&C GROUP	GBP	1,813,967.00	3,584,053.79	0.97
RYANAIR HOLDINGS	EUR	1,126,180.00	13,750,657.80	3.71
			17,334,711.59	4.68
<i>ITALY</i>				
BFF BANK	EUR	1,413,740.00	10,475,813.40	2.82
			10,475,813.40	2.82
<i>JERSEY</i>				
GLENCORE	GBP	2,241,195.00	13,953,929.85	3.76
			13,953,929.85	3.76
<i>LUXEMBOURG</i>				
B&M EUROPEAN VALUE RETAIL	GBP	1,530,756.00	7,096,233.55	1.91
SUBSEA 7	NOK	811,069.00	8,721,310.71	2.35
			15,817,544.26	4.26
<i>NETHERLANDS</i>				
AEGON	EUR	1,176,530.00	5,574,399.14	1.50
AIRBUS	EUR	49,288.00	5,471,953.76	1.48
ASR NEDERLAND	EUR	159,931.00	7,092,939.85	1.91
JUST EAT TAKEAWAY.COM	EUR	589,188.00	11,636,463.00	3.14
NN GROUP	EUR	174,016.00	6,640,450.56	1.79
TECHNIP ENERGIES	EUR	946,343.00	13,882,851.81	3.74
			50,299,058.12	13.56
<i>NORWAY</i>				
KONGSBERG GRUPPEN	NOK	135,841.00	5,369,820.87	1.45
			5,369,820.87	1.45
<i>SPAIN</i>				
INDRA SISTEMAS	EUR	555,456.00	5,915,606.40	1.60
REPSOL	EUR	870.00	12,919.50	0.00
UNICAJA BANCO	EUR	4,329,559.00	4,463,775.33	1.20
			10,392,301.23	2.80
<i>SWEDEN</i>				
ALLEIMA	SEK	699,261.00	2,415,925.31	0.65
VOLVO 'B'	SEK	145,540.00	2,466,803.07	0.67
			4,882,728.38	1.32
<i>SWITZERLAND</i>				
MEYER BURGER TECHNOLOGY	CHF	2,692,862.00	1,460,399.42	0.39
			1,460,399.42	0.39

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

# Alken Fund - European Opportunities

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>UNITED KINGDOM</i>				
BRITISH AMERICAN TOBACCO	GBP	476,874.00	17,637,591.25	4.76
ENERGEAN OIL & GAS	GBP	1,343,837.00	19,826,655.54	5.35
FUTURE	GBP	378,538.00	5,405,667.37	1.46
JD SPORTS FSN	GBP	1,475,634.00	2,098,114.23	0.57
			<hr/>	
			44,968,028.39	12.14
<b>TOTAL INVESTMENTS</b>			<b>368,113,427.33</b>	<b>99.26</b>
CASH AT BANKS			4,297,976.97	1.16
OTHER NET LIABILITIES			-1,571,416.27	-0.42
<b>TOTAL NET ASSETS</b>			<b>370,839,988.03</b>	<b>100.00</b>

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

# Alken Fund - European Opportunities

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
France	33.00
Germany	15.39
Netherlands	13.56
United Kingdom	12.14
Ireland	4.68
Luxembourg	4.26
Jersey	3.76
Italy	2.82
Spain	2.80
Norway	1.45
Australia	1.43
Sweden	1.32
Canada	1.16
Greece	1.10
Switzerland	0.39
	<b>99.26</b>

### Industrial classification

(in % of net assets)	
Holding and finance companies	17.53
Oil	10.19
Automobiles	6.71
Construction of machines and appliances	6.25
Transport and freight	5.83
Tobacco and alcohol	5.73
Retail and supermarkets	5.32
Aeronautics and astronautics	5.23
Insurance	5.20
Publishing and graphic arts	4.96
Chemicals	4.85
Banks and credit institutions	4.02
Public utilities	4.01
Metals and minings	3.76
Construction and building materials	2.76
Mining and steelworks	2.08
Electronics and electrical equipment	2.08
Miscellaneous consumer goods	0.82
Real Estate Shares	0.62
Oil and gas	0.58
Miscellaneous trade	0.33
Food and soft drinks	0.23
Utilities	0.17
	<b>99.26</b>

# Alken Fund - Small Cap Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>BERMUDA</i>				
CONDUIT	GBP	51,595.00	248,894.10	0.18
			248,894.10	0.18
<i>CANADA</i>				
INTERNATIONAL PETROLEUM	SEK	168,029.00	1,766,385.90	1.24
			1,766,385.90	1.24
<i>FRANCE</i>				
AKWEL	EUR	220,225.00	3,831,915.00	2.70
ALD	EUR	560,487.00	6,030,840.12	4.24
BIC	EUR	15,677.00	1,002,544.15	0.71
CARMILA	EUR	185,119.00	2,469,487.46	1.74
DASSAULT AVIATION	EUR	20,960.00	3,315,872.00	2.34
EIFFAGE	EUR	40,534.00	3,725,885.28	2.63
ELIS	EUR	309,957.00	4,283,605.74	3.02
IMERYS	EUR	24,771.00	900,178.14	0.63
IPSOS	EUR	88,301.00	5,165,608.50	3.64
LNA SANTE	EUR	30,295.00	896,732.00	0.63
MERSEN	EUR	64,235.00	2,424,871.25	1.71
QUADIENT	EUR	95,411.00	1,313,809.47	0.93
SPIE	EUR	9,353.00	227,839.08	0.16
TELEPERFORMANCE	EUR	1,441.00	320,910.70	0.23
THERMADOR GROUPE	EUR	15,788.00	1,360,925.60	0.96
VALLOUREC	EUR	816,396.00	10,017,178.92	7.05
			47,288,203.41	33.32
<i>GERMANY</i>				
FUCHS PETROLUB	EUR	336.00	9,340.80	0.01
FUCHS PETROLUB PFD	EUR	23,725.00	776,756.50	0.55
K+S REG.	EUR	364,452.00	6,696,805.50	4.71
RHEINMETALL	EUR	12,153.00	2,261,065.65	1.59
SIXT	EUR	22,001.00	1,890,985.95	1.33
SIXT PFD -NVTG-	EUR	21,230.00	1,157,035.00	0.82
VITESCO TECHNOLOGIES GROUP	EUR	52,510.00	2,848,667.50	2.01
			15,640,656.90	11.02
<i>GREECE</i>				
MOTOR OIL (HELLAS) CORINTH REFINERIES SA	EUR	110,838.00	2,418,485.16	1.70
			2,418,485.16	1.70
<i>IRELAND</i>				
C&C GROUP	GBP	882,283.00	1,743,223.40	1.23
			1,743,223.40	1.23

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

# Alken Fund - Small Cap Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>ITALY</i>				
BANCA IFIS	EUR	295,958.00	3,939,200.98	2.78
BFF BANK	EUR	938,339.00	6,953,091.99	4.89
MAIRE TECNIMONT POST REGROUPEMENT	EUR	443,016.00	1,374,235.63	0.97
			12,266,528.60	8.64
<i>LUXEMBOURG</i>				
B&M EUROPEAN VALUE RETAIL	GBP	786,323.00	3,645,212.99	2.57
SUBSEA 7	NOK	362,285.00	3,895,599.57	2.75
			7,540,812.56	5.32
<i>NETHERLANDS</i>				
ASR NEDERLAND	EUR	121,831.00	5,403,204.85	3.81
JUST EAT TAKEAWAY.COM	EUR	197,851.00	3,907,557.25	2.75
NN GROUP	EUR	68,632.00	2,618,997.12	1.85
TECHNIP ENERGIES	EUR	393,654.00	5,774,904.18	4.07
			17,704,663.40	12.48
<i>NORWAY</i>				
AKER SOLUTIONS	NOK	690,758.00	2,457,258.89	1.73
KONGSBERG GRUPPEN	NOK	74,729.00	2,954,051.75	2.08
			5,411,310.64	3.81
<i>SPAIN</i>				
INDRA SISTEMAS	EUR	267,854.00	2,852,645.10	2.01
TUBACEX	EUR	837,146.00	1,672,617.71	1.18
UNICAJA BANCO	EUR	2,588,264.00	2,668,500.18	1.88
			7,193,762.99	5.07
<i>SWEDEN</i>				
ALLEIMA	SEK	1,329,864.00	4,594,639.34	3.24
VOLVO 'B'	SEK	34,325.00	581,785.18	0.41
			5,176,424.52	3.65
<i>SWITZERLAND</i>				
EFG INTERNATIONAL	CHF	66,158.00	591,617.69	0.42
MEYER BURGER TECHNOLOGY	CHF	1,196,502.00	648,889.85	0.46
			1,240,507.54	0.88
<i>UNITED KINGDOM</i>				
ENERGEAN OIL & GAS	GBP	691,928.00	10,208,543.23	7.18
FUTURE	GBP	200,565.00	2,864,144.88	2.02
JD SPORTS FSN	GBP	544,529.00	774,232.66	0.55
			13,846,920.77	9.75
<b>TOTAL SHARES</b>			<b>139,486,779.89</b>	<b>98.29</b>

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

# Alken Fund - Small Cap Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<b>CERTIFICATES</b>				
<i>NETHERLANDS</i>				
VAN LANSCHOT -SHS CERT.-	EUR	13,970.00	305,943.00	0.22
			<u>305,943.00</u>	<u>0.22</u>
<b>TOTAL CERTIFICATES</b>			<b>305,943.00</b>	<b>0.22</b>
<b>BONDS</b>				
<i>FRANCE</i>				
8.50% VALLOUREC 21/26 -SR-S	EUR	686,500.00	675,684.40	0.48
			<u>675,684.40</u>	<u>0.48</u>
<b>TOTAL BONDS</b>			<b>675,684.40</b>	<b>0.48</b>
<b>TOTAL INVESTMENTS</b>			<b>140,468,407.29</b>	<b>98.99</b>
CASH AT BANKS			2,002,678.99	1.41
OTHER NET LIABILITIES			-565,576.30	-0.40
<b>TOTAL NET ASSETS</b>			<b>141,905,509.98</b>	<b>100.00</b>

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

# Alken Fund - Small Cap Europe

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
France	33.80
Netherlands	12.70
Germany	11.02
United Kingdom	9.75
Italy	8.64
Luxembourg	5.32
Spain	5.07
Norway	3.81
Sweden	3.65
Greece	1.70
Canada	1.24
Ireland	1.23
Switzerland	0.88
Bermuda	0.18
	<b>98.99</b>

### Industrial classification

(in % of net assets)	
Holding and finance companies	20.17
Oil	13.43
Banks and credit institutions	9.55
Construction of machines and appliances	7.05
Insurance	5.84
Chemicals	5.68
Publishing and graphic arts	5.66
Automobiles	4.70
Electronics and electrical equipment	4.65
Mining and steelworks	4.42
Aeronautics and astronautics	4.42
Construction and building materials	2.63
Transport and freight	2.15
Real Estate Shares	1.74
Public utilities	1.73
Tobacco and alcohol	1.23
Miscellaneous trade	0.96
Miscellaneous consumer goods	0.71
Healthcare & social services	0.63
Retail and supermarkets	0.55
Bonds issued by companies	0.48
Food and soft drinks	0.23
Certificates	0.22
Utilities	0.16
	<b>98.99</b>

# Alken Fund - Absolute Return Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>AUSTRALIA</i>				
SOUTH32	GBP	654,999.00	1,672,137.80	1.34
			1,672,137.80	1.34
<i>CANADA</i>				
INTERNATIONAL PETROLEUM	SEK	118,001.00	1,240,472.20	0.99
			1,240,472.20	0.99
<i>FRANCE</i>				
ALD	EUR	329,445.00	3,544,828.20	2.83
BIC	EUR	11,926.00	762,667.70	0.61
CARMILA	EUR	171,912.00	2,293,306.08	1.83
CARREFOUR	EUR	196,018.00	3,065,721.52	2.45
DASSAULT AVIATION	EUR	16,875.00	2,669,625.00	2.13
EIFFAGE	EUR	36,745.00	3,377,600.40	2.70
ELIS	EUR	114,284.00	1,579,404.88	1.26
IPSOS	EUR	57,085.00	3,339,472.50	2.67
LNA SANTE	EUR	6,101.00	180,589.60	0.14
MERSEN	EUR	36,280.00	1,369,570.00	1.09
QUADIENT	EUR	26,616.00	366,502.32	0.29
RENAULT S.A.	EUR	111,383.00	3,483,503.33	2.78
SCOR	EUR	43,136.00	926,992.64	0.74
SPIE	EUR	8,969.00	218,484.84	0.17
TELEPERFORMANCE	EUR	1,318.00	293,518.60	0.23
THERMADOR GROUPE	EUR	2,866.00	247,049.20	0.20
TOTAL ENERGIES	EUR	76,961.00	4,513,762.65	3.60
VALLOUREC	EUR	404,426.00	4,962,307.02	3.96
			37,194,906.48	29.68
<i>GERMANY</i>				
DEUTSCHE POST	EUR	30,372.00	1,068,486.96	0.85
FUCHS PETROLUB	EUR	308.00	8,562.40	0.01
FUCHS PETROLUB PFD	EUR	9,323.00	305,235.02	0.24
K+S REG.	EUR	218,906.00	4,022,397.75	3.21
R.W.E.	EUR	66,567.00	2,768,521.53	2.21
RHEINMETALL	EUR	15,252.00	2,837,634.60	2.27
SIXT	EUR	8,482.00	729,027.90	0.58
SIXT PFD -NVTG-	EUR	3,399.00	185,245.50	0.15
VITESCO TECHNOLOGIES GROUP	EUR	41,458.00	2,249,096.50	1.80
			14,174,208.16	11.32
<i>GREECE</i>				
MOTOR OIL (HELLAS) CORINTH REFINERIES SA	EUR	48,901.00	1,067,019.82	0.85
			1,067,019.82	0.85

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

# Alken Fund - Absolute Return Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>IRELAND</i>				
C&C GROUP	GBP	307,845.00	608,243.18	0.49
RYANAIR HOLDINGS	EUR	211,896.00	2,587,250.16	2.07
			3,195,493.34	2.56
<i>ITALY</i>				
BANCA IFIS	EUR	17,112.00	227,760.72	0.18
BFF BANK	EUR	323,329.00	2,395,867.89	1.91
			2,623,628.61	2.09
<i>JERSEY</i>				
GLENCORE	GBP	300,892.00	1,873,387.13	1.50
			1,873,387.13	1.50
<i>LUXEMBOURG</i>				
B&M EUROPEAN VALUE RETAIL	GBP	423,656.00	1,963,972.00	1.57
SUBSEA 7	NOK	272,587.00	2,931,089.61	2.34
			4,895,061.61	3.91
<i>NETHERLANDS</i>				
AEGON	EUR	333,108.00	1,578,265.70	1.26
AIRBUS	EUR	15,623.00	1,734,465.46	1.39
ASR NEDERLAND	EUR	42,258.00	1,874,142.30	1.50
JUST EAT TAKEAWAY.COM	EUR	110,275.00	2,177,931.25	1.74
NN GROUP	EUR	62,718.00	2,393,318.88	1.91
TECHNIP ENERGIES	EUR	179,327.00	2,630,727.09	2.10
			12,388,850.68	9.90
<i>NORWAY</i>				
KONGSBERG GRUPPEN	NOK	42,063.00	1,662,758.49	1.33
			1,662,758.49	1.33
<i>SPAIN</i>				
INDRA SISTEMAS	EUR	152,657.00	1,625,797.05	1.30
REPSOL	EUR	26,047.00	386,797.95	0.31
TUBACEX	EUR	22,424.00	44,803.15	0.04
UNICAJA BANCO	EUR	1,316,644.00	1,357,459.96	1.08
			3,414,858.11	2.73
<i>SWEDEN</i>				
ALLEIMA	SEK	306,916.00	1,060,385.37	0.85
VOLVO 'B'	SEK	51,251.00	868,669.26	0.69
			1,929,054.63	1.54
<i>SWITZERLAND</i>				
MEYER BURGER TECHNOLOGY	CHF	1,125,118.00	610,176.71	0.49
			610,176.71	0.49

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

# Alken Fund - Absolute Return Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<i>UNITED KINGDOM</i>				
BRITISH AMERICAN TOBACCO	GBP	150,959.00	5,583,347.26	4.46
ENERGEAN OIL & GAS	GBP	303,755.00	4,481,529.94	3.58
FUTURE	GBP	74,459.00	1,063,302.99	0.85
JD SPORTS FSN	GBP	331,483.00	471,315.51	0.38
			11,599,495.70	9.27
<b>TOTAL SHARES</b>			<b>99,541,509.47</b>	<b>79.50</b>
<b>BONDS</b>				
<i>FRANCE</i>				
8.50% VALLOUREC 21/26 -SR-S	EUR	4,253,498.00	4,186,485.42	3.34
			4,186,485.42	3.34
<i>JERSEY</i>				
9.75% PETROFAC 21/26 -SR-S	USD	2,000,000.00	1,069,793.07	0.85
			1,069,793.07	0.85
<b>TOTAL BONDS</b>			<b>5,256,278.49</b>	<b>4.19</b>
<b>TOTAL I.</b>			<b>104,797,787.96</b>	<b>83.69</b>
<b>II. UNITS OF INVESTMENT FUNDS</b>				
<i>LUXEMBOURG</i>				
ALKEN FUND - SUSTAINABLE INCOME OPPORTUNITIES SEUH *	EUR	28,054.43	2,842,194.01	2.27
			2,842,194.01	2.27
<i>UNDEFINED</i>				
FCT 157 RE -TO REC.-	EUR	1,007,139.00	1,007,139.00	0.80
			1,007,139.00	0.80
<b>TOTAL II.</b>			<b>3,849,333.01</b>	<b>3.07</b>
<b>TOTAL INVESTMENTS</b>			<b>108,647,120.97</b>	<b>86.76</b>
CASH AT BANKS			5,750,503.74	4.59
BANK DEPOSITS			12,140,000.00	9.69
OTHER NET LIABILITIES			-1,312,829.83	-1.04
<b>TOTAL NET ASSETS</b>			<b>125,224,794.88</b>	<b>100.00</b>

\* Refer to note 19

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

# Alken Fund - Absolute Return Europe

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
France	33.02
Germany	11.32
Netherlands	9.90
United Kingdom	9.27
Luxembourg	6.18
Spain	2.73
Ireland	2.56
Jersey	2.35
Italy	2.09
Sweden	1.54
Australia	1.34
Norway	1.33
Canada	0.99
Greece	0.85
Undefined	0.80
Switzerland	0.49
	<b>86.76</b>

### Industrial classification

(in % of net assets)	
Holding and finance companies	11.79
Oil	8.01
Automobiles	5.74
Insurance	5.41
Tobacco and alcohol	4.95
Aeronautics and astronautics	4.85
Bonds issued by companies	4.19
Construction of machines and appliances	3.96
Oil and gas	3.91
Transport and freight	3.65
Publishing and graphic arts	3.52
Chemicals	3.21
Banks and credit institutions	3.17
Units of investment funds	3.07
Retail and supermarkets	2.83
Construction and building materials	2.70
Electronics and electrical equipment	2.68
Mining and steelworks	2.23
Public utilities	2.21
Real Estate Shares	1.83
Metals and minings	1.50
Miscellaneous consumer goods	0.61
Food and soft drinks	0.23
Miscellaneous trade	0.20
Utilities	0.17
Healthcare & social services	0.14
	<b>86.76</b>

# Alken Fund - Sustainable Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<b>TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>AUSTRALIA</i>				
SOUTH32	GBP	340,123.00	868,295.26	2.25
			868,295.26	2.25
<i>CANADA</i>				
INTERNATIONAL PETROLEUM	SEK	6,664.00	70,054.55	0.18
			70,054.55	0.18
<i>FRANCE</i>				
AKWEL	EUR	42,662.00	742,318.80	1.92
ALD	EUR	165,796.00	1,783,964.96	4.62
BIC	EUR	3,839.00	245,504.05	0.64
CARMILA	EUR	47,480.00	633,383.20	1.64
CARREFOUR	EUR	132,602.00	2,073,895.28	5.36
EIFFAGE	EUR	12,548.00	1,153,412.16	2.98
ELIS	EUR	76,570.00	1,058,197.40	2.74
IMERYS	EUR	1,691.00	61,450.94	0.16
IPSOS	EUR	27,175.00	1,589,737.50	4.11
LNA SANTE	EUR	7,452.00	220,579.20	0.57
MERSEN	EUR	19,134.00	722,308.50	1.87
QUADIENT	EUR	17,064.00	234,971.28	0.61
RENAULT S.A.	EUR	53,951.00	1,687,317.53	4.37
SPIE	EUR	2,464.00	60,023.04	0.16
TELEPERFORMANCE	EUR	398.00	88,634.60	0.23
THERMADOR GROUPE	EUR	2,650.00	228,430.00	0.59
TOTAL ENERGIES	EUR	22,367.00	1,311,824.55	3.39
VALLOUREC	EUR	223,752.00	2,745,437.04	7.09
			16,641,390.03	43.05
<i>GERMANY</i>				
DEUTSCHE POST	EUR	8,140.00	286,365.20	0.74
FUCHS PETROLUB	EUR	253.00	7,033.40	0.02
FUCHS PETROLUB PFD	EUR	5,740.00	187,927.60	0.49
K+S REG.	EUR	104,036.00	1,911,661.50	4.94
R.W.E.	EUR	31,370.00	1,304,678.30	3.38
RHEINMETALL	EUR	4,921.00	915,552.05	2.37
SIXT	EUR	4,221.00	362,794.95	0.94
SIXT PFD -NVTG-	EUR	1,078.00	58,751.00	0.15
VITESCO TECHNOLOGIES GROUP	EUR	16,081.00	872,394.25	2.26
			5,907,158.25	15.29
<i>GREECE</i>				
MOTOR OIL (HELLAS) CORINTH REFINERIES SA	EUR	19,166.00	418,202.12	1.08
			418,202.12	1.08

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

# Alken Fund - Sustainable Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity	Market value (note 2)	% of net assets
<i>IRELAND</i>				
C&C GROUP	GBP	210,601.00	416,107.52	1.08
RYANAIR HOLDINGS	EUR	118,194.00	1,443,148.74	3.73
			1,859,256.26	4.81
<i>ITALY</i>				
BANCA IFIS	EUR	11,537.00	153,557.47	0.40
BFF BANK	EUR	249,793.00	1,850,966.13	4.79
			2,004,523.60	5.19
<i>LUXEMBOURG</i>				
SUBSEA 7	NOK	60,306.00	648,461.92	1.68
			648,461.92	1.68
<i>NETHERLANDS</i>				
AEGON	EUR	173,953.00	824,189.31	2.13
ASR NEDERLAND	EUR	20,297.00	900,171.95	2.33
JUST EAT TAKEAWAY.COM	EUR	75,890.00	1,498,827.50	3.88
NN GROUP	EUR	18,871.00	720,117.36	1.86
TECHNIP ENERGIES	EUR	128,323.00	1,882,498.41	4.87
			5,825,804.53	15.07
<i>NORWAY</i>				
AKER SOLUTIONS	NOK	23,976.00	85,290.71	0.22
			85,290.71	0.22
<i>SPAIN</i>				
INDRA SISTEMAS	EUR	72,413.00	771,198.45	2.00
REPSOL	EUR	7,880.00	117,018.00	0.30
TUBACEX	EUR	156,345.00	312,377.31	0.81
UNICAJA BANCO	EUR	603,844.00	622,563.16	1.61
			1,823,156.92	4.72
<i>SWEDEN</i>				
ALLEIMA	SEK	352,596.00	1,218,208.37	3.15
VOLVO 'B'	SEK	9,092.00	154,103.16	0.40
			1,372,311.53	3.55
<i>SWITZERLAND</i>				
MEYER BURGER TECHNOLOGY	CHF	340,756.00	184,799.62	0.48
			184,799.62	0.48
<i>UNITED KINGDOM</i>				
JD SPORTS FSN	GBP	78,026.00	110,940.42	0.29
			110,940.42	0.29
<b>TOTAL SHARES</b>			<b>37,819,645.72</b>	<b>97.86</b>

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

# Alken Fund - Sustainable Europe

## Statement of investments and other net assets as at December 31, 2022 (expressed in EUR) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<b>CERTIFICATES</b>				
<i>NETHERLANDS</i>				
VAN LANSCHOT -SHS CERT.-	EUR	5,700.00	124,830.00	0.32
			<u>124,830.00</u>	<u>0.32</u>
<b>TOTAL CERTIFICATES</b>			<b>124,830.00</b>	<b>0.32</b>
<b>BONDS</b>				
<i>FRANCE</i>				
8.50% VALLOUREC 21/26 -SR-S	EUR	204,360.00	201,140.37	0.52
			<u>201,140.37</u>	<u>0.52</u>
<b>TOTAL BONDS</b>			<b>201,140.37</b>	<b>0.52</b>
<b>TOTAL INVESTMENTS</b>			<b>38,145,616.09</b>	<b>98.70</b>
CASH AT BANKS			605,230.93	1.57
OTHER NET LIABILITIES			-102,863.72	-0.27
<b>TOTAL NET ASSETS</b>			<b>38,647,983.30</b>	<b>100.00</b>

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

# Alken Fund - Sustainable Europe

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
France	43.57
Netherlands	15.39
Germany	15.29
Italy	5.19
Ireland	4.81
Spain	4.72
Sweden	3.55
Australia	2.25
Luxembourg	1.68
Greece	1.08
Switzerland	0.48
United Kingdom	0.29
Norway	0.22
Canada	0.18
	<b>98.70</b>

### Industrial classification

(in % of net assets)	
Holding and finance companies	19.01
Automobiles	9.06
Construction of machines and appliances	7.09
Banks and credit institutions	6.80
Insurance	6.32
Mining and steelworks	6.21
Retail and supermarkets	5.65
Transport and freight	5.56
Chemicals	4.94
Electronics and electrical equipment	4.48
Publishing and graphic arts	4.11
Oil and gas	3.69
Public utilities	3.60
Oil	3.45
Construction and building materials	2.98
Real Estate Shares	1.64
Tobacco and alcohol	1.08
Miscellaneous consumer goods	0.64
Miscellaneous trade	0.59
Healthcare & social services	0.57
Bonds issued by companies	0.52
Certificates	0.32
Food and soft drinks	0.23
Utilities	0.16
	<b>98.70</b>

# Alken Fund - Global Sustainable Convertible

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>CANADA</i>				
NUTRIEN	USD	3,200.00	233,696.00	0.42
			233,696.00	0.42
<i>GERMANY</i>				
R.W.E.	EUR	6,500.00	288,515.03	0.52
			288,515.03	0.52
<i>NETHERLANDS</i>				
KONINKLIJKE KPN	EUR	323,000.00	996,245.86	1.80
			996,245.86	1.80
<i>UNITED STATES</i>				
BANK OF AMERICA CV PFD NC 7.25% PERP. 'L'	USD	1,500.00	1,740,000.00	3.16
MICROSOFT	USD	3,989.00	956,641.98	1.73
			2,696,641.98	4.89
<b>TOTAL SHARES</b>			<b>4,215,098.87</b>	<b>7.63</b>
<b>BONDS</b>				
<i>BELGIUM</i>				
2.125% CV GRP BRUXELLES LAMBERT 22/25 -SR-	EUR	800,000.00	869,680.68	1.57
			869,680.68	1.57
<i>BRITISH VIRGIN ISLANDS</i>				
0.00% CV STRATEGIC INTERNATIONAL 20/25 -SR-	EUR	600,000.00	651,953.14	1.18
0.00% CV UNIVERSE TREK 21/26 -SR-S	USD	700,000.00	605,500.00	1.09
			1,257,453.14	2.27
<i>CAYMAN ISLANDS</i>				
0.00% CV CIMC ENRIC 21/26 -SR-S	HKD	2,000,000.00	245,451.60	0.44
0.00% CV MEITUAN 21/28 -SR-	USD	1,800,000.00	1,500,750.00	2.71
0.00% CV ZHEN DING TECHNOLOGY 20/25 -SR-	USD	800,000.00	774,000.00	1.40
0.00% CV ZHONGSHENG 20/25 -SR-	HKD	5,000,000.00	724,257.36	1.31
			3,244,458.96	5.86

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

# Alken Fund - Global Sustainable Convertible

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD) (continued)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<i>FRANCE</i>					
0.00%	CV CARREFOUR 18/24 -SR-	USD	1,200,000.00	1,143,720.00	2.07
0.00%	CV VEOLIA ENVRIIONNEMENT 19/25 -SR-S	EUR	21,000.00	678,530.87	1.23
2.25%	CV ELIS 22/29 -SR-	EUR	600,000.00	688,312.22	1.24
2.375%	CV UBISOFT ENTERTAINEMENT 22/28 -SR-	EUR	500,000.00	553,715.98	1.00
3.50%	CV GENEFIT 17/25 -SR-	EUR	63,413.00	1,783,276.37	3.23
			<hr/>	<hr/>	
			4,847,555.44	8.77	
<i>GERMANY</i>					
0.25%	CV DELIVERY HERO 20/24 -SR-S	EUR	300,000.00	300,749.98	0.54
1.00%	CV DELIVERY HERO 21/26 -SR-S	EUR	700,000.00	558,886.81	1.01
2.00%	CV DEUTSCHE LUFTHANSA 20/25 -SR-	EUR	800,000.00	917,297.11	1.66
			<hr/>	<hr/>	
			1,776,933.90	3.21	
<i>HONG KONG</i>					
2.50%	CV LENOVO GROUP 22/29 -SR-	USD	200,000.00	194,574.00	0.35
3.375%	CV LENOVO GROUP 19/24 -SR-S	USD	400,000.00	450,440.00	0.81
			<hr/>	<hr/>	
			645,014.00	1.16	
<i>ISRAEL</i>					
0.00%	CV CYBER-ARK SOFTWARE 19/24 -SR-	USD	1,050,000.00	1,110,238.50	2.01
			<hr/>	<hr/>	
			1,110,238.50	2.01	
<i>ITALY</i>					
0.00%	CV PRYSMIAN 21/26 -SR-	EUR	600,000.00	662,698.22	1.20
			<hr/>	<hr/>	
			662,698.22	1.20	
<i>JAPAN</i>					
0.00%	CV ANA HOLDING 21/31 -SR-	JPY	70,000,000.00	572,366.31	1.03
0.00%	CV CYBERAGENT 18/23 -SR-	JPY	110,000,000.00	830,137.25	1.50
0.00%	CV CYBERAGENT 22/29 -SR-	JPY	150,000,000.00	1,189,415.61	2.15
0.00%	CV NIPPON STEEL SUMITOMO METAL 21/26 -SR-S	JPY	230,000,000.00	1,885,652.42	3.42
0.00%	CV ROHM COMPANY 19/24 -SR-S	JPY	70,000,000.00	550,349.56	1.00
			<hr/>	<hr/>	
			5,027,921.15	9.10	
<i>LUXEMBOURG</i>					
0.00%	CV CITIGROUP GLOBAL MARKETS 20/24 -SR-	HKD	6,000,000.00	726,768.59	1.31
0.00%	CV OLIVIER 20/23 -SR-	EUR	300,000.00	334,086.60	0.60
0.50%	CV CITIGROUP GMFL (TKA) 16/23 -SR-	EUR	1,000,000.00	1,057,015.07	1.91
			<hr/>	<hr/>	
			2,117,870.26	3.82	
<i>SINGAPORE</i>					
1.625%	CV SINGAPORE AIRLINES 20/25 -SR-	SGD	1,500,000.00	1,175,014.91	2.12
			<hr/>	<hr/>	
			1,175,014.91	2.12	

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

# Alken Fund - Global Sustainable Convertible

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD) (continued)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<i>SOUTH KOREA</i>					
0.00%	WA POSCO HOLDINGS 21/26 -SR-	EUR	800,000.00	802,034.11	1.45
			802,034.11	1.45	
<i>SPAIN</i>					
1.50%	CV AMADEUS IT GROUP 20/25 -SR-	EUR	400,000.00	472,535.61	0.85
			472,535.61	0.85	
<i>SWEDEN</i>					
0.00%	CV GEELY SWEDEN (VOLVO) 19/24 -SR-	EUR	400,000.00	514,201.05	0.93
			514,201.05	0.93	
<i>SWITZERLAND</i>					
0.15%	CV SIKA 18/25 -SR-S	CHF	900,000.00	1,230,885.21	2.23
			1,230,885.21	2.23	
<i>TAIWAN</i>					
0.00%	CV HON HAI PRECISION 21/26 -SR-S	USD	900,000.00	834,219.00	1.51
			834,219.00	1.51	
<i>UNITED KINGDOM</i>					
1.00%	CV BP CAPITAL MARKETS (BP) 16/23 -SR-S	GBP	2,000,000.00	2,577,742.53	4.67
			2,577,742.53	4.67	
<i>UNITED STATES</i>					
0.00%	CV BEYOND MEAT 22/27 -SR-	USD	950,000.00	250,610.00	0.45
0.00%	CV BLACKLINE 21/26 -SR-S	USD	600,000.00	511,584.00	0.92
0.00%	CV FORD MOTOR 22/26 -SR-	USD	900,000.00	847,011.60	1.53
0.00%	CV GLENCORE FUNDING 18/25 -S-	USD	1,000,000.00	1,165,800.00	2.11
0.00%	CV JP MORGAN 21/24 -SR-	EUR	300,000.00	339,641.64	0.61
0.00%	CV JPM CHASE 22/25 -SR-S	EUR	1,300,000.00	1,435,291.16	2.60
0.125%	CV AKAMAI TECHNOLOGIES 18/25 -SR- 144A	USD	1,500,000.00	1,586,070.00	2.87
0.125%	CV DATADOG 20/25 -SR-	USD	200,000.00	220,806.00	0.40
0.125%	CV OKTA 20/25 -SR-	USD	1,300,000.00	1,151,113.60	2.08
0.25%	CV JPM CHASE FINANCE 18/23 -SR- 144A	USD	1,000,000.00	1,009,820.00	1.83
0.25%	CV MONGODB 20/26 -SR-	USD	500,000.00	585,425.00	1.06
0.25%	CV WOLFSPEED 22/28 -SR- 144A	USD	900,000.00	767,961.00	1.39
0.375%	CV COUPA SOFTWARE 21/26 -SR-	USD	700,000.00	675,578.40	1.22
0.375%	CV HUBSPOT 20/25 -SR-	USD	325,000.00	401,956.75	0.73
0.375%	CV PALO ALTO 20/25 -SR- 144A	USD	300,000.00	441,924.00	0.80
0.75%	CV BOOKING 21/25 -SR-	USD	600,000.00	804,618.00	1.45
0.875%	CV IAC FINANCECO 2 19/26 -SR- 144A	USD	250,000.00	222,009.00	0.40
1.25%	CV SOUTHWEST AIRLINES 20/25 -SR-	USD	1,175,000.00	1,427,730.75	2.58
1.50%	CV LYFT 20/25 -SR-	USD	855,000.00	752,466.69	1.36

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

# Alken Fund - Global Sustainable Convertible

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
1.50% CV WESTERN DIGITAL 19/24 -SR-	USD	900,000.00	857,756.70	1.55
2.00% CV FTI CONSULTING 18/23 -SR-	USD	220,000.00	345,505.60	0.62
4.25% UNITED STATES 22/25 -SR-	USD	1,700,000.00	1,700,531.25	3.08
			17,501,211.14	31.64
<b>TOTAL BONDS</b>			<b>46,667,667.81</b>	<b>84.37</b>
<b>TOTAL I.</b>			<b>50,882,766.68</b>	<b>92.00</b>
<b>II. OTHER TRANSFERABLE SECURITIES</b>				
<b>WARRANTS</b>				
<i>CAYMAN ISLANDS</i>				
SUMITOMO (TAKUMI) WTS 29/08/23 'TE0035'	JPY	20.00	210,693.77	0.38
TAKUMI (ANA HOLDING) WTS 29/04/24	JPY	15.00	8,526.28	0.02
TAKUMI (MITSUBISHI CHEMICALS) WTS 03/04/24	JPY	20.00	10,610.48	0.02
TAKUMI (PARK24) WTS 01/11/25	JPY	65.00	135,473.06	0.24
TAKUMI (SBI HOLDING) WTS 15/09/23	JPY	20.00	17,431.50	0.03
WESSEX (H.I.S.) WTS 17/10/24	JPY	28.00	15,915.72	0.03
WESSEX (YAOKO) WTS 30/06/23	JPY	30.00	17,052.55	0.03
			415,703.36	0.75
<b>TOTAL II.</b>			<b>415,703.36</b>	<b>0.75</b>
<b>III. UNITS OF INVESTMENT FUNDS</b>				
<i>LUXEMBOURG</i>				
ALKEN FUND - SUSTAINABLE INCOME OPPORTUNITIES IUS USD - ACC.- *	USD	15,000.00	1,494,000.00	2.70
			1,494,000.00	2.70
<b>TOTAL III.</b>			<b>1,494,000.00</b>	<b>2.70</b>
<b>TOTAL INVESTMENTS</b>			<b>52,792,470.04</b>	<b>95.45</b>
CASH AT BANKS			2,851,030.43	5.15
OTHER NET LIABILITIES			-336,430.38	-0.60
<b>TOTAL NET ASSETS</b>			<b>55,307,070.09</b>	<b>100.00</b>

\* Refer to note 19

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

# Alken Fund - Global Sustainable Convertible

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
United States	36.53
Japan	9.10
France	8.77
Cayman Islands	6.61
Luxembourg	6.52
United Kingdom	4.67
Germany	3.73
British Virgin Islands	2.27
Switzerland	2.23
Singapore	2.12
Israel	2.01
Netherlands	1.80
Belgium	1.57
Taiwan	1.51
South Korea	1.45
Italy	1.20
Hong Kong	1.16
Sweden	0.93
Spain	0.85
Canada	0.42
	<b>95.45</b>

### Industrial classification

(in % of net assets)	
Bonds issued by companies	81.29
Holding and finance companies	3.16
Bonds issued by countries or cities	3.08
Units of investment funds	2.70
Communications	1.80
Computer and office equipment	1.73
Warrants	0.75
Public utilities	0.52
Chemicals	0.42
	<b>95.45</b>

# Alken Fund - Sustainable Income Opportunities

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
<b>I. TRANSFERABLE SECURITIES ADMITTED TO AN OFFICIAL STOCK EXCHANGE LISTING OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>SHARES</b>				
<i>UNITED STATES</i>				
BANK OF AMERICA CV PFD NC 7.25% PERP. 'L'	USD	1,600.00	1,856,000.00	3.04
			1,856,000.00	3.04
<b>TOTAL SHARES</b>			<b>1,856,000.00</b>	<b>3.04</b>
<b>BONDS</b>				
<i>AUSTRALIA</i>				
2.30% CV DEXUS FINANCE 19/26 -SR-S	AUD	1,900,000.00	1,227,281.22	2.02
			1,227,281.22	2.02
<i>BELGIUM</i>				
2.125% CV GRP BRUXELLES LAMBERT 22/25 -SR-	EUR	400,000.00	434,840.34	0.72
			434,840.34	0.72
<i>BRITISH VIRGIN ISLANDS</i>				
0.00% CV STRATEGIC INTERNATIONAL 20/25 -SR-	EUR	500,000.00	543,294.29	0.89
0.00% CV UNIVERSE TREK 21/26 -SR-S	USD	600,000.00	519,000.00	0.85
			1,062,294.29	1.74
<i>CANADA</i>				
5.375% MASONITE INTERNATIONAL 19/28 -SR- 144A	USD	700,000.00	649,720.19	1.07
			649,720.19	1.07
<i>CAYMAN ISLANDS</i>				
0.00% CV NIO 21/26 -SR-	USD	500,000.00	431,782.50	0.71
0.00% CV PINDUODUO 20/25 -SR-	USD	350,000.00	324,091.60	0.53
0.00% CV ZHEN DING TECHNOLOGY 20/25 -SR-	USD	800,000.00	774,000.00	1.27
8.00% COUNTRY GARDEN 18/24 -SR-S	USD	700,000.00	546,558.39	0.90
			2,076,432.49	3.41
<i>FRANCE</i>				
0.125% CV AIR FRANCE 19/26 EUR 17.92 -SR-	EUR	55,400.00	960,555.31	1.58
0.25% CV NEXITY 18/25 -SR-	EUR	10,000.00	623,508.80	1.03
3.50% CV GENEFIT 17/25 -SR-	EUR	25,308.00	711,701.99	1.17
5.375% VALEO 22/27 -SR-	EUR	300,000.00	312,058.44	0.51
5.869% SUB. SOLVAY FINANCE 15/PERP -JR-	EUR	500,000.00	536,330.37	0.88
			3,144,154.91	5.17
<i>GERMANY</i>				
0.875% CV DELIVERY HERO 20/25 -SR-	EUR	1,000,000.00	862,444.73	1.42
1.00% CV DELIVERY HERO 21/26 -SR-S	EUR	400,000.00	319,363.89	0.53
			1,181,808.62	1.95

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

# Alken Fund - Sustainable Income Opportunities

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD) (continued)

Description	Currency	Nominal	Market value (note 2)	% of net assets	
<i>LUXEMBOURG</i>					
3.625%	B&M EUROPEAN 20/25 -SR-	GBP	600,000.00	673,938.94	1.11
			673,938.94	1.11	
<i>NETHERLANDS</i>					
0.00%	CV JUST EAT TAKEAWAY 21/25 -SR-	EUR	900,000.00	804,007.45	1.32
0.625%	CV JUST EAT21/28 -SR-S	EUR	600,000.00	420,773.99	0.69
0.80%	JDE PEET'S 21/24 -SR- 144A	USD	600,000.00	550,530.42	0.91
1.875%	CV BE SEMICONDUCTOR INDUSTRIES 22/29 -SR-	EUR	400,000.00	394,412.91	0.65
4.30%	NXP 22/29 -SR-	USD	600,000.00	557,677.92	0.92
4.375%	SUB. TELEFONICA 19/PERP -SR-S	EUR	600,000.00	612,462.18	1.01
4.50%	SUB. REPSOL INTL FINANCE. 15/75 -SR-S	EUR	400,000.00	413,889.84	0.68
5.50%	ALCOA NEDERLAND HOLDING 20/27 -SR- 144A	USD	600,000.00	579,649.86	0.95
			4,333,404.57	7.13	
<i>NEW ZEALAND</i>					
0.00%	CV XERO INVESTMENTS 20/25 -SR-	USD	400,000.00	318,500.00	0.52
			318,500.00	0.52	
<i>PORTUGAL</i>					
1.875%	SUB. EDP 21/81 -JR-	EUR	600,000.00	549,110.24	0.90
			549,110.24	0.90	
<i>SOUTH KOREA</i>					
0.00%	WA POSCO HOLDINGS 21/26 -SR-	EUR	800,000.00	802,034.11	1.32
			802,034.11	1.32	
<i>SWEDEN</i>					
2.625%	VOLVO TSY 22/26 -SR-	EUR	600,000.00	619,272.43	1.02
			619,272.43	1.02	
<i>UNITED ARAB EMIRATES</i>					
0.70%	CV ADNOC DISTRI. 21/24 -SR-	USD	600,000.00	564,462.00	0.93
			564,462.00	0.93	
<i>UNITED KINGDOM</i>					
0.75%	CV OCADO 20/27 -SR-	GBP	300,000.00	238,986.16	0.39
3.25%	BP CAPITAL MARKETS 20/PERP -SR-	EUR	1,200,000.00	1,181,080.62	1.94
7.325%	BARCLAYS 22/26 -SR-	USD	900,000.00	934,397.82	1.54
7.336%	HSBC HOLDING 22/26 -SR-	USD	1,200,000.00	1,245,863.76	2.05
			3,600,328.36	5.92	
<i>UNITED STATES</i>					
0.00%	CV BEYOND MEAT 22/27 -SR-	USD	950,000.00	250,610.00	0.41
0.00%	CV BLACKLINE 21/26 -SR-S	USD	700,000.00	596,848.00	0.98
0.125%	CV OKTA 20/25 -SR-	USD	1,300,000.00	1,151,113.60	1.89
0.25%	CV TRIPADVISOR 21/26 -SR-	USD	375,000.00	305,142.00	0.50
0.375%	CV COUPA SOFTWARE 21/26 -SR-	USD	750,000.00	723,834.00	1.19
0.75%	CV VROOM 21/26 -SR-	USD	600,000.00	212,664.42	0.35

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

# Alken Fund - Sustainable Income Opportunities

## Statement of investments and other net assets as at December 31, 2022 (expressed in USD) (continued)

Description	Currency	Quantity/Nominal	Market value (note 2)	% of net assets
1.25%	USD	300,000.00	230,311.80	0.38
1.50%	USD	600,000.00	528,046.80	0.87
1.50%	USD	950,000.00	905,409.85	1.49
1.50%	USD	700,000.00	582,025.36	0.96
2.20%	USD	600,000.00	562,727.28	0.93
2.293%	USD	1,000,000.00	900,453.50	1.48
2.60%	USD	600,000.00	559,252.50	0.92
2.75%	USD	5,300,000.00	5,029,410.09	8.26
2.875%	USD	1,300,000.00	1,257,292.92	2.07
3.125%	USD	600,000.00	577,402.20	0.95
3.25%	USD	500,000.00	461,855.75	0.76
3.55%	USD	1,000,000.00	939,955.70	1.55
4.00%	USD	650,000.00	590,254.93	0.97
4.00%	USD	600,000.00	511,205.34	0.84
4.00%	USD	600,000.00	544,960.44	0.90
4.00%	USD	600,000.00	504,696.30	0.83
4.25%	USD	6,800,000.00	6,802,125.00	11.18
4.40%	USD	1,000,000.00	977,546.40	1.61
4.50%	USD	700,000.00	653,785.65	1.08
4.50%	USD	400,000.00	384,515.20	0.63
4.75%	USD	600,000.00	582,284.34	0.96
5.125%	USD	600,000.00	566,095.98	0.93
5.25%	USD	1,200,000.00	1,059,790.44	1.74
5.25%	USD	600,000.00	600,542.58	0.99
5.50%	USD	1,000,000.00	1,003,840.80	1.65
5.61%	USD	900,000.00	903,921.30	1.49
5.625%	USD	625,000.00	577,653.94	0.95
5.625%	USD	600,000.00	578,817.72	0.95
5.70%	USD	800,000.00	810,096.40	1.33
6.625%	USD	400,000.00	375,435.80	0.62
			<b>33,801,924.33</b>	<b>55.59</b>
<b>TOTAL BONDS</b>			<b>55,039,507.04</b>	<b>90.52</b>
<b>TOTAL I.</b>			<b>56,895,507.04</b>	<b>93.56</b>
<b>II. UNITS OF INVESTMENT FUNDS</b>				
<i>UNDEFINED</i>				
FCT 157 RE -TO REC.-	EUR	1,007,139.00	1,074,869.10	1.77
			1,074,869.10	1.77
<b>TOTAL II.</b>			<b>1,074,869.10</b>	<b>1.77</b>
<b>TOTAL INVESTMENTS</b>			<b>57,970,376.14</b>	<b>95.33</b>
CASH AT BANKS			1,217,842.34	2.00
BANK DEPOSITS			1,670,000.00	2.75
OTHER NET LIABILITIES			-49,500.98	-0.08
<b>TOTAL NET ASSETS</b>			<b>60,808,717.50</b>	<b>100.00</b>

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

# Alken Fund - Sustainable Income Opportunities

## Geographical and industrial classification of investments as at December 31, 2022

### Geographical classification

(in % of net assets)	
United States	58.63
Netherlands	7.13
United Kingdom	5.92
France	5.17
Cayman Islands	3.41
Australia	2.02
Germany	1.95
Undefined	1.77
British Virgin Islands	1.74
South Korea	1.32
Luxembourg	1.11
Canada	1.07
Sweden	1.02
United Arab Emirates	0.93
Portugal	0.90
Belgium	0.72
New Zealand	0.52
	<hr/>
	<b>95.33</b>

### Industrial classification

(in % of net assets)	
Bonds issued by companies	69.01
Bonds issued by countries or cities	21.51
Holding and finance companies	3.04
Units of investment funds	1.77
	<hr/>
	<b>95.33</b>

## Notes to the financial statements as at December 31, 2022

### NOTE 1

#### GENERAL

Alken Fund (the "SICAV") is an open-ended investment company organised as a "*société anonyme*" under the laws of the Grand Duchy of Luxembourg and qualifies as a *Société d'Investissement à Capital Variable* (SICAV) under Part I of the amended Luxembourg law of December 17, 2010 (the "2010 Law") relating to Undertakings for Collective Investment ("UCI") and Luxembourg Law of August 10, 1915 related to Commercial Companies as amended, whose object is to invest in transferable securities under the principle of risk spreading in accordance with, and as more fully described in its Articles of Incorporation and the current Prospectus.

The SICAV was incorporated for an indefinite period on November 16, 2005, with an initial capital of EUR 31,000. Its articles of incorporation were published in the *Mémorial C, Recueil des Sociétés et Associations du Grand-Duché de Luxembourg* (the "*Mémorial*") on December 14, 2005. They were last amended by a notarial deed dated October 22, 2012, published in the *Mémorial* on November 26, 2012.

The SICAV is registered at the Trade and Companies Register of Luxembourg under the number B111842.

The SICAV's capital shall at all times be equal to the value of its total net assets.

#### a) Sub-funds in activity

As at December 31, 2022, the SICAV includes six sub-funds in operation:

- Alken Fund - European Opportunities;
- Alken Fund - Small Cap Europe;
- Alken Fund - Absolute Return Europe;
- Alken Fund - Sustainable Europe;
- Alken Fund - Global Sustainable Convertible;
- Alken Fund - Sustainable Income Opportunities.

The SICAV reserves the possibility to create new sub-funds according to economic circumstances.

#### b) Significant events and material changes

In February 2022, a number of countries (including the US, UK and EU) imposed sanctions against certain entities and individuals in Russia as a result of the official recognition of the Donetsk People's Republic and Lugansk People's Republic by the Russian Federation. Announcements of potential additional sanctions have been made following military operations initiated by Russia against the Ukraine on February 24, 2022.

The situation, together with growing turmoil from fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, has driven a sharp increase in volatility across markets.

At the date of this report, the Board of Directors of the SICAV continues to monitor the evolving situation and its impact on the financial position of the SICAV and any of its sub-funds.

## Notes to the financial statements as at December 31, 2022 (continued)

A new prospectus came into force in November 2022.

### c) Share classes

Classes of shares offered to investors are presented in the annexes of the current prospectus of the SICAV.

## NOTE 2

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a) Presentation of financial statements

The financial statements are prepared in accordance with generally accepted accounting principles and presented in accordance with the legal reporting requirements applicable in Luxembourg relating to UCIs.

#### b) Foreign exchange translation for each sub-fund

Cash at banks, other net assets as well as the market value of the investment portfolio in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate prevailing at the closing date.

Income and expenses in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate prevailing at the transaction date.

Net realised gain/loss on foreign exchange is included in the statement of operations and changes in net assets.

#### c) Combined financial statements of the SICAV

The combined financial statements of the SICAV are expressed in Euro ("EUR") and correspond to the sum of the corresponding items in the financial statements of the different sub-funds, converted into EUR at the exchange rate prevailing at December 31, 2022.

#### d) Valuation of assets

1) Securities and other assets listed or dealt in on a stock exchange or another regulated market are valued at the last available price; where such securities or other assets are listed or dealt in one or by more than one stock exchange or any other regulated market, the Board of Directors of the SICAV shall make regulations for the order of priority in which stock exchanges or other regulated markets are used for the provisions of prices of securities or assets.

2) Assets not listed or dealt in on a stock exchange or another regulated market, or assets so listed or dealt in for which the last available price is not representative of a fair market value, are valued, prudently and in good faith by the Board of Directors of the SICAV, on the basis of their estimated sale prices.

3) Cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received will be valued at their face value with interest accrued.

## Notes to the financial statements as at December 31, 2022 (continued)

4) The units/shares of open-ended UCIs are valued on the basis of the last known net asset value ("NAV") or, if the price so determined is not representative of their fair market value, are valued as the Board of Directors of the SICAV may deem fair and reasonable. Units/shares of closed-ended UCIs are valued on the basis of their last available market value.

5) For each sub-fund, securities whose value is expressed in a currency other than the reference currency of that sub-fund are converted into that reference currency at the average rate between the last available buy/sell rate in Luxembourg or, failing that, in a financial centre which is most representative for those securities.

6) Any other security, instrument or asset will be valued, prudently and in good faith, on the basis of their estimated sale prices by the Board of Directors of the SICAV.

### e) Net realised gain/loss on sales of investments

The net realised gain/loss on sales of investments is calculated on the basis of the weighted average cost of the investments sold.

### f) Cost of investment securities

Cost of investment securities in currencies other than the currency of the sub-fund is converted into the currency of the sub-fund at the exchange rate applicable at acquisition date.

### g) Valuation of forward foreign exchange contracts

The unrealised gain/loss resulting from outstanding forward foreign exchange contracts are determined on the basis of the forward rates applicable at the year-end and are recorded in the statement of net assets. The net realised gain/loss and the change in net unrealised appreciations or depreciations on forward foreign exchange contracts are recorded in the statement of operations and changes in net assets.

### h) Valuation of futures contracts

The liquidating value of futures contracts dealt in on a stock exchange or another regulated market is based on the last available settlement prices for the relevant NAV date published by such stock exchange or other regulated market where these particular futures contracts are traded. If a futures contracts could not be liquidated on the valuation day of the relevant assets, the basis for determining the liquidating value of such contract is such value as the Board of Directors of the SICAV may deem fair and reasonable.

### i) Valuation of contracts for difference ("CFD")

CFD are valued on the basis of the difference between the price of their underlying on the valuation date and on the acquisition date.

## Notes to the financial statements as at December 31, 2022 (continued)

### j) Accounting of futures contracts and CFD

Unrealised gains and losses on futures contracts and CFD are settled daily through the reception/payment of a cash amount corresponding to the daily increase/decrease of the market value of each opened futures contract or CFD. Such cash amount is recorded under the caption "Cash at banks" in the statement of net assets and the corresponding amount is recorded under the caption "Net realised gain on forward contracts" in the statement of operations and changes in net assets.

### k) Recognition of futures contracts and CFD

At the time of each NAV calculation, the margin call on futures and CFD is recorded directly in the realised capital gains and losses accounts relating to futures contracts or CFD by the bank account counterparty.

### l) Valuation of options contracts

The options contracts listed or dealt in on a stock exchange or another regulated market are valued at the last available price for the relevant Net Asset Value date, where such securities or other assets are listed or dealt in one or by more than one stock exchange or any other regulated market.

The options contracts not listed or dealt in on a stock exchange or another organised market, or assets so listed or dealt in for which the last available price is not representative of a fair market value, are valued, prudently and in good faith, on the basis of their estimated sale prices.

### m) Income

Dividends are recorded net of withholding tax at ex-date. Interest is recorded net on an accrual basis.

### n) Transaction fees

The transaction fees represent the costs incurred by each sub-fund in connection with purchases and sales of investments.

Transaction fees include brokerage fees as well as bank commissions, foreign tax, depositary fees and other transaction fees, and are included in the statement of operations and changes in net assets.

## NOTE 3

### "TAXE D'ABONNEMENT"

The SICAV's net assets are subject to a subscription tax ("Taxe d'abonnement") of 0.05% per annum payable at the end of each calendar quarter and calculated on the basis of the SICAV's total net assets at the end of the relevant quarter; such tax is reduced to 0.01% per annum in respect of share classes comprising institutional investors only (as per article 174 of the 2010 Law). This tax is not applicable for the portion of the assets of a sub-fund invested in other Luxembourg UCI already subject to "taxe d'abonnement".

# Alken Fund

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 4

#### MANAGEMENT FEES

The Management Company is entitled to receive a management fee payable out of the net assets of the respective share class of the sub-fund at a maximum annual rate of:

Sub-fund	Class	Maximum rate
Alken Fund - European Opportunities	I	1.00%
	EU1d	1.00%
	US2h	1.50%
	US1h	1.00%
	CH1	1.00%
	US2	1.50%
	CH2	1.50%
	US1	1.00%
	GB1	1.00%
	EU1	1.00%
	A	2.25%
	Z	1.50%
	U	1.50%
	R	1.50%
	H	0.90%
Alken Fund - Small Cap Europe	EU1	1.25%
	A	2.25%
	R	1.75%
Alken Fund - Absolute Return Europe	CH3	2.25%
	US3	2.25%
	US2	1.50%
	CH1	1.10%
	CH2	1.50%
	GB1	1.10%
	EU1	1.10%
	US1	1.10%
	A	2.25%
	K	1.50%
	I	1.50%
	H	0.90%
Alken Fund - Sustainable Europe	SEU1	0.75%
	SGB1	0.75%
	EUX	2.00%
Alken Fund - Global Sustainable Convertible	SUS	0.45%
	US1	0.60%
	SEUh	0.45%
	EU1h	0.60%
	EUIh	0.60%
	CH1h	0.60%**
	SGBh	0.45%
	GB1h	0.60%**

## Notes to the financial statements as at December 31, 2022 (continued)

Sub-fund	Class	Maximum rate
Alken Fund - Sustainable Income Opportunities	US1d	0.60%**
	IUSd	0.60%***
	EU1hd	0.60%
	EU3hd	1.20%
	CH1hd	0.60%**
	CH3hd	1.20%
	GB1hd	0.60%**
	GB3hd	1.20%
	SUS	0.45%
	US1	0.60%**
	SEUh	0.45%
	EU3h	1.20%
	EU1h	0.60%
	CH1h	0.60%**

\* Until May 23, 2022 (date at which the share class went dormant)

\*\* Since October 19, 2022 (launch date)

\*\*\* Since 19 April, 2022 (launch date)

The Management Company is responsible for the payment of the fees and expenses of the Investment Manager and, where relevant, the distributors. These fees are calculated and accrued daily and are payable quarterly in arrears.

### NOTE 5

#### OPERATING AND ADMINISTRATIVE EXPENSES

The Operating and Administrative expenses are calculated as a percentage of the average daily net assets of each share class. They are accrued daily and payable quarterly at a maximum rate of 0.35% for all sub-funds or share class unless specified differently in the latest prospectus.

The Operating and Administrative expenses cover:

a) Expenses directly contracted by the SICAV, including but not limited to the depositary fees and expenses, auditing fees and expenses, the Luxembourg *Taxe d'Abonnement*, "Directors" fees and reasonable out-of-pocket expenses incurred by the Board of Directors of the SICAV.

b) A "fund servicing fee" paid to the Management Company which is the remaining amount of the Operating and Administrative Expenses after deduction of the expenses detailed under section a) above.

The Management Company then bears all fees and expenses incurred in the day to day operation and administration of the SICAV, including but not limited to formation expenses such as organisation and registration costs, accounting expenses covering fund accounting and administration services; transfer agency expenses covering registrar and transfer agency services; the Administrative Agent and Domiciliary Agent services; the fees and reasonable out-of-pocket expenses of the paying agents and representatives; legal fees and expenses; ongoing registration, listing and quotation fees, including translation expenses; the cost of publication of the share prices and postage, telephone, facsimile transmission and other electronic means of communication; and the costs and expenses of preparing, printing, and distributing the SICAV's Prospectus, Key Investor Information Documents or any offering document, financial reports and other documents made available to Shareholders. The expenses incurred by the Management Company in relation to the launch of additional sub-funds may, at the discretion of the Board of Directors of the SICAV, be capitalised and amortized over a period not exceeding five years, as permitted by the 2010 Law.

## Notes to the financial statements as at December 31, 2022 (continued)

The Management Company instructs the SICAV to pay for the expenses directly contracted by it (as listed above) as well as for the SICAV administrator fees and expenses directly out of the assets of the SICAV. In such case the fee due to the Management Company is reduced accordingly.

Operating and Administrative Expenses do not include taxes, transaction fees and extraordinary expenses.

### NOTE 6

#### PERFORMANCE FEES

The Management Company is also entitled to receive a performance fee that may be levied only in case there is a difference in favour of the Investor between the relative evolution of the relevant sub-fund and a reference index (i.e. an outperformance).

The performance fee is calculated and accrued at each Applicable NAV on the basis of NAV after deducting all expenses, the management fee (but not the performance fee) and adjusted for subscriptions and redemptions during the relevant performance period. Such performance fee is payable annually in arrears.

Sub-fund	Rate	Reference index
Alken Fund - European Opportunities	10%*	Dow Jones STOXX 600 EUR (Return) Index (until November 26, 2022) MSCI Europe Index (EUR) (since November 26, 2022)
Alken Fund - Small Cap Europe	10%*	STOXX TMI Small EUR (Return) Index (until November 26, 2022) MSCI Europe Small Cap Index (EUR) (since November 26, 2022)
Alken Fund - Absolute Return Europe	20%*	Reference NAV adjusted by the hurdle rate of 5% pro rata temporis and any applicable losses carried forward
Alken Fund - Sustainable Europe	10%*	MSCI Europe ex UK Net Return EUR Index
Alken Fund - Sustainable Income Opportunities	15%	"Hurdle Rate" and subject to the "High Water Mark" both as defined in the latest prospectus

\* Except for the EUX share class: 0%

The sub-fund Alken Fund - Global Sustainable Convertible, does not pay any performance fee.

## Notes to the financial statements as at December 31, 2022 (continued)

The performance fee for the year ended December 31, 2022 amounts :

### Alken Fund - European Opportunities

ISIN Code	Share Class	Currency	Performance fee	% of net assets*
LU1731103088	I	EUR	-	-
LU1164024165	EU1d	EUR	-	-
LU1164021575	US2h	USD	-	-
LU1139087693	US1h	USD	675.69	0.01%
LU0866838658	CH1	CHF	-	-
LU0866838492	US2	USD	-	-
LU0866838732	CH2	CHF	-	-
LU0832413909	US1	USD	-	-
LU0832414030	GB1	GBP	-	-
LU0866838575	EU1	EUR	-	-
LU0524465977	A	EUR	-	-
LU0432793510	Z	EUR	-	-
LU0347565383	U	EUR	-	-
LU0235308482	R	EUR	-	-
LU0235308136	H	EUR	-	-
LU2309346224	LUS3h	USD	2,332.47	2.05%**
LU2309346497	LEU3	EUR	1,441.57	1.35%

\* based on the average net asset value of the share class for the year ended December 31, 2022.

\*\* based on the average net asset value of the share class for the period from January 1, 2022 to May 23, 2022 (date at which the share class went dormant).

### Alken Fund - Small Cap Europe

ISIN Code	Share Class	Currency	Performance fee	% of net assets*
LU0953331096	EU1	EUR	98.46	0.00%
LU0524465548	A	EUR	-	-
LU0300834669	R	EUR	-	-

\* based on the average net asset value of the share class for the year ended December 31, 2022.

### Alken Fund - Absolute Return Europe

ISIN Code	Share Class	Currency	Performance fee	% of net assets*
LU1040153956	CH3	CHF	64.90	0.04%
LU1040154095	US3	USD	47,467.22	1.10%
LU0866837924	US2	USD	11,938.52	1.20%
LU0866838062	CH1	CHF	335.33	0.45%
LU0866838146	CH2	CHF	4,288.54	0.53%
LU0832413578	GB1	GBP	18,326.54	1.10%
LU0866838229	EU1	EUR	185,423.09	0.80%
LU0832412760	US1	USD	72,157.64	1.74%
LU0572586591	A	EUR	23,127.36	0.10%
LU0592995731	K	EUR	3,019.94	0.80%
LU0572586674	I	EUR	334,750.24	0.61%
LU0572586757	H	EUR	104,878.67	0.84%

\* based on the average net asset value of the share class for the year ended December 31, 2022.

### Alken Fund - Sustainable Europe

ISIN Code	Share Class	Currency	Performance fee	% of net assets*
LU1696658423	SEU1	EUR	-	-
LU1696658696	SGB1	GBP	-	-

\* based on the average net asset value of the share class for the year ended December 31, 2022.

## Notes to the financial statements as at December 31, 2022 (continued)

### Alken Fund - Sustainable Income Opportunities

ISIN Code	Share Class	Currency	Performance fee	% of net assets*
LU1864130593	US1d***	USD	4.12	0.40%
LU1864131997	IUSd****	USD	-	-
LU1864130916	EU1hd	EUR	-	-
LU1864131138	EU3hd	EUR	-	-
LU1907580010	CH1hd***	CHF	4.08	0.40%
LU1907580283	CH3hd	CHF	-	-
LU1864132706	GB1h	GBP	-	-
LU1864131302	GB1hd***	GBP	3.86	0.38%
LU1864131641	SUS	USD	-	-
LU1864131724	US1***	USD	4.13	0.41%
LU1864132292	SEUh	EUR	-	-
LU1864132532	EU3h	EUR	1.88	0.00%
LU1864132375	EU1h	EUR	-	-
LU1907580440	CH1h***	CHF	4.08	0.40%

\* based on the average net asset value of the share class for the year ended December 31, 2022.

\*\* based on the average net asset value of the share class for the period from January 1, 2022 to May 23, 2022 (date at which the share class went dormant).

\*\*\* based on the average net asset value of the share class for the period from October 19, 2022 (launch date) to December 31, 2022.

\*\*\*\* based on the average net asset value of the share class for the period from April 19, 2022 (launch date) to December 31, 2022.

#### NOTE 7

#### OTHER FEES PAYABLE

As at December 31, 2022, the other fees payable include only operating expenses.

#### NOTE 8

#### SUBSCRIPTION AND REDEMPTION COMMISSION (DILUTION LEVY)

The issue price for shares in each class is equal to the NAV of each share in that class, dated on the Business Day of the applicable day of subscription.

The redemption price for shares in each class is equal to the NAV of each share in that class dated the Business Day on which application for redemption has been accepted.

Under certain circumstances (for example, large volumes of deals) investment and/or disinvestment costs may have an adverse effect on the Shareholders' interest in the SICAV. In order to prevent this effect, called "dilution levy", the Board of Directors of the SICAV has the power to charge a "dilution levy" on the issue, redemption and/or conversion of shares. If charged, the dilution levy is paid into the relevant sub-fund and becomes part of the relevant sub-fund. The dilution levy for each sub-fund is calculated by reference to the costs of dealing in the underlying investments of that sub-fund, including any dealing spreads, commission and transfer taxes.

The need to charge a dilution levy depends on the volume of issues, redemptions or conversions. The Board of Directors of the SICAV may charge a discretionary dilution levy on the issue, redemption and/or conversion of shares, if in its opinion, the existing Shareholders (for issues) or remaining Shareholders (for redemptions) might otherwise be adversely affected. In any case the dilution levy shall not exceed 2.00% of the NAV per share.

## Notes to the financial statements as at December 31, 2022 (continued)

During the year ended December 31, 2022, none of the sub-funds used the dilution levy mechanism.

In addition, for certain classes as defined in the Prospectus, the issue or redemption price may be increased/reduced by sales commissions for the sub-funds Alken Fund - European Opportunities, Alken Fund - Small Cap Europe, Alken Fund - Absolute Return Europe, Alken Fund - Global Sustainable Convertible, Alken Fund - Sustainable Income Opportunities and Alken Fund - Sustainable Europe, which are paid to intermediaries and do not exceed:

- Maximum 3.00% of the NAV of each share for subscription,
- Maximum 3.00% of the NAV of each share for redemption.

In addition, for certain classes as defined in the Prospectus for which the above described sales commission of up to 3% of the NAV of each share for subscription cannot be charged by the professional intermediaries to their, the issue price may instead be increased by commissions for the sub-funds Alken Fund - European Opportunities and Alken Fund - Sustainable Income Opportunities, which are charged by the Management Company to remunerate intermediaries and do not exceed:

- Maximum 1.00% of the NAV of each share for subscription.

The issue price/redemption price shall be increased/reduced to cover any duties, taxes and stamp duties which might have to be paid.

### NOTE 9

#### EXCHANGE RATE

The following exchange rate was used for the conversion of the net assets of the sub-funds into EUR as at December 31, 2022:

1 EUR = 1.06725032 USD

### NOTE 10

#### FORWARD FOREIGN EXCHANGE CONTRACTS

Forward foreign exchange contracts on identical currency pairs listed below are aggregated. Only the longest maturity date is shown.

The SICAV has the following forward foreign exchange contracts outstanding as at December 31, 2022:

Alken Fund - European Opportunities

Currency	Purchase	Currency	Sale	Maturity date
USD	8,570,383.02	EUR	8,035,085.61	31/01/2023

The net unrealised loss on this contract as at December 31, 2022 was EUR 22,274.07 and is included in the statement of net assets.

## Notes to the financial statements as at December 31, 2022 (continued)

### Alken Fund - Absolute Return Europe

Currency	Purchase	Currency	Sale	Maturity date
CHF	1,056,192.27	EUR	1,070,863.09	31/01/2023
GBP	1,636,127.12	EUR	1,853,055.00	31/01/2023
USD	7,578,950.20	EUR	7,105,576.68	31/01/2023

The net unrealised loss on these contracts as at December 31, 2022 was EUR 30,863.05 and is included in the statement of net assets.

### Alken Fund - Global Sustainable Convertible

Currency	Purchase	Currency	Sale	Maturity date
CHF	1,000.96	USD	1,082.53	31/01/2023
EUR	54,232,860.10	USD	57,789,919.03	15/03/2023
GBP	312,579.81	USD	379,565.68	15/03/2023
USD	1,324,072.00	CHF	1,247,146.59	15/03/2023
USD	17,105,431.00	EUR	16,356,567.80	15/03/2023
USD	2,553,778.00	GBP	2,159,100.84	15/03/2023
USD	1,611,661.00	HKD	12,605,278.86	15/03/2023
USD	5,050,541.00	JPY	699,079,521.00	15/03/2023
USD	1,164,113.00	SGD	1,571,642.54	15/03/2023

The net unrealised loss on these contracts as at December 31, 2022 was USD 608,122.12 and is included in the statement of net assets.

### Alken Fund - Sustainable Income Opportunities

Currency	Purchase	Currency	Sale	Maturity date
CHF	2,354,349.19	USD	2,546,205.80	31/01/2023
EUR	54,889,476.59	USD	58,560,067.49	15/03/2023
GBP	380,862.57	USD	460,466.65	31/01/2023
JPY	482,599,364.00	USD	3,574,333.00	15/03/2023
USD	1,191,650.00	AUD	1,782,994.60	15/03/2023
USD	15,692,169.00	EUR	15,045,920.92	15/03/2023
USD	854,052.00	GBP	722,159.04	15/03/2023
USD	3,527,127.00	JPY	488,253,948.00	15/03/2023

The net unrealised loss on these contracts as at December 31, 2022 was USD 401,758.43 and is included in the statement of net assets.

## NOTE 11

### FUTURES CONTRACTS

The SICAV had the following futures contracts outstanding as at December 31, 2022:

#### Alken Fund - Absolute Return Europe

	Maturity date	Currency	Commitment in EUR
Sale of 343.00 Euro Stoxx 50 ESTX 50 EUR	17/03/2023	EUR	-13,012,116.60

## Notes to the financial statements as at December 31, 2022 (continued)

### Alken Fund - Global Sustainable Convertible

	Maturity date	Currency	Commitment in USD
Purchase of 37.00 S&P 500 E-Mini ESG Index	17/03/2023	USD	6,209,895.00
Sale of 26.00 Germany 2Y Schatz Government Bond	08/03/2023	EUR	-2,748,075.31
Sale of 25.00 Japan 10Y E-Mini Fut. Government Bond	10/03/2023	JPY	-1,847,815.38

### Alken Fund - Sustainable Income Opportunities

	Maturity date	Currency	Commitment in USD
Sale of 78.00 Germany 2Y Schatz Government Bond	08/03/2023	EUR	-8,244,225.92
Sale of 45.00 Germany 5Y Bobl Government Bond	08/03/2023	EUR	-4,537,841.44
Sale of 27.00 Japan 10Y E-Mini Fut. Government Bond	10/03/2023	JPY	-1,995,640.61
Sale of 40.00 US 10Y Treasury Bond	22/03/2023	USD	-4,013,437.52

## NOTE 12

### CONTRACTS FOR DIFFERENCE ("CFD")

The SICAV had the following CFD outstanding as at December 31, 2022:

#### Alken Fund - European Opportunities

Description	Quantity	Currency	Commitment in EUR
Atacadao	2,458,288	USD	6,448,039.26

#### Alken Fund - Small Cap Europe

Description	Quantity	Currency	Commitment in EUR
Atacadao	1,065,800	USD	2,795,571.65

#### Alken Fund - Absolute Return Europe

Description	Quantity	Currency	Commitment in EUR
Adecco Group Reg.	-20,918	CHF	-645,280.10
Alstom	-21,359	EUR	-487,412.38
ASML Holding	-1,578	EUR	-794,996.40
Atacadao	1,011,647	USD	2,653,529.44
Capgemini	-3,102	EUR	-483,756.90
Christian Hansen Holding	-7,278	DKK	-489,053.58
Dassault Aviation	-2,106	EUR	-333,169.20
F.I.L.A.	-91,175	EUR	-634,578.00
Ferrari	-2,635	EUR	-527,527.00
Fortnox	-142,216	SEK	-604,790.18
Hennes & Mauritz 'B'	-97,597	SEK	-985,079.05
Hermes International	-291	EUR	-420,495.00
Hexagon 'B'	-49,212	SEK	-482,374.64
Infineon Technologies	-22,936	EUR	-652,070.48
Lifco 'B'	-52,605	SEK	-823,829.73
L'Oreal	-2,818	EUR	-940,084.80
LVMH Moët Hennessy - Louis Vuitton S.A.	-813	EUR	-552,758.70
Nemetschek	-13,208	EUR	-629,889.52

## Notes to the financial statements as at December 31, 2022 (continued)

### Alken Fund - Absolute Return Europe (continued)

Description	Quantity	Currency	Commitment in EUR
Nordic Semiconductor	-25,018	NOK	-390,018.37
Randstad	-18,356	EUR	-1,045,557.76
Scor	-43,136	EUR	-926,992.64
Seb	-6,556	EUR	-513,007.00
Siemens	-2,912	EUR	-377,511.68
Stmicroelectronics	-17,129	EUR	-565,171.35
Svenska Cellulosa 'B'	-34,441	SEK	-408,669.39

### Alken Fund - Sustainable Europe

Description	Quantity	Currency	Commitment in EUR
Atacadao	245,500	USD	643,941.49

### Alken Fund - Global Sustainable Convertible

Description	Quantity	Currency	Commitment in USD
BP	140,000	GBP	790,426.00
Exxon Mobil	5,250	USD	579,075.00
Sumitomo Forestry	-89,000	JPY	-1,573,663.27

## NOTE 13

### OPTIONS CONTRACTS

The SICAV had the following option contract outstanding as at December 31, 2022:

#### Alken Fund - Global Sustainable Convertible

Name	Quantity	Strike	Maturity date	Currency	Commitment in USD	Market value in USD
PUT BP	140	4.4	20/01/2023	GBP	-113,283.85	4,631.17
PUT S&P 500 Index	-14	3600	20/01/2023	USD	607,554.03	-16,940.00
PUT S&P 500 Index	14	3950	20/01/2023	USD	-3,780,308.73	184,380.00
PUT S&P 500 Index	14	3500	19/05/2023	USD	-1,231,233.97	123,550.00

The market value on these contracts as at December 31, 2022, was USD 295,621.17 and is included in the assets part of the statement of net assets.

## Notes to the financial statements as at December 31, 2022 (continued)

### NOTE 14 WARRANTS

As at December 31, 2022, the SICAV had the following warrants:

Alken Fund - Global Sustainable Convertible

Name	Quantity	Maturity date	Currency	Commitment in USD
Park24	65.00	01/11/2025	JPY	4,926,295.05
Sumitomo Forestry	20.00	29/08/2023	JPY	1,515,783.09
ANA Holdings	15.00	24/09/2024	JPY	1,136,837.32
SBI Holdings	20.00	14/08/2023	JPY	1,515,783.09
Mitsubishi Chemical Holdings	20.00	03/04/2024	JPY	1,515,783.09
H.I.S.	28.00	17/10/2024	JPY	2,122,096.33
Yaoko	30.00	30/06/2023	JPY	2,273,674.64

### NOTE 15 COLLATERAL ON OTC DERIVATIVES PRODUCTS

In the framework of their transactions on CFD, the sub-funds Alken Fund - European Opportunities, Alken Fund - Small Cap Europe, Alken Fund - Absolute Return Europe, Alken Fund - Global Sustainable Convertible and Alken Fund - Sustainable Europe have not received any collateral from the counterparties with which they deal.

### NOTE 16 DIVIDENDS PAID

The following dividend payments were made during the year:

Sub-fund	Share class	Currency	Dividend per share	Ex-date	Payment date
Alken Fund - Sustainable Income Opportunities	EU1hd	EUR	0.48	05/01/2022	14/01/2022
	EU1hd	EUR	0.49	05/04/2022	08/04/2022
	EU1hd	EUR	0.49	05/07/2022	07/07/2022
	EU1hd	EUR	0.49	05/10/2022	07/10/2022
	EU3hd	EUR	0.50	05/01/2022	14/01/2022
	EU3hd	EUR	0.49	05/04/2022	08/04/2022
	EU3hd	EUR	0.49	05/07/2022	07/07/2022
	EU3hd	EUR	0.49	05/10/2022	07/10/2022
	CH3hd	CHF	0.49	05/01/2022	14/01/2022
	CH3hd	CHF	0.48	05/04/2022	08/04/2022
	CH3hd	CHF	0.48	05/07/2022	07/07/2022
	CH3hd	CHF	0.48	05/10/2022	07/10/2022

### NOTE 17 CREDIT LINE AND GUARANTEES

On March 16, 2021, the SICAV renewed its loan agreement (the "Loan Agreement") with Pictet & Cie (Europe) S.A. (the "Bank"), which was entered into on March 15, 2020, in respect of the sub-fund Alken Fund - Sustainable Europe, for an unconfirmed credit line amount fixed to EUR 4,200,000.00.

## Notes to the financial statements as at December 31, 2022 (continued)

Under the terms of the Loan Agreement, the SICAV agreed to duly pledge the portfolio of the participating sub-fund in favour of the Bank.

As at December 31, 2022, the sub-fund is not using this credit line.

On May 11, 2021, the SICAV renewed its Loan Agreement with the Bank, which was entered into on May 10, 2019, in respect of the sub-fund Alken Fund - Global Sustainable Convertible, for an unconfirmed credit line amount fixed to USD 11,000,000.00.

Under the terms of the Loan Agreement, the SICAV agreed to duly pledge the portfolio of the participating sub-fund in favour of the Bank.

As at December 31, 2022, the sub-fund is using this credit line for an amount of USD 184,177.05.

On May 16, 2021, the SICAV renewed its Loan Agreement with the Bank, which was entered into on May 15, 2019, in respect of the sub-fund Alken Fund - Sustainable Income Opportunities, for an unconfirmed credit line amount fixed to USD 10,000,000.00. This unconfirmed credit line amount was further decreased to USD 6,000,000.00 on May 17, 2022.

Under the terms of the Loan Agreement, the SICAV agreed to duly pledge the portfolio of the participating sub-fund in favour of the Bank.

As at December 31, 2022, the sub-fund is using this credit line for an amount of USD 1,409,907.19.

On September 3, 2021, the SICAV renewed its Loan Agreement with the Bank, which was entered into on September 1, 2018, in respect of the sub-fund Alken Fund - Absolute Return Europe, for an unconfirmed credit line amount fixed to EUR 19,000,000.00.

Under the terms of the Loan Agreement, the SICAV agreed to duly pledge the portfolio of the participating sub-fund in favour of the Bank.

As at December 31, 2022, the sub-fund is not using this credit line.

On September 24, 2021, the SICAV renewed its Loan Agreement with the Bank, which was entered into on September 16, 2013, in respect of the sub-fund Alken Fund - European Opportunities, for an unconfirmed credit line amount fixed to EUR 35,000,000.00.

Under the terms of the Loan Agreement, the SICAV agreed to duly pledge the portfolio of the participating sub-fund in favour of the Bank.

As at December 31, 2022, the sub-fund is using this credit line for an amount of EUR 1,088,161.85.

On November 5, 2021, the SICAV renewed its Loan Agreement with the Bank, which was entered into on February 24, 2021, in respect of the sub-fund Alken Fund - Small Cap Europe, for an unconfirmed credit line amount fixed to EUR 8,000,000.00.

Under the terms of the Loan Agreement, the SICAV agreed to duly pledge the portfolio of the participating sub-fund in favour of the Bank.

# Alken Fund

## Notes to the financial statements as at December 31, 2022 (continued)

As at December 31, 2022, the sub-fund is using this credit line for an amount of EUR 174,840.16.

### NOTE 18 CHANGES IN THE COMPOSITION OF THE PORTFOLIO DURING THE YEAR

The statement of changes in the composition of the portfolio during the year ended December 31, 2022 is made available free of charge to Shareholders at the registered office of the SICAV.

### NOTE 19 CROSS INVESTMENT BETWEEN SUB-FUNDS

As at December 31, 2022, the sub-fund Alken Fund - Absolute Return Europe invests in the following sub-fund:

Investee sub-fund	Investment amount in EUR	% of net assets
Alken Fund - Sustainable Income Opportunities	2,842,194.01	2.27%

As at December 31, 2022, the sub-fund Alken Fund - Global Sustainable Convertible invests in the following Sub-Fund:

Investee sub-fund	Investment amount in USD	% of net assets
Alken Fund - Sustainable Income Opportunities	1,494,000.00	2.70%

The amount of cross investments is presented in the consolidated statement of net assets and in the consolidated statement of operations and changes in net assets. This amount stands at a total of EUR 4,242,053.04 and represents 0.54% of the SICAV's combined net assets, which represents a total amount of EUR 781,175,206.61 without the cross investments.

### NOTE 20 SUBSEQUENT EVENTS

No significant events occurred after the year-end.

## Total Expense Ratio ("TER") (Unaudited Appendix I)

Pursuant to the "Guidelines on the calculation and disclosure of the total expense ratio (TER) of collective investment schemes" of May 16, 2008 (version of August 5, 2021) of the Asset Management Association Switzerland ("AMAS"), the SICAV is obliged to publish a TER for the latest 12-month period.

The TER is defined as the ratio between the total operating expenses (operating charges primarily consist of management and investment management fees, depositary fees, bank charges and interest, service fees, performance fees, taxes and duties) and the relevant sub-fund's / share class' average NAV (calculated on the basis of the daily average of the total net assets for the relevant period) expressed in its reference currency.

For the period from January 1, 2022 to December 31, 2022, the TER were the following:

Class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees
Alken Fund - European Opportunities			
I	EUR	1.30%	1.30%
EU1d	EUR	1.35%	1.35%
US2h	USD	1.86%	1.86%
US1h	USD	1.37%	1.36%
CH1	CHF	1.35%	1.35%
US2	USD	1.85%	1.85%
CH2	CHF	1.85%	1.85%
US1	USD	1.35%	1.35%
GB1	GBP	1.35%	1.35%
EU1	EUR	1.35%	1.35%
A	EUR	2.60%	2.60%
Z	EUR	1.85%	1.85%
U	EUR	1.85%	1.85%
R	EUR	1.85%	1.85%
H	EUR	1.25%	1.25%
EUX	EUR	2.30%	2.30%
LEU3	EUR	3.95%	2.60%
Alken Fund - Small Cap Europe			
A	EUR	2.62%	2.62%
R	EUR	2.11%	2.11%
EU1	EUR	1.61%	1.61%
Alken Fund - Absolute Return Europe			
CH3	CHF	2.60%	2.56%
US3	USD	3.66%	2.56%
US2	USD	3.02%	1.83%
CH1	CHF	1.89%	1.43%
CH2	CHF	2.36%	1.83%
GB1	GBP	2.54%	1.44%
EU1	EUR	2.24%	1.44%
US1	USD	3.17%	1.44%
A	EUR	2.66%	2.56%
K	EUR	2.62%	1.83%

# Alken Fund

## Total Expense Ratio ("TER") (Unaudited Appendix I) (continued)

Class	Currency	Annualised TER including performance fees	Annualised TER excluding performance fees
Alken Fund - Absolute Return Europe (continued)			
I	EUR	2.44%	1.83%
H	EUR	2.08%	1.24%
Alken Fund - Sustainable Europe			
SEU1	EUR	1.13%	1.13%
SGB1	GBP	1.13%	1.13%
EUX	EUR	2.33%	2.33%
Alken Fund - Global Sustainable Convertible			
SUS	USD	0.60%	0.60%
US1	USD	1.00%	1.00%
SEUh	EUR	0.59%	0.59%
EU1h	EUR	1.01%	1.01%
EU1h	EUR	0.94%	0.94%
CH1h	CHF	1.02%	1.02%
SGBh	GBP	0.59%	0.59%
GB1h	GBP	1.00%	1.00%
Alken Fund - Sustainable Income Opportunities			
US1d	USD	1.12%	0.71%
IUSd	USD	0.75%	0.75%
EU1hd	EUR	0.95%	0.95%
EU3hd	EUR	1.55%	1.55%
CH1hd	CHF	1.41%	1.01%
CH3hd	CHF	1.55%	1.55%
GB1h	GBP	0.95%	0.95%
GB1hd	GBP	1.38%	1.00%
SUS	USD	0.60%	0.60%
US1	USD	1.12%	0.71%
SEUh	EUR	0.60%	0.60%
EU3h	EUR	1.55%	1.55%
EU1h	EUR	0.90%	0.90%
CH1h	CHF	1.41%	1.01%

## Performance (Unaudited Appendix II)

The performance was calculated at the end of each period according to the "Guidelines on the calculation and publication of the performance data of collective investment schemes" of May 16, 2008 (version of August 5, 2021) of the Asset Management Association Switzerland ("AMAS").

The performance given is based on historical data, which is no guide to current or future performance. Commissions and fees levied for the issue or redemption of shares, as applicable, have not been taken into account in this performance calculation.

As at December 31, 2022, performances were the following:

Class	Currency	Performance for the financial year ending December 31, 2022	Performance for the financial year ending December 31, 2021	Performance for the financial year ending December 31, 2020
Alken Fund - European Opportunities				
I	EUR	7.76%	25.46%	-13.39%
EU1d	EUR	7.71%	25.39%	-13.37%
US2h	USD	10.26%	25.92%	-12.08%
US1h	USD	10.79%	26.54%	-11.64%
CH1	CHF	2.64%	20.13%	-13.84%
US2	USD	0.57%	15.98%	-6.05%
CH2	CHF	2.13%	19.54%	-14.24%
US1	USD	1.08%	16.55%	-6.66%
GB1	GBP	13.82%	17.62%	-8.50%
EU1	EUR	7.71%	25.39%	-13.36%
A	EUR	6.35%	23.88%	-14.50%
Z	EUR	7.16%	24.79%	-13.80%
U	EUR	7.16%	24.79%	-13.80%
R	EUR	7.17%	24.79%	-13.81%
H	EUR	7.81%	25.51%	-13.25%
EUX	EUR	6.67%	24.25%	-14.22%
LEU3	EUR	4.99%	3.73% *	-
Alken Fund - Small Cap Europe				
A	EUR	5.42%	29.70%	-8.40%
R	EUR	5.95%	30.35%	-7.95%
EU1	EUR	6.47%	31.00%	-7.48%
Alken Fund - Absolute Return Europe				
CH3	CHF	7.38%	8.21%	-9.94%
US3	USD	9.03%	9.38%	-8.40%
US2	USD	9.66%	10.19%	-7.71%
CH1	CHF	7.87%	9.46%	-8.89%
CH2	CHF	7.71%	9.02%	-9.26%
GB1	GBP	9.06%	10.22%	-8.35%
EU1	EUR	8.00%	9.72%	-8.56%
US1	USD	10.02%	10.50%	-7.34%
A	EUR	7.36%	8.47%	-9.62%
K	EUR	7.67%	9.28%	-8.93%
I	EUR	7.66%	9.28%	-8.93%
H	EUR	8.18%	9.93%	-8.38%

## Performance (Unaudited Appendix II) (continued)

Class	Currency	Performance for the financial year ending December 31, 2022	Performance for the financial year ending December 31, 2021	Performance for the financial year ending December 31, 2020
Alken Fund - Sustainable Europe				
SEU1	EUR	5.94%	22.11%	-7.42%
SGB1	GBP	11.96%	14.52%	-2.20%
EUX	EUR	4.61%	20.69%	-8.58%
Alken Fund - Global Sustainable Convertible				
SUS	USD	-10.06%	1.92%	12.88%
US1	USD	1.66% *	-	-
SEUh	EUR	-12.22%	0.99%	10.99%
EU1h	EUR	0.99% *	-	-
EU1h	EUR	-12.53%	-0.49% *	-
CH1h	CHF	0.88% *	-	-
SGBh	GBP	-10.97%	-1.60% *	-
GB1h	GBP	1.30% *	-	-
Alken Fund - Sustainable Income Opportunities				
US1d	USD	3.27% *	-	-
IUSd	USD	-0.40% *	-	-
EU1hd	EUR	-5.38%	0.72%	0.03% *
EU3hd	EUR	-5.95%	0.04%	0.79% *
CH1hd	CHF	2.36% *	-	-
CH3hd	CHF	-6.26%	-0.08%	-0.01%
GB1h	GBP	-3.93%	1.36%	1.32%
GB1hd	GBP	2.95% *	-	-
SUS	USD	-3.02%	1.72%	2.56%
US1	USD	3.27% *	-	-
SEUh	EUR	-5.04%	1.00%	1.08%
EU3h	EUR	-5.94%	-	0.22%
EU1h	EUR	-5.32%	-0.56% *	-
CH1h	CHF	2.36% *	-	-

\* The performance of share classes launched during the year/period was calculated by comparing the net assets per share as at the launch date of the share class with the net assets per share as at the end of the year/period.

## Other information to Shareholders (Unaudited Appendix III)

### 1. Remuneration Policy of the Management Company

The Management Company has adopted a Remuneration Policy, which is in accordance with the principles established by the law of May 10, 2016, amending the 2010 Law.

In promoting sound and effective risk management and not encouraging excessive risk-taking with respect to the risk profiles, management regulations or instruments of incorporation of the Funds, the remunerations set by the Management Company are composed of fixed remuneration received in cash on a periodic basis, based on the competences of the employees of the Management Company and guaranteed irrespective of their performance and variable remuneration, linked to risk and therefore tied to performance measures on an individual basis as well as on a collective basis in accordance to predefined financial as well as non-financial criteria.

#### Remuneration for the financial year 2022

	Number of Beneficiaries in the staff	Fixed remuneration (EUR)	Variable remuneration (EUR)	Total remuneration (EUR)
<b>For the Management Company</b>				
Members	11	1,133,239	594,507	1,727,745

The figures are provided on the basis of present employees on December 31, 2022.

1. Information on fixed and variable remuneration paid excludes staff that left before December 31, 2022.
2. Information on remuneration are exclusive of social charges.
3. Fixed remuneration is the salary paid during the exercise.
4. Variable Remuneration is the one attributed in 2022 on the basis of the performance of the year 2021. It is composed of discretionary total variable pay (including immediate cash and deferred remuneration) and discretionary long-term incentives.

More information on the determination of the variable remuneration is set out in the qualitative disclosure on the remuneration policy, which is available on the website of the company.

Under the supervision of the Chairman of the Board of the Management Company a remuneration committee reviews the remuneration policy and its application. No significant issues were found and there were no significant changes in the remuneration policy in 2022.

### 2. Securities Financing Transactions Regulation ("SFTR")

As at December 31, 2022, the SICAV is in the scope of the requirements of the Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse. Nevertheless, no corresponding transactions were carried out during the year referring to the financial statements.

## Other information to Shareholders (Unaudited Appendix III) (continued)

### 3. Information on risk measurement

This note aims to give a summary of the global exposure monitoring for the sub-funds of the Alken Fund. The period under review is the year 2022.

#### 1) Methodology for the Global exposure monitoring

The Alken Fund is composed of six sub-funds:

- Alken Fund - European Opportunities
- Alken Fund - Small Cap Europe
- Alken Fund - Absolute Return Europe
- Alken Fund - Sustainable Europe
- Alken Fund - Global Sustainable Convertible
- Alken Fund - Sustainable Income Opportunities

The table below summarizes the methodology used for the monitoring of the global exposure for each sub-fund.

	Global Exposure Monitoring - Alken Fund
Alken Fund - European Opportunities	Commitment Approach
Alken Fund - Small Cap Europe	Commitment Approach
Alken Fund - Absolute Return Europe	Absolute VaR Approach
Alken Fund - Sustainable Europe	Commitment Approach
Alken Fund - Global Sustainable Convertible	Commitment Approach
Alken Fund - Sustainable Income Opportunities	Commitment Approach

*Alken Fund - Methodology used for the global exposure monitoring*

**NB:** The conversion methodology for the commitment approach is the market value of the equivalent position in the derivative's underlying asset. The limit stated in the risk management process of AFFM S.A. is a maximum commitment of 100% of the NAV of the sub-fund. (See point 1 of Box 2 ESMA Guidelines 10-788 and CSSF Circular 11/512 p.8 as amended by Circular CSSF 18/698).

## Other information to Shareholders (Unaudited Appendix III) (continued)

### 2) VaR and leverage overview for the Alken Fund - Absolute Return Europe

Alken Fund - Absolute Return Europe's global exposure is monitored via the absolute VaR approach. The VaR figure as well as the leverage of the sub-fund are monitored daily.

Limits and the methodologies used for the leverage and the VaR monitoring according to the risk management process of AFFM S.A. are summarized in the table below.

	Risk Management Process
<b>VaR</b>	
Methodology	Monte Carlo simulation
Observation period	One year
Holding period	20 business days
Confidence interval	99%
VaR limit according to the risk management process	15% & 17% internal warnings
<b>Leverage</b>	
Methodology	Sum of notionals (absolute value)
Leverage limit according to the risk management policy	150%

*VaR and leverage monitoring in AFFM S.A. risk management process*

The table below summarizes the VaR and the leverage figures for Alken Absolute Return Europe for the year 2022.

	Alken Fund - Absolute Return Europe
<b>VaR</b>	
Minimum VaR	4.5%
Maximum VaR	12.8%
Average VaR	9.1%
<b>Leverage</b>	
Minimum leverage	15.6%
Maximum leverage	53.0%
Average leverage	27.9%

*Alken Absolute Return Europe - VaR and leverage figures 2022*

## Other information to Shareholders (Unaudited Appendix III) (continued)

### 3) Global exposure for long only equity sub-funds and income sub-funds

Global exposure is monitored via the commitment approach. Commitments are monitored daily. The table below summarizes the global exposures for the year 2022.

Sub-Fund	Global Exposure Monitoring		
	Min	Max	Average
Alken Fund - European Opportunities	1.7%	43.5%	3.5%
Alken Fund - Sustainable Europe	1.2%	41.9%	2.8%
Alken Fund - Small Cap Europe	1.9%	43.4%	3.6%
Alken Fund - Global Sustainable Convertible	21.1%	92.4%	53.2%
Alken Fund - Sustainable Income Opportunities	13.5%	44.5%	32.7%

## Sustainable Finance Disclosure Regulation ("SFDR") (Unaudited Appendix IV)

On November 27, 2019, Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector was published (the "SFDR"). The SFDR aims to increase the harmonization of, and transparency towards the end investors with regard to, the integration of sustainability risks, the consideration of adverse sustainability impacts, the promotion of environmental or social characteristics and sustainable investment by requiring pre-contractual and ongoing disclosures to end investors.

The SFDR provides high-level definitions and distinguishes between several categorizations of products including "Article 8 products" which are financial products that promote, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices ("SFDR Article 8 Products") and "Article 9 products" which are products that have sustainable investment as their objective ("SFDR Article 9 Products").

The following sub-funds of Alken Fund are categorized as financial products falling under the scope of the following SFDR articles as at December 31, 2022:

<b>Sub-fund</b>	<b>Current SFDR categorization as at 31.12.2022</b>
Alken Fund - European Opportunities	Article 8 product
Alken Fund - Small Cap Europe	Article 8 product
Alken Fund - Absolute Return Europe	Article 8 product
Alken Fund - Sustainable Europe	Article 8 product
Alken Fund - Global Sustainable Convertible	Article 8 product
Alken Fund - Sustainable Income Opportunities	Article 8 product

ANNEX IV

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:**

Alken Fund – European Opportunities (the “Sub-Fund”)

**Legal entity identifier:**

549300623OUMWVDRT506

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" 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 89.37% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

The percentage of sustainable investments shown represents the sustainable investments as a proportion of the portfolio of the Sub-Fund as at the end of the reference period. This is in line with the pre-contractual disclosure for the Fund, where the Sub-Fund committed to invest at least 20% in sustainable investments.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by using the Investment Manager’s own in-house ESG methodology and ESG due diligence sprocess. The Investment Manager’s ESG methodology requires to primarily focus on the **three most material environmental and social factors identified for each sector** (and sub-sector if relevant).

For instance:

**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.

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

#### **Environmental characteristics promoted for the consumer discretionary sector:**

1. Clean water and sanitation, in line with SDG6
2. Responsible consumption and production, in line with SDG12
3. Encouraging the development and diffusion of environmentally friendly technologies, in line with Principle 9 of the UNGC

#### **Social characteristics promoted for the same consumer discretionary sector:**

1. Decent work and economic growth, in line with SDG8
2. Industry, innovation, and infrastructure, in line with SDG9
3. Supply chain management, in line with SDG12

For each environmental and social factors identified for a particular sector, the Investment Manager successfully implemented and managed its ESG characteristics promotion process.

- Over the period, the investment manager successfully **excluded issuers** based on a number environmental and social characteristics considered to present too much risk and where companies have failed to mitigate those;
- Over the period, the investment manager successfully **categorised issuers** based on their performance on the identified environmental and social characteristics;
- Over the period, the investment manager successfully **reviewed the ESG risk profiles** of invested issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities and assigning issuers an internal ESG rating;
- Over the period, the investment manager successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved;
- Over the period, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

Overall, the Investment Manager successfully promoted the environmental and social characteristics of the product. The environmental and/or social characteristics promoted by the Sub-Fund were met.

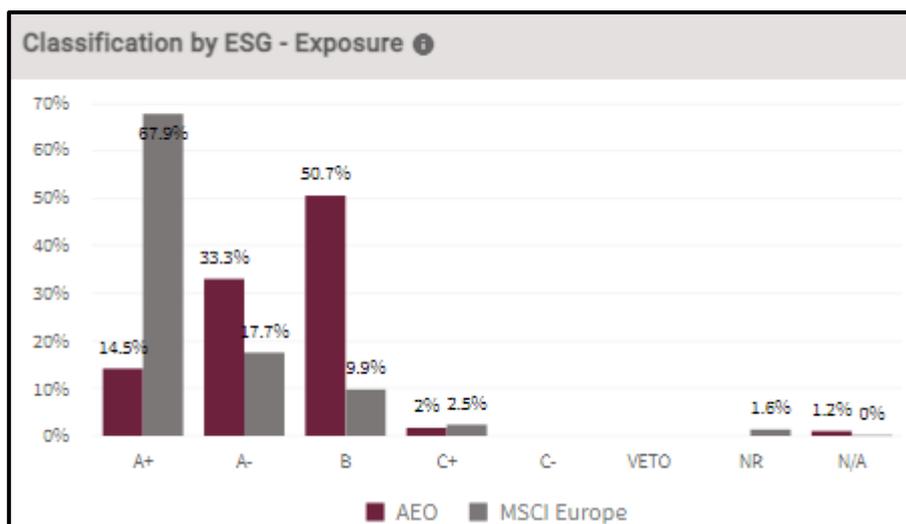
#### **● *How did the sustainability indicators perform?***

In order to measure the level of performance of the selected environmental and social indicators of this particular product, the Investment Manager uses its internal ESG scoring methodology.

This ESG scoring system is generated from the application of the aforementioned investment ESG restrictions, ESG screening, ESG analysis and controversy review, and ESG engagement.

Each issuer's aggregated ESG score reflects the overall level of maturity and performance on the selected twelve sectorial indicators that were evaluated. The individual performance of each environmental and social indicator can be obtained directly on the Investment Manager's portal.

The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2022:



Data extracted from the Investment Manager’s internal ESG portal, as of end of December 30<sup>th</sup>, 2022 since inception, for the selected sub-fund Alken Fund European Opportunities.

With a majority of the aggregated indicator’s scores showing an overall rating of “B”, this means that the majority of the evaluated environmental and social indicators are reflecting the following performance:

Internal Rating	Description	Quality
<b>B</b>	<i>Good overall ESG performance, but some reservations</i>	<i>Good overall ESG quality on the selected indicators, some improvements that can be made</i>

More precisely, the “B” rating reflects the following quality level on each environmental and social indicators analyzed using the below lenses:

<b>Disclosure</b>	<i>“B”: The overall disclosure level is adequate on the selected environmental and social characteristics</i>
<b>ESG strategy</b>	<i>“B”: Standard action plans, measures, certification, R&amp;D projects have been undertaken on the selected environmental and social characteristics</i>
<b>ESG risk</b>	<i>“B”: Measures have been indicated by the issuer in order to mitigate the potential ESG risks on the selected environmental and social characteristics</i>
<b>CSR culture</b>	<i>“B”: Efforts are being made in order to promote the issuer’s internal CSR DNA on the selected environmental and social characteristics</i>

● **...and compared to previous periods?**

As this is the first reporting period, this question is not applicable.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Sub-Fund intends to invest a **minimum of 20%** of its net asset value in companies which contribute to “**climate change mitigation**”. “Contributing to climate mitigation” means encouraging the reduction of emissions of issuers and/or encouraging the stabilization of the current levels of heat-trapping greenhouse gases in the atmosphere, and whilst doing so, also encouraging issuers to publicly commit to those reduction or stabilization targets.

In order to select companies which contribute to “climate change mitigation” as described above, the Investment Manager set up the **pass/fail approach** which methodology and thresholds are being detailed in the below.

The measurement of the sustainable investments which will contribute to the defined environmental objective is organised as follows:

**a) Companies have demonstrated a climate mitigation intent:**

For this the investment manager uses companies’ disclosures of their carbon reduction targets to established climate platforms or outside:

- MSCI’ CDP disclosures, looking for the “YES” indicator OR
- MSCI SBTi disclosures SBTi APPROVED, looking for the “YES” indicator OR
- MSCI’ carbon emissions reduction targets, looking for anything but the “No target”

⇒ **Quantitative threshold: the Investment Manager considered that a YES to any of those three conditions qualifies as a PASS.**

**b) On top of their commitments, companies have demonstrated concrete actions to climate mitigation:**

For this the investment manager used companies’ carbon reduction KPIs. At least one of those four conditions were needed to qualify as a PASS.

1. Companies that have an above average taxonomy alignment (using MSCI’ taxonomy alignment estimated revenues)
  - ⇒ Quantitative threshold: any percentage above 20% of taxonomy alignment qualifies as a PASS
2. Companies that have reduced or mitigated their carbon risk exposure (using MSCI’ Carbon Emissions Management Score).
  - ⇒ Quantitative threshold: any score above 2/10 would qualifies as a PASS
3. Companies that are using alternative energy as a percentage of their revenues (using MSCI’s field on alternative energy. This indicator is a percentage).
  - ⇒ Quantitative threshold: any percentage above 20% qualifies as a PASS
4. Companies has embedded the use of energy from renewable sources within their business strategy (using MSCI’s renewable energy use indicator. This field is a YES/NO indicator).
  - ⇒ Quantitative threshold: any YES to this indicator qualifies as a PASS.

Both sections a) and b) shall be PASSED to be considered contributing to the investment manager's sustainable investment.

A number of contributing companies shall also successfully pass the Step 2 (DNSH Test) and Step 3 (good corporate governance practices). Those meeting all steps 1, 2 and 3 can be considered as a sustainable investment in the portfolio.

Results of this newly implemented process will be available in 2024 for the year of 2023. No results are available for the year 2022.

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

The Investment Manager relies on a number of indicators provided by its external data provider to ensure that those climate change mitigation contributing issuers are not at the same time causing harm to any other environmental or social sustainable objective (STEP 2 mentioned above).

The section below details which indicators were chosen and implemented to identify any potential harm that could be caused by issuers.

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

Extracted from the Investment Manager's internal portal, the following indicators are used to monitor and identify any of the following potential adverse impacts on the contributing issuers:

- a) **No harm shall be caused to mandatory PAI 1:** The investment manager ensured that the company's economic activities are not part of the worst sectorial performers when it comes to their level of carbon emissions.
- b) **No harm shall be caused to mandatory PAI 13:** The company's economic activities shall not be part of the worst sectorial performers when it comes to ensuring a minimum level of female directors on the Board.
- c) **No tolerance to high degree of ESG risks:** The company's economic activities shall not be part of the worst global performers when it comes to general E, S and G matters, using our internal ESG scoring. Note we have identified the worst performers to be the internal category: RED/C-. Also note companies subject to this category can be upgraded according to a strict internal process.
- d) **No tolerance to high degree of controversy:** The company's economic activities shall not be part of the worst performers when it comes to being subject to controversies.
- e) **No tolerance to controversial weapons:** The company's economic activities shall be immune from any type of involvement with controversial weapons.
- f) **No tolerance to large fossil fuel revenue share exposures:** The company's economic activities shall be capped at 30% maximum of revenues generated by thermal coal or shale oil activities.

Results of this newly implemented process will be available in 2024 for the year of 2023.

As of the end of the reference period, the Investment Manager decided not to collect all the other remaining mandatory PAI indicators as it is believed that the data is not mature enough. All PAI indicators may be considered for next year's reporting.

**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.

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

The Investment Manager used its external data provider's research in order to be alerted about any serious controversy on notable failures or events which it believed would include issues relating to the OECD Guidelines for Multinational Enterprises and to the UN Guiding Principles on Business and Human Rights.

*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 Union criteria for environmentally sustainable economic activities.

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

Besides, the Investment Manager's ESG internal assessment included a number of elements raised by the OCED Guidelines and by the UN Guiding Principles. For instance, the internal review has from times to times required to verify the respect of human rights and the compliance with minimum international labour rights.



## How did this financial product consider principal adverse impacts on sustainability factors?

The negative impact of investments on sustainability factors has been taken into consideration as an integrated part of the investment process.

The Investment Manager uses its ESG material map to assess whether an investee company has caused or could cause principal adverse impacts, or whether it has contributed or could contribute to principal adverse impacts, or whether principal adverse impacts are or would be directly linked with the investee company's operations, products, or services as far as relevant data can be obtained.

The Responsible Investor and Impact Statement Report available on the Investment Manager's website elaborates on the methodologies to identify and manage PAIs: [Alken Asset Management | Legal \(alken-am.com\)](https://www.alken-am.com/legal).



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

During the reference period the top 15 investments were:

Largest investments	Sector	% Assets	Country
VALLOUREC	MACHINERY & APPARELS	5.76%	FRANCE
ENERGEAN OIL & GAS	PETROLEUM	5.34%	UK
K+S REG.	CHEMICALS	4.97%	GERMANY
BRITISH AMERICAN TOBACCO	ALCOHOL & TOBACCO	4.83%	UK
CARREFOUR	RETAIL TRADE & DEPARTEMENT STORES	4.81%	FRANCE
RENAULT	VEHICLES	4.18%	FRANCE
RWE	ENERGY & WATER SUPPLY	3.97%	GERMANY
RYANAIR HOLDINGS	TRAFFIC & TRANSPORTATION	3.84%	IRELAND
TECHNIP ENERGIES	HOLDING & FINANCIAL TRUST	3.78%	NETHERLANDS
GLENCORE	MISCELLANEOUS TRADING COMPANIES	3.75%	JERSEY
IPSOS	GRAPHICS PUBLISHING & PRINTING MEDIA	3.32%	FRANCE
JUST EAT TAKEAWAY.COM	HOLDING & FINANCIAL TRUST	3.24%	NETHERLANDS
ALD	HOLDING & FINANCIAL TRUST	3.23%	FRANCE
EIFFAGE	BUILDING MATERIALS & BUILDING INDUSTRY	2.78%	FRANCE
BFF BANK	BANK & OTHER CREDIT INSTITUTIONS	2.77%	ITALY

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is 31 Dec. 2022.

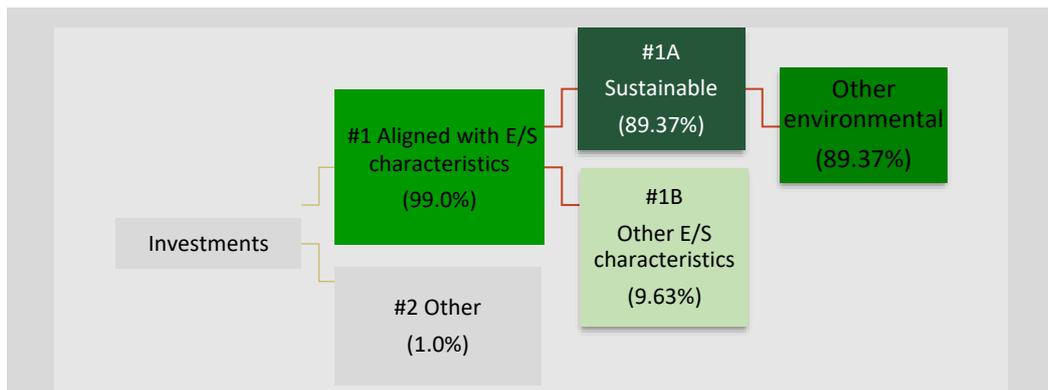
The list above represents the average of the Fund's holdings at month end of the reference period.



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

The proportion of sustainable investments made over the reference period was 89.37%.

### ● What was the asset allocation?



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

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

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

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

- The sub-category **#1A Sustainable** covers 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.

The remaining proportion is used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum safeguards are not considered for investments included under this category.

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

<b>Economic Sector</b>	<b>% of Assets</b>
AEROSPACE TECHNOLOGY	5.227%
ALCOHOL & TOBACCO	5.723%
BANK & OTHER CREDIT INSTITUTIONS	4.029%
BUILDING MATERIALS & BUILDING INDUSTRY	3.098%
CHEMICALS	4.855%
ELECTRICAL APPLIANCES & COMPONENTS	0.481%
ELECTRONICS & SEMICONDUCTORS	0.394%
ENERGY & WATER SUPPLY	4.006%
GRAPHICS PUBLISHING & PRINTING MEDIA	4.961%
HOLDING & FINANCIAL TRUST	16.980%
INSURANCE	5.207%
INTERNET, SOFTWARE & IT SERVICES	1.595%
MACHINERY & APPARELS	6.260%
MINING, COAL & STEEL INDUSTRY	2.079%
MISC. CONSUMER GOODS	0.824%
MISCELLANEOUS TRADING COMPANIES	4.093%
PETROLEUM	10.764%
REAL ESTATE	0.615%
RETAIL TRADE & DEPARTEMENT STORES	5.318%
TELECOMMUNICATION	0.233%
TRAFFIC & TRANSPORTATION	5.822%
VEHICLES	6.703%

*Please find below the proportion of investments during the period covered that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council, as of 31/12/2022:*

Integrated Oil & Gas	0.58%
Oil & Gas Exploration & Production	5.33%
Diversified Metals & Mining	5.18%



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

N/A

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.

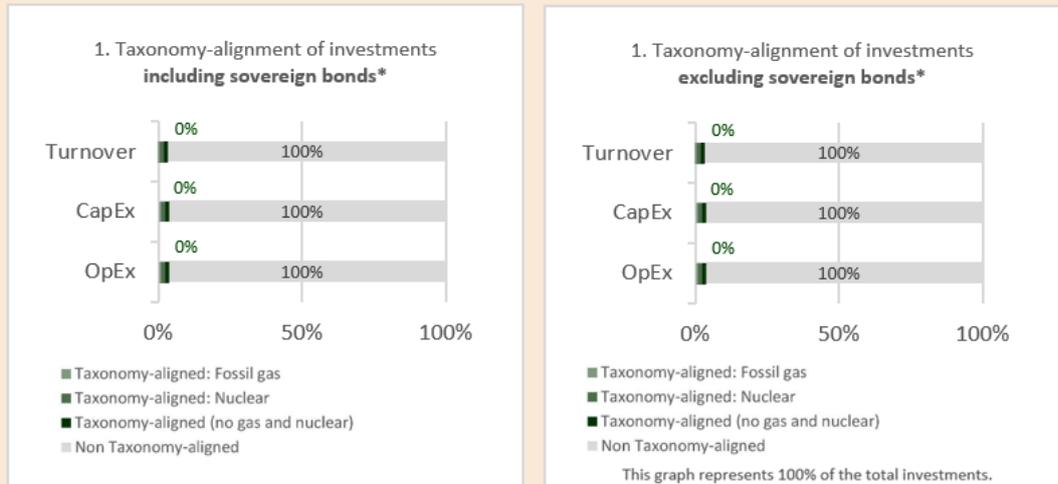
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:
- 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?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of sustainable investment with an environmental objective and not aligned with the EU Taxonomy is 89.37%. It is considered that EU Taxonomy alignment of issuers is not sufficiently mature and available yet to commit to a minimum alignment for the product.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



### What was the share of socially sustainable investments?

N/A



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

The above '#2 Other' refers to Investments that were not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items. These remaining proportion could be used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum environmental or social safeguards were not considered for investments included under this category.



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

During the reference period the Investment Manager took the following actions in order to ensure the environmental and social characteristics were adequately promoted:

- When considering new investments, the investment manager successfully **excluded a number of issuers** based on a selection of environmental and social characteristics;
- The investment manager **categorised its newly invested issuers** based on their performance on the identified environmental and social characteristics;
- Once invested, the investment manager successfully **reviewed the ESG risk profiles** of the new issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities
- For each newly added issuers, the investment manager **assigned an internal ESG rating** based on their overall environmental and social performance
- The investment manager also successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved
- Finally, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

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



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

N/A

- *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

ANNEX IV

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:**  
Alken Fund – Small Cap Europe (the “Sub-Fund”)

**Legal entity identifier:**  
549300353V37QUFNJU68

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" 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 78.91% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

The percentage of sustainable investments shown represents the sustainable investments as a proportion of the portfolio of the Sub-Fund as at the end of the reference period. This is in line with the pre-contractual disclosure for the Fund, where the Sub-Fund committed to invest at least 20% in sustainable investments.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by using the Investment Manager’s own in-house ESG methodology and ESG due diligence sprocess. The Investment Manager’s ESG methodology requires to primarily focus on the **three most material environmental and social factors identified for each sector** (and sub-sector if relevant).

For instance:

**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.

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

**Environmental characteristics promoted for the consumer discretionary sector:**

1. Clean water and sanitation, in line with SDG6
2. Responsible consumption and production, in line with SDG12
3. Encouraging the development and diffusion of environmentally friendly technologies, in line with Principle 9 of the UNGC

**Social characteristics promoted for the same consumer discretionary sector:**

1. Decent work and economic growth, in line with SDG8
2. Industry, innovation, and infrastructure, in line with SDG9
3. Supply chain management, in line with SDG12

For each environmental and social factors identified for a particular sector, the Investment Manager successfully implemented and managed its ESG characteristics promotion process.

- Over the period, the investment manager successfully **excluded issuers** based on a number environmental and social characteristics considered to present too much risk and where companies have failed to mitigate those;
- Over the period, the investment manager successfully **categorised issuers** based on their performance on the identified environmental and social characteristics;
- Over the period, the investment manager successfully **reviewed the ESG risk profiles** of invested issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities and assigning issuers an internal ESG rating;
- Over the period, the investment manager successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved;
- Over the period, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

Overall, the Investment Manager successfully promoted the environmental and social characteristics of the product. The environmental and/or social characteristics promoted by the Sub-Fund were met.

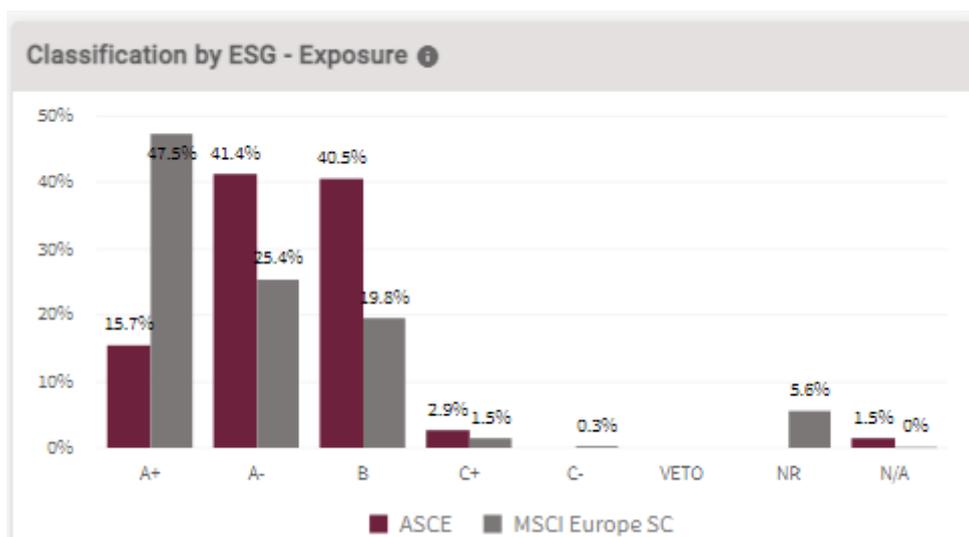
● ***How did the sustainability indicators perform?***

In order to measure the level of performance of the selected environmental and social indicators of this particular product, the Investment Manager uses its internal ESG scoring methodology.

This ESG scoring system is generated from the application of the aforementioned investment ESG restrictions, ESG screening, ESG analysis and controversy review, and ESG engagement.

Each issuer's aggregated ESG score reflects the overall level of maturity and performance on the selected twelve sectorial indicators that were evaluated. The individual performance of each environmental and social indicator can be obtained directly on the Investment Manager's portal.

The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2022:



Data extracted from the Investment Manager’s internal ESG portal, as of end of December 30<sup>th</sup>, 2022 since inception, for the selected sub-fund Alken Fund European Opportunities.

With a majority of the aggregated indicator’s scores showing an overall rating of “B”, this means that the majority of the evaluated environmental and social indicators are reflecting the following performance:

Internal Rating	Description	Quality
<b>B</b>	<i>Good overall ESG performance, but some reservations</i>	<i>Good overall ESG quality on the selected indicators, some improvements that can be made</i>

More precisely, the “B” rating reflects the following quality level on each environmental and social indicators analyzed using the below lenses:

<b>Disclosure</b>	<i>“B”: The overall disclosure level is adequate on the selected environmental and social characteristics</i>
<b>ESG strategy</b>	<i>“B”: Standard action plans, measures, certification, R&amp;D projects have been undertaken on the selected environmental and social characteristics</i>
<b>ESG risk</b>	<i>“B”: Measures have been indicated by the issuer in order to mitigate the potential ESG risks on the selected environmental and social characteristics</i>
<b>CSR culture</b>	<i>“B”: Efforts are being made in order to promote the issuer’s internal CSR DNA on the selected environmental and social characteristics</i>

● **...and compared to previous periods?**

As this is the first reporting period, this question is not applicable.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Sub-Fund intends to invest a **minimum of 20%** of its net asset value in companies which contribute to “**climate change mitigation**”. “Contributing to climate mitigation” means encouraging the reduction of emissions of issuers and/or encouraging the stabilization of the current levels of heat-trapping greenhouse gases in the atmosphere, and whilst doing so, also encouraging issuers to publicly commit to those reduction or stabilization targets.

In order to select companies which contribute to “climate change mitigation” as described above, the Investment Manager set up the **pass/fail approach** which methodology and thresholds are being detailed in the below.

The measurement of the sustainable investments which will contribute to the defined environmental objective is organised as follows:

**a) Companies have demonstrated a climate mitigation intent:**

For this the investment manager uses companies’ disclosures of their carbon reduction targets to established climate platforms or outside:

- MSCI’ CDP disclosures, looking for the “YES” indicator OR
- MSCI SBTi disclosures SBTi APPROVED, looking for the “YES” indicator OR
- MSCI’ carbon emissions reduction targets, looking for anything but the “No target”

⇒ **Quantitative threshold: the Investment Manager considered that a YES to any of those three conditions qualifies as a PASS.**

**b) On top of their commitments, companies have demonstrated concrete actions to climate mitigation:**

For this the investment manager used companies’ carbon reduction KPIs. At least one of those four conditions were needed to qualify as a PASS.

1. Companies that have an above average taxonomy alignment (using MSCI’ taxonomy alignment estimated revenues)  
⇒ Quantitative threshold: any percentage above 20% of taxonomy alignment qualifies as a PASS
2. Companies that have reduced or mitigated their carbon risk exposure (using MSCI’ Carbon Emissions Management Score).  
⇒ Quantitative threshold: any score above 2/10 would qualifies as a PASS
3. Companies that are using alternative energy as a percentage of their revenues (using MSCI’s field on alternative energy. This indicator is a percentage).  
⇒ Quantitative threshold: any percentage above 20% qualifies as a PASS
4. Companies has embedded the use of energy from renewable sources within their business strategy (using MSCI’s renewable energy use indicator. This field is a YES/NO indicator).  
⇒ Quantitative threshold: any YES to this indicator qualifies as a PASS.

Both sections a) and b) shall be PASSED to be considered contributing to the investment manager's sustainable investment.

A number of contributing companies shall also successfully pass the Step 2 (DNSH Test) and Step 3 (good corporate governance practices). Those meeting all steps 1, 2 and 3 can be considered as a sustainable investment in the portfolio.

Results of this newly implemented process will be available in 2024 for the year of 2023. No results are available for the year 2022.

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

The Investment Manager relies on a number of indicators provided by its external data provider to ensure that those climate change mitigation contributing issuers are not at the same time causing harm to any other environmental or social sustainable objective (STEP 2 mentioned above).

The section below details which indicators were chosen and implemented to identify any potential harm that could be caused by issuers.

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

Extracted from the Investment Manager's internal portal, the following indicators are used to monitor and identify any of the following potential adverse impacts on the contributing issuers:

- a) **No harm shall be caused to mandatory PAI 1:** The investment manager ensured that the company's economic activities are not part of the worst sectorial performers when it comes to their level of carbon emissions.
- b) **No harm shall be caused to mandatory PAI 13:** The company's economic activities shall not be part of the worst sectorial performers when it comes to ensuring a minimum level of female directors on the Board.
- c) **No tolerance to high degree of ESG risks:** The company's economic activities shall not be part of the worst global performers when it comes to general E, S and G matters, using our internal ESG scoring. Note we have identified the worst performers to be the internal category: RED/C-. Also note companies subject to this category can be upgraded according to a strict internal process.
- d) **No tolerance to high degree of controversy:** The company's economic activities shall not be part of the worst performers when it comes to being subject to controversies.
- e) **No tolerance to controversial weapons:** The company's economic activities shall be immune from any type of involvement with controversial weapons.
- f) **No tolerance to large fossil fuel revenue share exposures:** The company's economic activities shall be capped at 30% maximum of revenues generated by thermal coal or shale oil activities.

Results of this newly implemented process will be available in 2024 for the year of 2023.

As of the end of the reference period, the Investment Manager decided not to collect all the other remaining mandatory PAI indicators as it is believed that the data is not mature enough. All PAI indicators may be considered for next year's reporting.

**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.

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

The Investment Manager used its external data provider's research in order to be alerted about any serious controversy on notable failures or events which it believed would include issues relating to the OECD Guidelines for Multinational Enterprises and to the UN Guiding Principles on Business and Human Rights.

*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 Union criteria for environmentally sustainable economic activities.

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

Besides, the Investment Manager's ESG internal assessment included a number of elements raised by the OCED Guidelines and by the UN Guiding Principles. For instance, the internal review has from times to times required to verify the respect of human rights and the compliance with minimum international labour rights.



### How did this financial product consider principal adverse impacts on sustainability factors?

The negative impact of investments on sustainability factors has been taken into consideration as an integrated part of the investment process.

The Investment Manager uses its ESG material map to assess whether an investee company has caused or could cause principal adverse impacts, or whether it has contributed or could contribute to principal adverse impacts, or whether principal adverse impacts are or would be directly linked with the investee company's operations, products, or services as far as relevant data can be obtained.

The Responsible Investor and Impact Statement Report available on the Investment Manager's website elaborates on the methodologies to identify and manage PAIs: [Alken Asset Management | Legal \(alken-am.com\)](https://www.alken-am.com/legal).



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

During the reference period the top 15 investments were:

Largest investments	Sector	% Assets	Country
ENERGEAN OIL & GAS	PETROLEUM	7.36%	UNITED KINGDOM
VALLOUREC	MACHINERY & APPARELS	6.64%	FRANCE
K+S REG.	CHEMICALS	4.95%	GERMANY
BFF BANK	BANK & OTHER CREDIT INSTITUTIONS	4.87%	ITALY
TECHNIP ENERGIES	HOLDING & FINANCIAL TRUST	4.17%	NETHERLANDS
ASR NEDERLAND	INSURANCE	3.87%	NETHERLANDS
IPSOS	GRAPHICS PUBLISHING & PRINTING MEDIA	3.69%	FRANCE
ALD	HOLDING & FINANCIAL TRUST	3.62%	FRANCE
ALLEIMA	MINING, COAL & STEEL INDUSTRY	3.27%	SWEDEN
ELIS	HOLDING & FINANCIAL TRUST	2.94%	FRANCE
JUST EAT TAKEAWAY.COM	HOLDING & FINANCIAL TRUST	2.91%	NETHERLANDS
BANCA IFIS	BANK & OTHER CREDIT INSTITUTIONS	2.70%	ITALY
EIFFAGE	BUILDING MATERIALS & BUILDING INDUSTRY	2.70%	FRANCE
SUBSEA 7	PETROLEUM	2.70%	LUXEMBOURG
B&M EUROPEAN VALUE RETAIL	HOLDING & FINANCIAL TRUST	2.64%	LUXEMBOURG

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is 31 Dec. 2022.

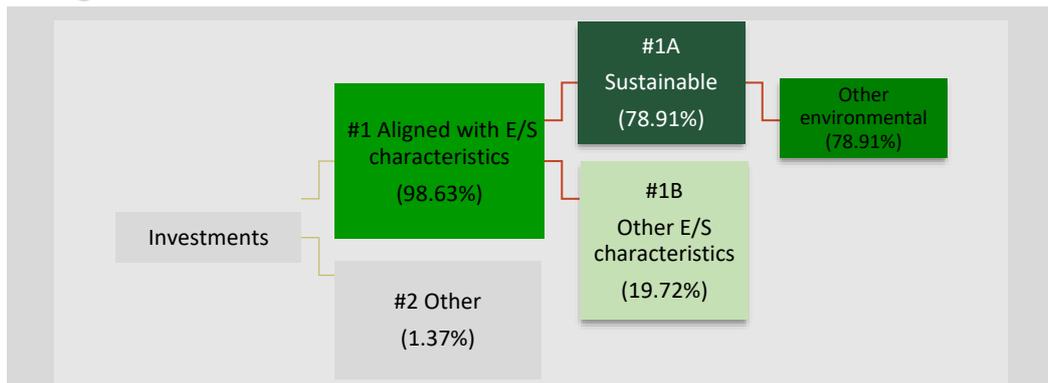
The list above represents the average of the Fund's holdings at month end of the reference period.



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

The proportion of sustainable investments made over the reference period was 78.91%.

### What was the asset allocation?



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

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

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

- The sub-category **#1A Sustainable** covers 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.

The remaining proportion is used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum safeguards are not considered for investments included under this category.

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

<b>Economic Sector</b>	<b>% of Assets</b>
AEROSPACE TECHNOLOGY	4.418%
ALCOHOL & TOBACCO	1.228%
BANK & OTHER CREDIT INSTITUTIONS	10.189%
BUILDING MATERIALS & BUILDING INDUSTRY	3.421%
CHEMICALS	5.688%
ELECTRICAL APPLIANCES & COMPONENTS	2.635%
ELECTRONICS & SEMICONDUCTORS	0.457%
ENERGY & WATER SUPPLY	1.732%
GRAPHICS PUBLISHING & PRINTING MEDIA	5.659%
HEALTHCARE & SOCIAL SERVICES	0.632%
HOLDING & FINANCIAL TRUST	18.668%
INSURANCE	5.829%
INTERNET, SOFTWARE & IT SERVICES	2.010%
MACHINERY & APPARELS	7.535%
MINING, COAL & STEEL INDUSTRY	4.417%
MISC. CONSUMER GOODS	0.706%
MISCELLANEOUS TRADING COMPANIES	0.959%
PETROLEUM	13.442%
REAL ESTATE	1.740%
RETAIL TRADE & DEPARTEMENT STORES	0.546%
TELECOMMUNICATION	0.226%
TRAFFIC & TRANSPORTATION	2.148%
VEHICLES	4.704%

*Please find below the proportion of investments during the period covered that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council, as of 31/12/2022:*

Oil & Gas Exploration & Production 7.18%



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

N/A

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.

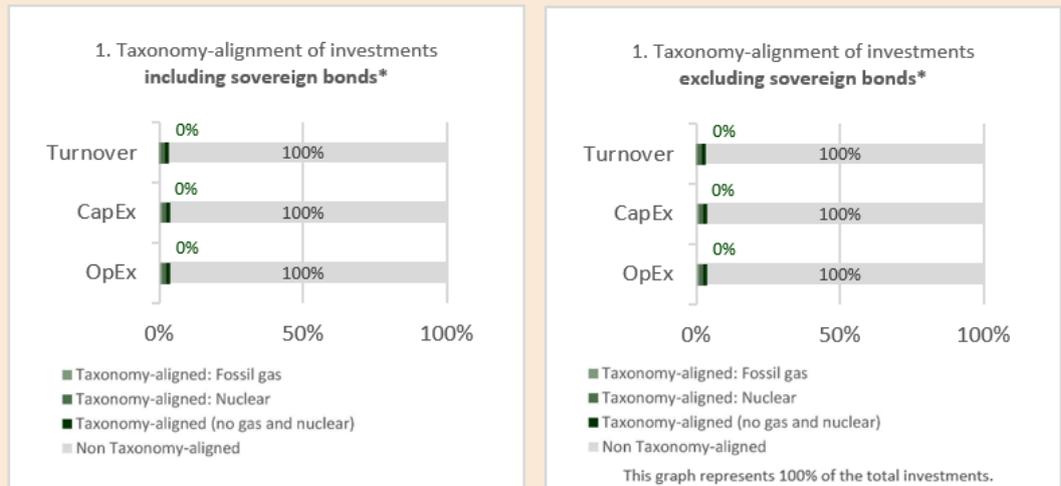
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:
- 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?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of sustainable investment with an environmental objective and not aligned with the EU Taxonomy is 78.91%. It is considered that EU Taxonomy alignment of issuers is not sufficiently mature and available yet to commit to a minimum alignment for the product.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



## What was the share of socially sustainable investments?

N/A



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

The above '#2 Other' refers to Investments that were not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items.

These remaining proportion could be used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives.

Minimum environmental or social safeguards were not considered for investments included under this category.



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

During the reference period the Investment Manager took the following actions in order to ensure the environmental and social characteristics were adequately promoted:

- When considering new investments, the investment manager successfully **excluded a number of issuers** based on a selection of environmental and social characteristics;
- The investment manager **categorised its newly invested issuers** based on their performance on the identified environmental and social characteristics;
- Once invested, the investment manager successfully **reviewed the ESG risk profiles** of the new issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities
- For each newly added issuers, the investment manager **assigned an internal ESG rating** based on their overall environmental and social performance
- The investment manager also successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved
- Finally, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

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



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

N/A

- *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

ANNEX IV

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:**  
Alken Fund – Absolute Return Europe (the “Sub-Fund”)

**Legal entity identifier:**  
549300EZLBDG6VAQCH10

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**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 86.56% 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**

The percentage of sustainable investments shown represents the sustainable investments as a proportion of the portfolio of the Sub-Fund as at the end of the reference period. This is in line with the pre-contractual disclosure for the Fund, where the Sub-Fund committed to invest at least 20% in sustainable investments.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by using the Investment Manager’s own in-house ESG methodology and ESG due diligence sprocess. The Investment Manager’s ESG methodology requires to primarily focus on the **three most material environmental and social factors identified for each sector** (and sub-sector if relevant).

For instance:

**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.

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

#### **Environmental characteristics promoted for the consumer discretionary sector:**

1. Clean water and sanitation, in line with SDG6
2. Responsible consumption and production, in line with SDG12
3. Encouraging the development and diffusion of environmentally friendly technologies, in line with Principle 9 of the UNGC

#### **Social characteristics promoted for the same consumer discretionary sector:**

1. Decent work and economic growth, in line with SDG8
2. Industry, innovation, and infrastructure, in line with SDG9
3. Supply chain management, in line with SDG12

For each environmental and social factors identified for a particular sector, the Investment Manager successfully implemented and managed its ESG characteristics promotion process.

- Over the period, the investment manager successfully **excluded issuers** based on a number environmental and social characteristics considered to present too much risk and where companies have failed to mitigate those;
- Over the period, the investment manager successfully **categorised issuers** based on their performance on the identified environmental and social characteristics;
- Over the period, the investment manager successfully **reviewed the ESG risk profiles** of invested issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities and assigning issuers an internal ESG rating;
- Over the period, the investment manager successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved;
- Over the period, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

Overall, the Investment Manager successfully promoted the environmental and social characteristics of the product. The environmental and/or social characteristics promoted by the Sub-Fund were met.

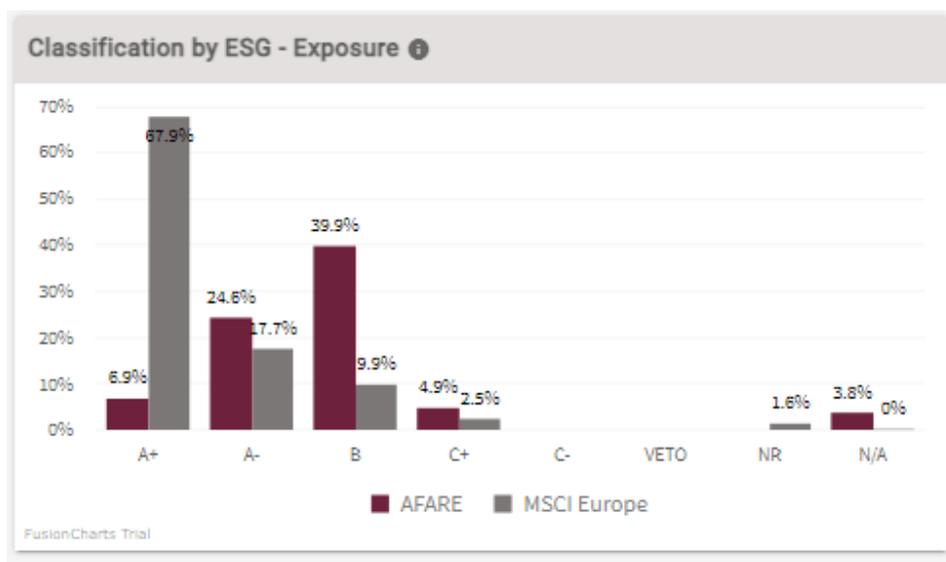
#### **● *How did the sustainability indicators perform?***

In order to measure the level of performance of the selected environmental and social indicators of this particular product, the Investment Manager uses its internal ESG scoring methodology.

This ESG scoring system is generated from the application of the aforementioned investment ESG restrictions, ESG screening, ESG analysis and controversy review, and ESG engagement.

Each issuer's aggregated ESG score reflects the overall level of maturity and performance on the selected twelve sectorial indicators that were evaluated. The individual performance of each environmental and social indicator can be obtained directly on the Investment Manager's portal.

The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2022:



Data extracted from the Investment Manager’s internal ESG portal, as of end of December 30<sup>th</sup>, 2022 since inception, for the selected sub-fund Alken Fund European Opportunities.

With a majority of the aggregated indicator’s scores showing an overall rating of “B”, this means that the majority of the evaluated environmental and social indicators are reflecting the following performance:

Internal Rating	Description	Quality
<b>B</b>	<i>Good overall ESG performance, but some reservations</i>	<i>Good overall ESG quality on the selected indicators, some improvements that can be made</i>

More precisely, the “B” rating reflects the following quality level on each environmental and social indicators analyzed using the below lenses:

<b>Disclosure</b>	<i>“B”: The overall disclosure level is adequate on the selected environmental and social characteristics</i>
<b>ESG strategy</b>	<i>“B”: Standard action plans, measures, certification, R&amp;D projects have been undertaken on the selected environmental and social characteristics</i>
<b>ESG risk</b>	<i>“B”: Measures have been indicated by the issuer in order to mitigate the potential ESG risks on the selected environmental and social characteristics</i>
<b>CSR culture</b>	<i>“B”: Efforts are being made in order to promote the issuer’s internal CSR DNA on the selected environmental and social characteristics</i>

● **...and compared to previous periods?**

As this is the first reporting period, this question is not applicable.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Sub-Fund intends to invest a **minimum of 20%** of its net asset value in companies which contribute to “**climate change mitigation**”. “Contributing to climate mitigation” means encouraging the reduction of emissions of issuers and/or encouraging the stabilization of the current levels of heat-trapping greenhouse gases in the atmosphere, and whilst doing so, also encouraging issuers to publicly commit to those reduction or stabilization targets.

In order to select companies which contribute to “climate change mitigation” as described above, the Investment Manager set up the **pass/fail approach** which methodology and thresholds are being detailed in the below.

The measurement of the sustainable investments which will contribute to the defined environmental objective is organised as follows:

**a) Companies have demonstrated a climate mitigation intent:**

For this the investment manager uses companies’ disclosures of their carbon reduction targets to established climate platforms or outside:

- MSCI’ CDP disclosures, looking for the “YES” indicator OR
- MSCI SBTi disclosures SBTI APPROVED, looking for the “YES” indicator OR
- MSCI’ carbon emissions reduction targets, looking for anything but the “No target”

⇒ **Quantitative threshold: the Investment Manager considered that a YES to any of those three conditions qualifies as a PASS.**

**b) On top of their commitments, companies have demonstrated concrete actions to climate mitigation:**

For this the investment manager used companies’ carbon reduction KPIs. At least one of those four conditions were needed to qualify as a PASS.

1. Companies that have an above average taxonomy alignment (using MSCI’ taxonomy alignment estimated revenues)  
⇒ Quantitative threshold: any percentage above 20% of taxonomy alignment qualifies as a PASS
2. Companies that have reduced or mitigated their carbon risk exposure (using MSCI’ Carbon Emissions Management Score).  
⇒ Quantitative threshold: any score above 2/10 would qualifies as a PASS
3. Companies that are using alternative energy as a percentage of their revenues (using MSCI’s field on alternative energy. This indicator is a percentage).  
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4. Companies has embedded the use of energy from renewable sources within their business strategy (using MSCI’s renewable energy use indicator. This field is a YES/NO indicator).  
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Both sections a) and b) shall be PASSED to be considered contributing to the investment manager's sustainable investment.

A number of contributing companies shall also successfully pass the Step 2 (DNSH Test) and Step 3 (good corporate governance practices). Those meeting all steps 1, 2 and 3 can be considered as a sustainable investment in the portfolio.

Results of this newly implemented process will be available in 2024 for the year of 2023. No results are available for the year 2022.

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

The Investment Manager relies on a number of indicators provided by its external data provider to ensure that those climate change mitigation contributing issuers are not at the same time causing harm to any other environmental or social sustainable objective (STEP 2 mentioned above).

The section below details which indicators were chosen and implemented to identify any potential harm that could be caused by issuers.

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

Extracted from the Investment Manager's internal portal, the following indicators are used to monitor and identify any of the following potential adverse impacts on the contributing issuers:

- a) **No harm shall be caused to mandatory PAI 1:** The investment manager ensured that the company's economic activities are not part of the worst sectorial performers when it comes to their level of carbon emissions.
- b) **No harm shall be caused to mandatory PAI 13:** The company's economic activities shall not be part of the worst sectorial performers when it comes to ensuring a minimum level of female directors on the Board.
- c) **No tolerance to high degree of ESG risks:** The company's economic activities shall not be part of the worst global performers when it comes to general E, S and G matters, using our internal ESG scoring. Note we have identified the worst performers to be the internal category: RED/C-. Also note companies subject to this category can be upgraded according to a strict internal process.
- d) **No tolerance to high degree of controversy:** The company's economic activities shall not be part of the worst performers when it comes to being subject to controversies.
- e) **No tolerance to controversial weapons:** The company's economic activities shall be immune from any type of involvement with controversial weapons.
- f) **No tolerance to large fossil fuel revenue share exposures:** The company's economic activities shall be capped at 30% maximum of revenues generated by thermal coal or shale oil activities.

Results of this newly implemented process will be available in 2024 for the year of 2023.

As of the end of the reference period, the Investment Manager decided not to collect all the other remaining mandatory PAI indicators as it is believed that the data is not mature enough. All PAI indicators may be considered for next year's reporting.

**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.

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

The Investment Manager used its external data provider's research in order to be alerted about any serious controversy on notable failures or events which it believed would include issues relating to the OECD Guidelines for Multinational Enterprises and to the UN Guiding Principles on Business and Human Rights.

*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 Union criteria for environmentally sustainable economic activities.

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

Besides, the Investment Manager's ESG internal assessment included a number of elements raised by the OECD Guidelines and by the UN Guiding Principles. For instance, the internal review has from times to times required to verify the respect of human rights and the compliance with minimum international labour rights.



## How did this financial product consider principal adverse impacts on sustainability factors?

The negative impact of investments on sustainability factors has been taken into consideration as an integrated part of the investment process.

The Investment Manager uses its ESG material map to assess whether an investee company has caused or could cause principal adverse impacts, or whether it has contributed or could contribute to principal adverse impacts, or whether principal adverse impacts are or would be directly linked with the investee company's operations, products, or services as far as relevant data can be obtained.

The Responsible Investor and Impact Statement Report available on the Investment Manager's website elaborates on the methodologies to identify and manage PAIs: [Alken Asset Management | Legal \(alken-am.com\)](https://www.alken-am.com/legal).



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

During the reference period the top 15 investments were:

Largest investments	Sector	% Assets	Country
BRITISH AMERICAN TOBACCO	ALCOHOL & TOBACCO	4.57%	UK
VALLOUREC	MACHINERY & APPARELS	3.67%	FRANCE
ENERGEAN OIL & GAS	PETROLEUM	3.60%	UK
TOTALENERGIES	PETROLEUM	3.53%	FRANCE
8.50% VALLOUREC 21/26 SR S	MACHINERY & APPARELS	3.32%	FRANCE
K+S REG.	CHEMICALS	3.27%	GERMANY
RENAULT	VEHICLES	3.04%	FRANCE
EIFFAGE	BUILDING MATERIALS & BUILDING INDUSTRY	2.73%	FRANCE
IPSOS	GRAPHICS PUBLISHING & PRINTING MEDIA	2.54%	FRANCE
CARREFOUR	RETAIL TRADE & DEPARTEMENT STORES	2.49%	FRANCE
RHEINMETALL	VEHICLES	2.41%	GERMANY
ALD	HOLDING & FINANCIAL TRUST	2.40%	FRANCE
SUBSEA 7	PETROLEUM	2.28%	LUXEMBOURG
AFIO SEUH EUR	UCITS	2.25%	LUXEMBOURG
RWE	ENERGY & WATER SUPPLY	2.21%	GERMANY

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which 31 Dec. 2022.

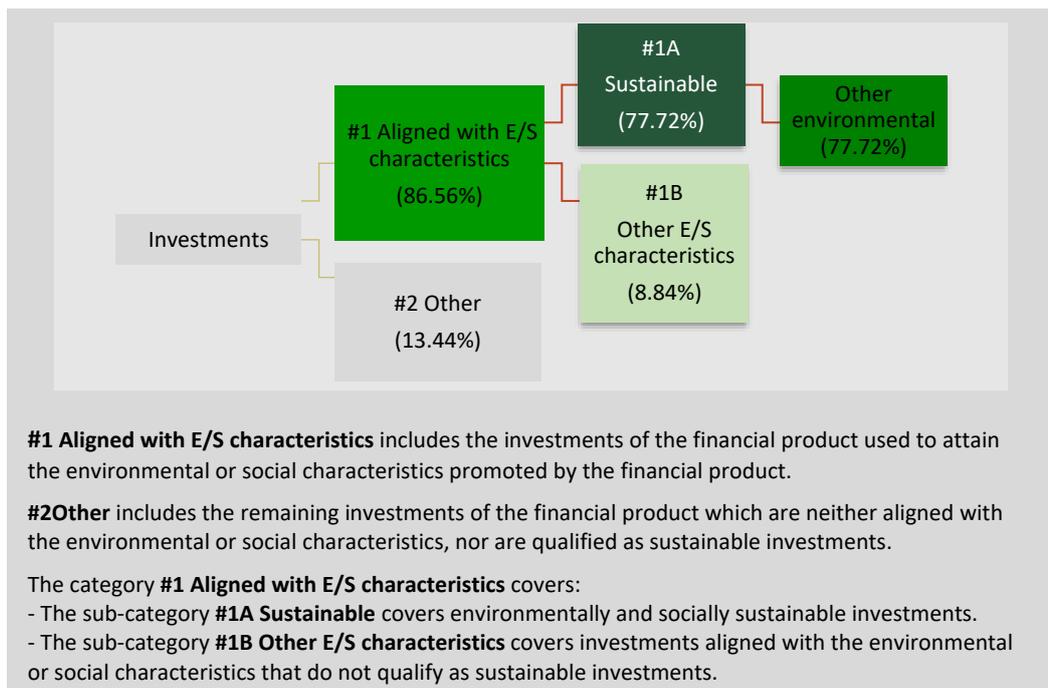
The list above represents the average of the Fund's holdings at month end of the reference period.



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

The proportion of sustainable investments made over the reference period was 77.72%.

### ● What was the asset allocation?



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

The remaining proportion is used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum safeguards are not considered for investments included under this category.

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

<b>Economic Sector</b>	<b>% of Assets</b>
AEROSPACE TECHNOLOGY	4.845%
ALCOHOL & TOBACCO	4.944%
BANK & OTHER CREDIT INSTITUTIONS	3.179%
BIOTECHNOLOGY	0.000%
BUILDING MATERIALS & BUILDING INDUSTRY	2.872%
CHEMICALS	3.212%
ELECTRICAL APPLIANCES & COMPONENTS	1.386%
ELECTRONICS & SEMICONDUCTORS	0.487%
ENERGY & WATER SUPPLY	2.211%
FORESTRY, PAPER & FOREST PRODUCTS	0.000%
GRAPHICS PUBLISHING & PRINTING MEDIA	3.516%
HEALTHCARE & SOCIAL SERVICES	0.144%
HOLDING & FINANCIAL TRUST	11.296%
INSURANCE	5.408%
INTERNET, SOFTWARE & IT SERVICES	1.298%
MACHINERY & APPARELS	7.306%
MINING, COAL & STEEL INDUSTRY	2.218%
MISC. CONSUMER GOODS	0.609%
MISCELLANEOUS SERVICES	0.000%
MISCELLANEOUS TRADING COMPANIES	1.693%
NON-CLASSIFIABLE/NON-Classified INST.	0.000%
PETROLEUM	12.780%
PHARMACEUTICALS AND COSMETICS	0.000%
REAL ESTATE	1.831%
RETAIL TRADE & DEPARTEMENT STORES	2.825%
TELECOMMUNICATION	0.234%
TEXTILE & CLOTHING	0.000%
TRAFFIC & TRANSPORTATION	3.649%
UCITS	3.074%
VEHICLES	5.742%

*Please find below the proportion of investments during the period covered that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council, as of 31/12/2022:*

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.

Integrated Oil & Gas	3.88%
Oil & Gas Exploration & Production	3.55%
Diversified Metals & Mining	2.81%
Oil & Gas Equipment & Services	0.82%



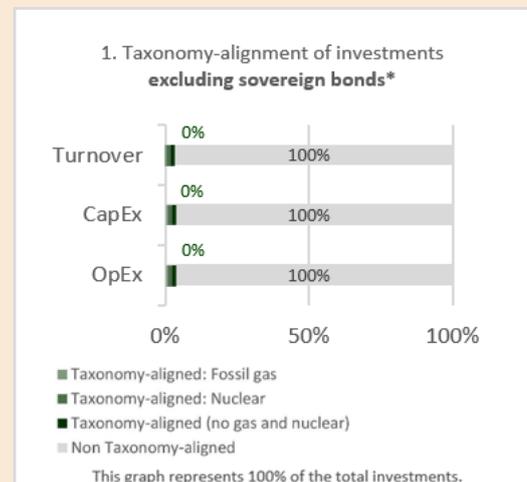
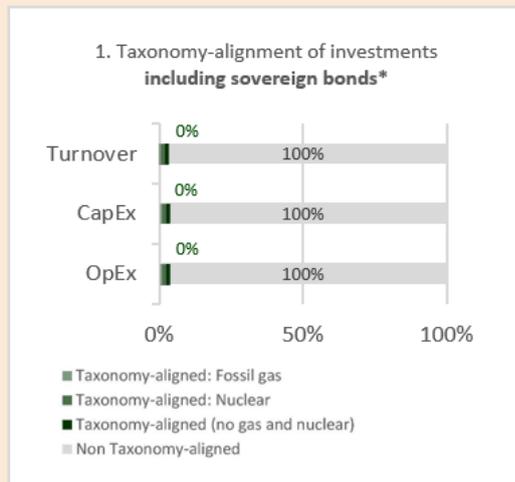
### To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

N/A

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes:
  - 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.*



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

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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

● **What was the share of investments made in transitional and enabling activities?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of sustainable investment with an environmental objective and not aligned with the EU Taxonomy is 77.72%. It is considered that EU Taxonomy alignment of issuers is not sufficiently mature and available yet to commit to a minimum alignment for the product.



**What was the share of socially sustainable investments?**

N/A



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

The above '#2 Other' refers to Investments that were not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items. These remaining proportion could be used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum environmental or social safeguards were not considered for investments included under this category.



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

During the reference period the Investment Manager took the following actions in order to ensure the environmental and social characteristics were adequately promoted:

- When considering new investments, the investment manager successfully **excluded a number of issuers** based on a selection of environmental and social characteristics;
- The investment manager **categorised its newly invested issuers** based on their performance on the identified environmental and social characteristics;
- Once invested, the investment manager successfully **reviewed the ESG risk profiles** of the new issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities

- For each newly added issuers, the investment manager **assigned an internal ESG rating** based on their overall environmental and social performance
- The investment manager also successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved
- Finally, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.



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

N/A

- *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

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

ANNEX IV

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:**  
Alken Fund – Sustainable Europe (the “Sub-Fund”)

**Legal entity identifier:**  
222100WHRROJRV4INU51

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

●● <input type="checkbox"/> Yes	●○ <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input checked="" 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 86.44% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

The percentage of sustainable investments shown represents the sustainable investments as a proportion of the portfolio of the Sub-Fund as at the end of the reference period. This is in line with the pre-contractual disclosure for the Fund, where the Sub-Fund committed to invest at least 20% in sustainable investments.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by using the Investment Manager’s own in-house ESG methodology and ESG due diligence sprocess. The Investment Manager’s ESG methodology requires to primarily focus on the **three most material environmental and social factors identified for each sector** (and sub-sector if relevant).

For instance:

**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.

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

#### **Environmental characteristics promoted for the consumer discretionary sector:**

1. Clean water and sanitation, in line with SDG6
2. Responsible consumption and production, in line with SDG12
3. Encouraging the development and diffusion of environmentally friendly technologies, in line with Principle 9 of the UNGC

#### **Social characteristics promoted for the same consumer discretionary sector:**

1. Decent work and economic growth, in line with SDG8
2. Industry, innovation, and infrastructure, in line with SDG9
3. Supply chain management, in line with SDG12

For each environmental and social factors identified for a particular sector, the Investment Manager successfully implemented and managed its ESG characteristics promotion process.

- Over the period, the investment manager successfully **excluded issuers** based on a number environmental and social characteristics considered to present too much risk and where companies have failed to mitigate those;
- Over the period, the investment manager successfully **categorised issuers** based on their performance on the identified environmental and social characteristics;
- Over the period, the investment manager successfully **reviewed the ESG risk profiles** of invested issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities and assigning issuers an internal ESG rating;
- Over the period, the investment manager successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved;
- Over the period, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

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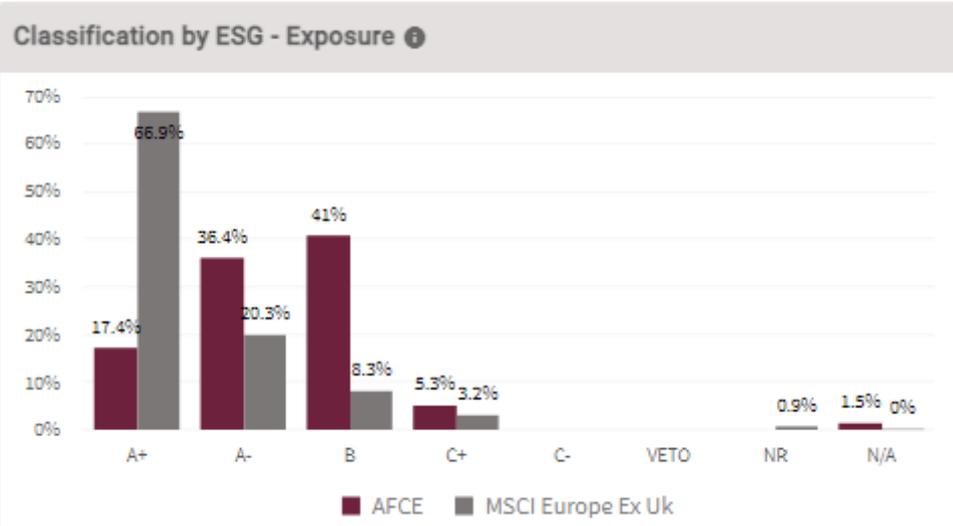
#### **● *How did the sustainability indicators perform?***

In order to measure the level of performance of the selected environmental and social indicators of this particular product, the Investment Manager uses its internal ESG scoring methodology.

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Internal Rating	Description	Quality
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For this the investment manager uses companies’ disclosures of their carbon reduction targets to established climate platforms or outside:

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⇒ **Quantitative threshold: the Investment Manager considered that a YES to any of those three conditions qualifies as a PASS.**

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Both sections a) and b) shall be PASSED to be considered contributing to the investment manager's sustainable investment.

A number of contributing companies shall also successfully pass the Step 2 (DNSH Test) and Step 3 (good corporate governance practices). Those meeting all steps 1, 2 and 3 can be considered as a sustainable investment in the portfolio.

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

Besides, the Investment Manager's ESG internal assessment included a number of elements raised by the OECD Guidelines and by the UN Guiding Principles. For instance, the internal review has from times to times required to verify the respect of human rights and the compliance with minimum international labour rights.



## How did this financial product consider principal adverse impacts on sustainability factors?

The negative impact of investments on sustainability factors has been taken into consideration as an integrated part of the investment process.

The Investment Manager uses its ESG material map to assess whether an investee company has caused or could cause principal adverse impacts, or whether it has contributed or could contribute to principal adverse impacts, or whether principal adverse impacts are or would be directly linked with the investee company's operations, products, or services as far as relevant data can be obtained.

The Responsible Investor and Impact Statement Report available on the Investment Manager's website elaborates on the methodologies to identify and manage PAIs: [Alken Asset Management | Legal \(alken-am.com\)](https://www.alken-am.com/legal).



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

During the reference period the top 15 investments were:

Largest investments	Sector	% Assets	Country
VALLOUREC	MACHINERY & APPARELS	6.62%	FRANCE
CARREFOUR	RETAIL TRADE & DEPARTEMENT STORES	5.50%	FRANCE
K+S REG.	CHEMICALS	5.15%	GERMANY
TECHNIP ENERGIES	HOLDING & FINANCIAL TRUST	4.98%	NETHERLANDS
BFF BANK	BANK & OTHER CREDIT INSTITUTIONS	4.75%	ITALY
RENAULT	VEHICLES	4.73%	FRANCE
JUST EAT TAKEAWAY.COM	HOLDING & FINANCIAL TRUST	4.06%	NETHERLANDS
IPSOS	GRAPHICS PUBLISHING & PRINTING MEDIA	3.95%	FRANCE
ALD	HOLDING & FINANCIAL TRUST	3.91%	FRANCE
RYANAIR HOLDINGS	TRAFFIC & TRANSPORTATION	3.90%	IRELAND
RWE	ENERGY & WATER SUPPLY	3.39%	GERMANY
TOTALENERGIES	PETROLEUM	3.34%	FRANCE
ALLEIMA	MINING, COAL & STEEL INDUSTRY	3.17%	SWEDEN
EIFFAGE	BUILDING MATERIALS & BUILDING INDUSTRY	3.04%	FRANCE
ELIS	HOLDING & FINANCIAL TRUST	2.63%	FRANCE

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is 31 Dec. 2022.

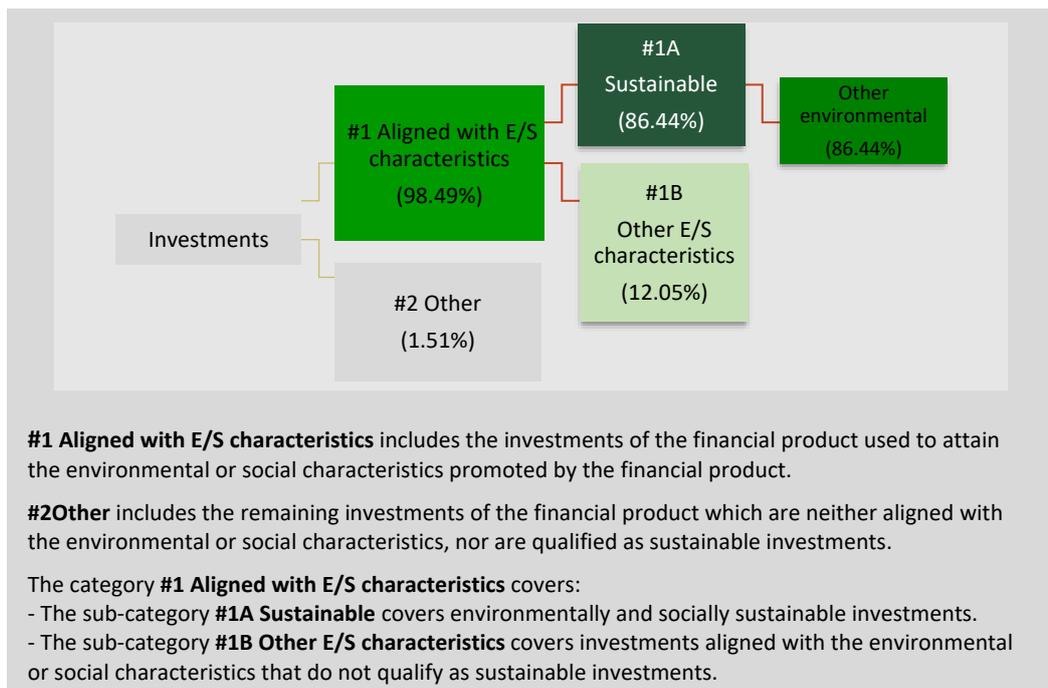
The list above represents the average of the Fund's holdings at month end of the reference period.



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

The proportion of sustainable investments made over the reference period was 86.44%.

### ● What was the asset allocation?



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

The remaining proportion is used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum safeguards are not considered for investments included under this category.

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

<b>Economic Sector</b>	<b>% of Assets</b>
ALCOHOL & TOBACCO	1.077%
BANK & OTHER CREDIT INSTITUTIONS	7.120%
BUILDING MATERIALS & BUILDING INDUSTRY	3.299%
CHEMICALS	4.946%
ELECTRICAL APPLIANCES & COMPONENTS	2.477%
ELECTRONICS & SEMICONDUCTORS	0.478%
ENERGY & WATER SUPPLY	3.596%
GRAPHICS PUBLISHING & PRINTING MEDIA	4.113%
HEALTHCARE & SOCIAL SERVICES	0.571%
HOLDING & FINANCIAL TRUST	18.360%
INSURANCE	6.325%
INTERNET, SOFTWARE & IT SERVICES	1.995%
MACHINERY & APPARELS	7.624%
MINING, COAL & STEEL INDUSTRY	6.207%
MISC. CONSUMER GOODS	0.635%
MISCELLANEOUS TRADING COMPANIES	0.591%
PETROLEUM	7.143%
REAL ESTATE	1.639%
RETAIL TRADE & DEPARTEMENT STORES	5.653%
TELECOMMUNICATION	0.229%
TRAFFIC & TRANSPORTATION	5.566%
VEHICLES	9.054%

*Please find below the proportion of investments during the period covered that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council, as of 31/12/2022:*

Integrated Oil & Gas	3.69%
Diversified Metals & Mining	2.25%



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

N/A

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.

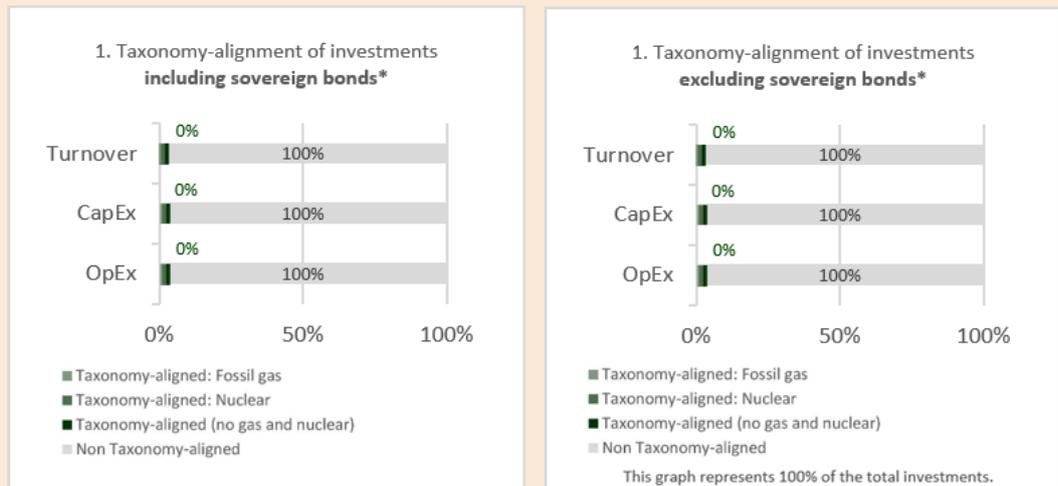
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:
- 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?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of sustainable investment with an environmental objective and not aligned with the EU Taxonomy is 86.44%. It is considered that EU Taxonomy alignment of issuers is not sufficiently mature and available yet to commit to a minimum alignment for the product.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



### What was the share of socially sustainable investments?

N/A



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

The above '#2 Other' refers to Investments that were not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items. These remaining proportion could be used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum environmental or social safeguards were not considered for investments included under this category.



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

During the reference period the Investment Manager took the following actions in order to ensure the environmental and social characteristics were adequately promoted:

- When considering new investments, the investment manager successfully **excluded a number of issuers** based on a selection of environmental and social characteristics;
- The investment manager **categorised its newly invested issuers** based on their performance on the identified environmental and social characteristics;
- Once invested, the investment manager successfully **reviewed the ESG risk profiles** of the new issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities
- For each newly added issuers, the investment manager **assigned an internal ESG rating** based on their overall environmental and social performance
- The investment manager also successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved
- Finally, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.



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

N/A

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

N/A

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

- ***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

ANNEX IV

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:

Alken Fund – Global Sustainable Convertible (the “Sub-Fund”)

Legal entity identifier:

2221009SG5MY582G7Z77

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: ___%</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: ___%</p>	<p><input checked="" 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 67.38% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>

The percentage of sustainable investments shown represents the sustainable investments as a proportion of the portfolio of the Sub-Fund as at the end of the reference period. This is in line with the pre-contractual disclosure for the Fund, where the Sub-Fund committed to invest at least 20% in sustainable investments.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by using the Investment Manager’s own in-house ESG methodology and ESG due diligence sprocess. The Investment Manager’s ESG methodology requires to primarily focus on the **three most material environmental and social factors identified for each sector** (and sub-sector if relevant).

For instance:

**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.

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

#### **Environmental characteristics promoted for the consumer discretionary sector:**

1. Clean water and sanitation, in line with SDG6
2. Responsible consumption and production, in line with SDG12
3. Encouraging the development and diffusion of environmentally friendly technologies, in line with Principle 9 of the UNGC

#### **Social characteristics promoted for the same consumer discretionary sector:**

1. Decent work and economic growth, in line with SDG8
2. Industry, innovation, and infrastructure, in line with SDG9
3. Supply chain management, in line with SDG12

For each environmental and social factors identified for a particular sector, the Investment Manager successfully implemented and managed its ESG characteristics promotion process.

- Over the period, the investment manager successfully **excluded issuers** based on a number environmental and social characteristics considered to present too much risk and where companies have failed to mitigate those;
- Over the period, the investment manager successfully **categorised issuers** based on their performance on the identified environmental and social characteristics;
- Over the period, the investment manager successfully **reviewed the ESG risk profiles** of invested issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities and assigning issuers an internal ESG rating;
- Over the period, the investment manager successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved;
- Over the period, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

Overall, the Investment Manager successfully promoted the environmental and social characteristics of the product. The environmental and/or social characteristics promoted by the Sub-Fund were met.

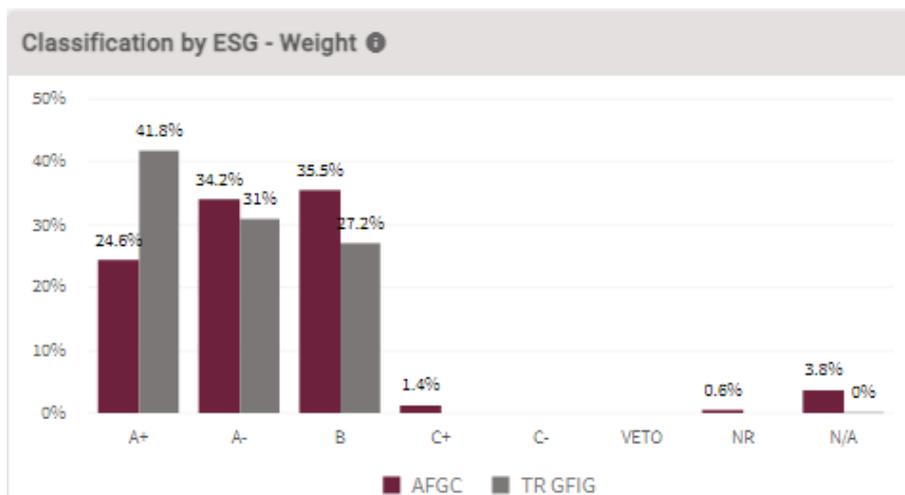
#### **● *How did the sustainability indicators perform?***

In order to measure the level of performance of the selected environmental and social indicators of this particular product, the Investment Manager uses its internal ESG scoring methodology.

This ESG scoring system is generated from the application of the aforementioned investment ESG restrictions, ESG screening, ESG analysis and controversy review, and ESG engagement.

Each issuer's aggregated ESG score reflects the overall level of maturity and performance on the selected twelve sectorial indicators that were evaluated. The individual performance of each environmental and social indicator can be obtained directly on the Investment Manager's portal.

The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2022:



Data extracted from the Investment Manager’s internal ESG portal, as of end of December 30<sup>th</sup>, 2022 since inception, for the selected sub-fund Alken Fund European Opportunities.

With a majority of the aggregated indicator’s scores showing an overall rating of “B”, this means that the majority of the evaluated environmental and social indicators are reflecting the following performance:

Internal Rating	Description	Quality
<b>B</b>	<i>Good overall ESG performance, but some reservations</i>	<i>Good overall ESG quality on the selected indicators, some improvements that can be made</i>

More precisely, the “B” rating reflects the following quality level on each environmental and social indicators analyzed using the below lenses:

<b>Disclosure</b>	<i>“B”: The overall disclosure level is adequate on the selected environmental and social characteristics</i>
<b>ESG strategy</b>	<i>“B”: Standard action plans, measures, certification, R&amp;D projects have been undertaken on the selected environmental and social characteristics</i>
<b>ESG risk</b>	<i>“B”: Measures have been indicated by the issuer in order to mitigate the potential ESG risks on the selected environmental and social characteristics</i>
<b>CSR culture</b>	<i>“B”: Efforts are being made in order to promote the issuer’s internal CSR DNA on the selected environmental and social characteristics</i>

● **...and compared to previous periods?**

As this is the first reporting period, this question is not applicable.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Sub-Fund intends to invest a **minimum of 20%** of its net asset value in companies which contribute to “**climate change mitigation**”. “Contributing to climate mitigation” means encouraging the reduction of emissions of issuers and/or encouraging the stabilization of the current levels of heat-trapping greenhouse gases in the atmosphere, and whilst doing so, also encouraging issuers to publicly commit to those reduction or stabilization targets.

In order to select companies which contribute to “climate change mitigation” as described above, the Investment Manager set up **the pass/fail approach** which methodology and thresholds are being detailed in the below.

The measurement of the sustainable investments which will contribute to the defined environmental objective is organised as follows:

**a) Companies have demonstrated a climate mitigation intent:**

For this the investment manager uses companies’ disclosures of their carbon reduction targets to established climate platforms or outside:

- MSCI’ CDP disclosures, looking for the “YES” indicator OR
- MSCI SBTi disclosures SBTI APPROVED, looking for the “YES” indicator OR
- MSCI’ carbon emissions reduction targets, looking for anything but the “No target”

⇒ **Quantitative threshold: the Investment Manager considered that a YES to any of those three conditions qualifies as a PASS.**

**b) On top of their commitments, companies have demonstrated concrete actions to climate mitigation:**

For this the investment manager used companies’ carbon reduction KPIs. At least one of those four conditions were needed to qualify as a PASS.

1. Companies that have an above average taxonomy alignment (using MSCI’ taxonomy alignment estimated revenues)  
⇒ Quantitative threshold: any percentage above 20% of taxonomy alignment qualifies as a PASS
2. Companies that have reduced or mitigated their carbon risk exposure (using MSCI’ Carbon Emissions Management Score).  
⇒ Quantitative threshold: any score above 2/10 would qualifies as a PASS
3. Companies that are using alternative energy as a percentage of their revenues (using MSCI’s field on alternative energy. This indicator is a percentage).  
⇒ Quantitative threshold: any percentage above 20% qualifies as a PASS
4. Companies has embedded the use of energy from renewable sources within their business strategy (using MSCI’s renewable energy use indicator. This field is a YES/NO indicator).  
⇒ Quantitative threshold: any YES to this indicator qualifies as a PASS.

Both sections a) and b) shall be PASSED to be considered contributing to the investment manager’s sustainable investment.

A number of contributing companies shall also successfully pass the Step 2 (DNSH Test) and Step 3 (good corporate governance practices). Those meeting all steps 1, 2 and 3 can be considered as a sustainable investment in the portfolio.

Results of this newly implemented process will be available in 2024 for the year of 2023. No results are available for the year 2022.

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

The Investment Manager relies on a number of indicators provided by its external data provider to ensure that those climate change mitigation contributing issuers are not at the same time causing harm to any other environmental or social sustainable objective (STEP 2 mentioned above).

The section below details which indicators were chosen and implemented to identify any potential harm that could be caused by issuers.

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

Extracted from the Investment Manager's internal portal, the following indicators are used to monitor and identify any of the following potential adverse impacts on the contributing issuers:

- a) **No harm shall be caused to mandatory PAI 1:** The investment manager ensured that the company's economic activities are not part of the worst sectorial performers when it comes to their level of carbon emissions.
- b) **No harm shall be caused to mandatory PAI 13:** The company's economic activities shall not be part of the worst sectorial performers when it comes to ensuring a minimum level of female directors on the Board.
- c) **No tolerance to high degree of ESG risks:** The company's economic activities shall not be part of the worst global performers when it comes to general E, S and G matters, using our internal ESG scoring. Note we have identified the worst performers to be the internal category: RED/C-. Also note companies subject to this category can be upgraded according to a strict internal process.
- d) **No tolerance to high degree of controversy:** The company's economic activities shall not be part of the worst performers when it comes to being subject to controversies.
- e) **No tolerance to controversial weapons:** The company's economic activities shall be immune from any type of involvement with controversial weapons.
- f) **No tolerance to large fossil fuel revenue share exposures:** The company's economic activities shall be capped at 30% maximum of revenues generated by thermal coal or shale oil activities.

Results of this newly implemented process will be available in 2024 for the year of 2023. As of the end of the reference period, the Investment Manager decided not to collect all the other remaining mandatory PAI indicators as it is believed that the data is not mature enough. All PAI indicators may be considered for next year's reporting.

**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.

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

The Investment Manager used its external data provider's research in order to be alerted about any serious controversy on notable failures or events which it believed would include issues relating to the OECD Guidelines for Multinational Enterprises and to the UN Guiding Principles on Business and Human Rights.

*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 Union criteria for environmentally sustainable economic activities.

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

Besides, the Investment Manager's ESG internal assessment included a number of elements raised by the OCED Guidelines and by the UN Guiding Principles. For instance, the internal review has from times to times required to verify the respect of human rights and the compliance with minimum international labour rights.



## How did this financial product consider principal adverse impacts on sustainability factors?

The negative impact of investments on sustainability factors has been taken into consideration as an integrated part of the investment process.

The Investment Manager uses its ESG material map to assess whether an investee company has caused or could cause principal adverse impacts, or whether it has contributed or could contribute to principal adverse impacts, or whether principal adverse impacts are or would be directly linked with the investee company's operations, products, or services as far as relevant data can be obtained.

The Responsible Investor and Impact Statement Report available on the Investment Manager's website elaborates on the methodologies to identify and manage PAIs: [Alken Asset Management | Legal \(alken-am.com\)](https://www.alken-am.com/legal).



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

During the reference period the top 15 investments were:

Largest investments	Sector	% Assets	Country
0.50 % CV TOTAL 15/22 SR	PETROLEUM	5.38%	FRANCE
1 % CV BP CAP.MKTS (BP) 16/23 SR S	HOLDING & FINANCIAL TRUST COUNTRIES AND CENTRAL GOVERNMENTS, CANTONS, ...	4.72%	UK
4.25% USA 22/25 SR		4.32%	U.S.A.
0% CV NIPPON ST SUMI.MET.21/26 SR S	MINING, COAL & STEEL INDUSTRY	3.31%	JAPAN
3.50%CV GENEFIT 17/25 EUR29.6 SR	BIOTECHNOLOGY	3.05%	FRANCE
0% CV E.D.F 20/24 SR S	ENERGY & WATER SUPPLY	2.97%	FRANCE
1.25% CV SW AIRLINES 20/25 SR	TRAFFIC & TRANSPORTATION	2.97%	U.S.A.
0.125% CV AKAMAI TECH.18/25 SR 144A	INTERNET, SOFTWARE & IT SERVICES	2.91%	U.S.A.
BK AMERICA CV PFD NC 7.25% PERP 'L' ALKEN FD-INCOME OPPORT.IUS USD-ACC-	BANK & OTHER CREDIT INSTITUTIONS	2.81%	U.S.A.
0.00% CV MEITUAN 21/28 SR	UCITS	2.69%	LUXEMBOURG
0% CV JPM CHASE 22/25 SR S	INTERNET, SOFTWARE & IT SERVICES	2.46%	CAYMAN ISLANDS
0.15 % CV SIKA 18/25 SR S	BANK & OTHER CREDIT INSTITUTIONS	2.40%	U.S.A.
0% CV CYBERAGENT 22/29 SR	CHEMICALS	2.26%	SWITZERLAND
1.625% CV SINGAP. AIRLINES 20/25 SR	INTERNET, SOFTWARE & IT SERVICES	2.13%	JAPAN
	TRAFFIC & TRANSPORTATION	2.11%	SINGAPORE

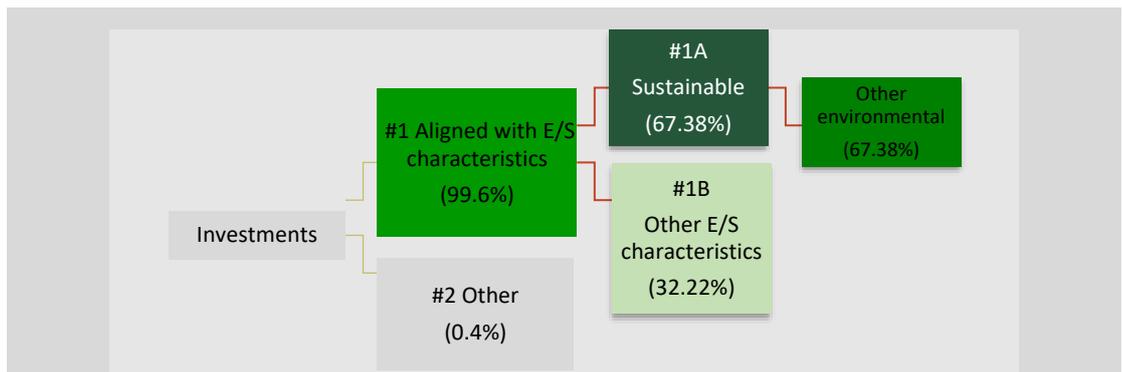
The list above represents the average of the Fund's holdings at month end of the reference period.



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

The proportion of sustainable investments made over the reference period was 89.94%.

### ● What was the asset allocation?



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

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

- The sub-category **#1A Sustainable** covers 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.

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which 31 Dec. 2022.

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

The remaining proportion is used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum safeguards are not considered for investments included under this category.

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

<b>Economic Sector</b>	<b>% of Assets</b>
BANK & OTHER CREDIT INSTITUTIONS	11.406%
BIOTECHNOLOGY	3.224%
BUILDING MATERIALS & BUILDING INDUSTRY	0.000%
CHEMICALS	2.648%
COMPUTER HARDWARE & NETWORKING	2.717%
COUNTRIES AND CENTRAL GOVERNMENTS, CANTONS, ...	3.075%
ELECTRONICS & SEMICONDUCTORS	6.490%
ENERGY & WATER SUPPLY	1.749%
FOOD & NO ALCOHOLIC BEVERAGE	0.453%
HOLDING & FINANCIAL TRUST	13.003%
INTERNET, SOFTWARE & IT SERVICES	22.270%
MACHINERY & APPARELS	0.444%
MINING, COAL & STEEL INDUSTRY	6.967%
MISCELLANEOUS SERVICES	2.776%
NON-CLASSIFIABLE/NON-Classified INST.	0.586%
PETROLEUM	0.008%
RETAIL TRADE & DEPARTMENT STORES	2.068%
TELECOMMUNICATION	1.801%
TRAFFIC & TRANSPORTATION	8.760%
UCITS	2.701%
VEHICLES	2.841%

*Please find below the proportion of investments during the period covered that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council, as of 31/12/2022:*

Integrated Oil & Gas	3.69%
Diversified Metals & Mining	2.25%



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

N/A

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.

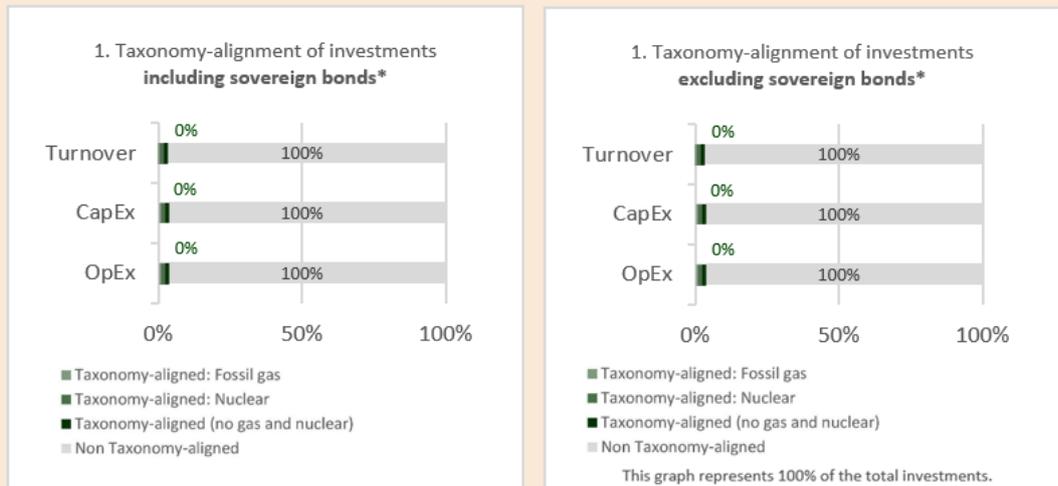
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes:  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?**

N/A

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of sustainable investment with an environmental objective and not aligned with the EU Taxonomy is 67.38%. It is considered that EU Taxonomy

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

alignment of issuers is not sufficiently mature and available yet to commit to a minimum alignment for the product.



### What was the share of socially sustainable investments?

N/A



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

The above '#2 Other' refers to Investments that were not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items. These remaining proportion could be used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum environmental or social safeguards were not considered for investments included under this category.



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

During the reference period the Investment Manager took the following actions in order to ensure the environmental and social characteristics were adequately promoted:

- When considering new investments, the investment manager successfully **excluded a number of issuers** based on a selection of environmental and social characteristics;
- The investment manager **categorised its newly invested issuers** based on their performance on the identified environmental and social characteristics;
- Once invested, the investment manager successfully **reviewed the ESG risk profiles** of the new issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities
- For each newly added issuers, the investment manager **assigned an internal ESG rating** based on their overall environmental and social performance
- The investment manager also successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved
- Finally, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.



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

N/A

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

N/A

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

- ***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

ANNEX IV

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:** Alken Fund – Sustainable Income Opportunities (the “Sub-Fund”) **Legal entity identifier:** 222100MLJ41MGF3JA604

## 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]*

<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> <b>Yes</b>	<input type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective: ___%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective: ___%</b>	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics and</b> while it did not have as its objective a sustainable investment, it had a proportion of 54.80% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

The percentage of sustainable investments shown represents the sustainable investments as a proportion of the portfolio of the Sub-Fund as at the end of the reference period. This is in line with the pre-contractual disclosure for the Fund, where the Sub-Fund committed to invest at least 20% in sustainable investments.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The financial product promotes environmental and social characteristics by using the Investment Manager’s own in-house ESG methodology and ESG due diligence process. The Investment Manager’s ESG methodology requires to primarily focus on the **three most material environmental and social factors identified for each sector** (and sub-sector if relevant).

For instance:

**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.

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

**Environmental characteristics promoted for the consumer discretionary sector:**

1. Clean water and sanitation, in line with SDG6
2. Responsible consumption and production, in line with SDG12
3. Encouraging the development and diffusion of environmentally friendly technologies, in line with Principle 9 of the UNGC

**Social characteristics promoted for the same consumer discretionary sector:**

1. Decent work and economic growth, in line with SDG8
2. Industry, innovation, and infrastructure, in line with SDG9
3. Supply chain management, in line with SDG12

For each environmental and social factors identified for a particular sector, the Investment Manager successfully implemented and managed its ESG characteristics promotion process.

- Over the period, the investment manager successfully **excluded issuers** based on a number environmental and social characteristics considered to present too much risk and where companies have failed to mitigate those;
- Over the period, the investment manager successfully **categorised issuers** based on their performance on the identified environmental and social characteristics;
- Over the period, the investment manager successfully **reviewed the ESG risk profiles** of invested issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities and assigning issuers an internal ESG rating;
- Over the period, the investment manager successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved;
- Over the period, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.

Overall, the Investment Manager successfully promoted the environmental and social characteristics of the product. The environmental and/or social characteristics promoted by the Sub-Fund were met.

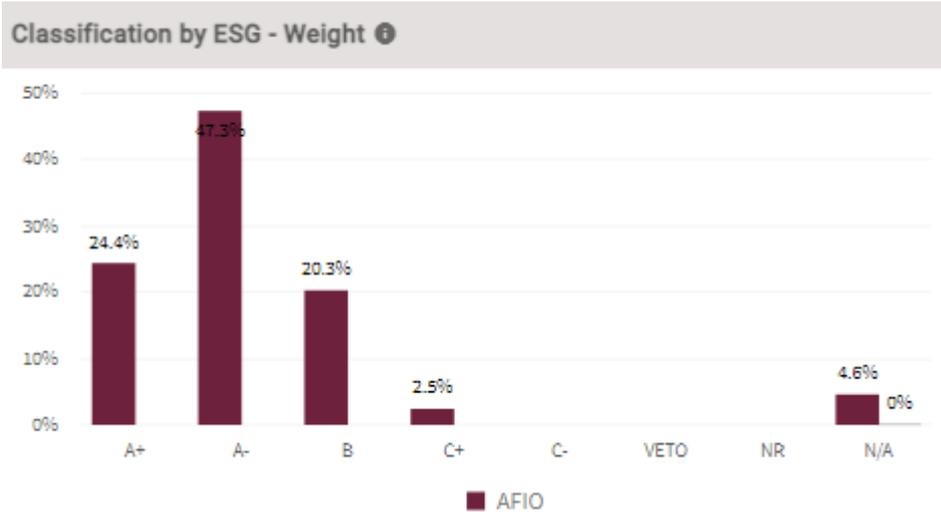
● ***How did the sustainability indicators perform?***

In order to measure the level of performance of the selected environmental and social indicators of this particular product, the Investment Manager uses its internal ESG scoring methodology.

This ESG scoring system is generated from the application of the aforementioned investment ESG restrictions, ESG screening, ESG analysis and controversy review, and ESG engagement.

Each issuer's aggregated ESG score reflects the overall level of maturity and performance on the selected twelve sectorial indicators that were evaluated. The individual performance of each environmental and social indicator can be obtained directly on the Investment Manager's portal.

The below chart shows the performance of the selected environmental and social indicators aggregated at the portfolio level as of end of December 2022:



Data extracted from the Investment Manager’s internal ESG portal, as of end of December 30<sup>th</sup>, 2022 since inception, for the selected sub-fund Alken Fund European Opportunities.

With a majority of the aggregated indicator’s scores showing an overall rating of “B”, this means that the majority of the evaluated environmental and social indicators are reflecting the following performance:

Internal Rating	Description	Quality
<i>B</i>	<i>Good overall ESG performance, but some reservations</i>	<i>Good overall ESG quality on the selected indicators, some improvements that can be made</i>

More precisely, the “B” rating reflects the following quality level on each environmental and social indicators analyzed using the below lenses:

<b>Disclosure</b>	<i>“B”</i> : The overall disclosure level is adequate on the selected environmental and social characteristics
<b>ESG strategy</b>	<i>“B”</i> : Standard action plans, measures, certification, R&D projects have been undertaken on the selected environmental and social characteristics
<b>ESG risk</b>	<i>“B”</i> : Measures have been indicated by the issuer in order to mitigate the potential ESG risks on the selected environmental and social characteristics
<b>CSR culture</b>	<i>“B”</i> : Efforts are being made in order to promote the issuer’s internal CSR DNA on the selected environmental and social characteristics

● **...and compared to previous periods?**

As this is the first reporting period, this question is not applicable.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The Sub-Fund intends to invest a **minimum of 20%** of its net asset value in companies which contribute to **“climate change mitigation”**. “Contributing to climate mitigation” means encouraging the reduction of emissions of issuers and/or encouraging the stabilization of the current levels of heat-trapping greenhouse gases in the atmosphere, and whilst doing so, also encouraging issuers to publicly commit to those reduction or stabilization targets.

In order to select companies which contribute to “climate change mitigation” as described above, the Investment Manager set up **the pass/fail approach** which methodology and thresholds are being detailed in the below.

The measurement of the sustainable investments which will contribute to the defined environmental objective is organised as follows:

**a) Companies have demonstrated a climate mitigation intent:**

For this the investment manager uses companies’ disclosures of their carbon reduction targets to established climate platforms or outside:

- MSCI’ CDP disclosures, looking for the “YES” indicator OR
- MSCI SBTi disclosures SBTi APPROVED, looking for the “YES” indicator OR
- MSCI’ carbon emissions reduction targets, looking for anything but the “No target”

⇒ **Quantitative threshold: the Investment Manager considered that a YES to any of those three conditions qualifies as a PASS.**

**b) On top of their commitments, companies have demonstrated concrete actions to climate mitigation:**

For this the investment manager used companies’ carbon reduction KPIs. At least one of those four conditions were needed to qualify as a PASS.

1. Companies that have an above average taxonomy alignment (using MSCI’ taxonomy alignment estimated revenues)  
⇒ Quantitative threshold: any percentage above 20% of taxonomy alignment qualifies as a PASS
2. Companies that have reduced or mitigated their carbon risk exposure (using MSCI’ Carbon Emissions Management Score).  
⇒ Quantitative threshold: any score above 2/10 would qualifies as a PASS
3. Companies that are using alternative energy as a percentage of their revenues (using MSCI’s field on alternative energy. This indicator is a percentage).  
⇒ Quantitative threshold: any percentage above 20% qualifies as a PASS
4. Companies has embedded the use of energy from renewable sources within their business strategy (using MSCI’s renewable energy use indicator. This field is a YES/NO indicator).  
⇒ Quantitative threshold: Any YES to this indicator qualifies as a PASS.

Both sections a) and b) shall be PASSED to be considered contributing to the investment manager's sustainable investment.

A number of contributing companies shall also successfully pass the Step 2 (DNSH Test) and Step 3 (good corporate governance practices). Those meeting all steps 1, 2 and 3 can be considered as a sustainable investment in the portfolio.

Results of this newly implemented process will be available in 2024 for the year of 2023. No results are available for the year 2022.

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

The Investment Manager relies on a number of indicators provided by its external data provider to ensure that those climate change mitigation contributing issuers are not at the same time causing harm to any other environmental or social sustainable objective (STEP 2 mentioned above).

The section below details which indicators were chosen and implemented to identify any potential harm that could be caused by issuers.

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

Extracted from the Investment Manager's internal portal, the following indicators are used to monitor and identify any of the following potential adverse impacts on the contributing issuers:

- a) **No harm shall be caused to mandatory PAI 1:** The investment manager ensured that the company's economic activities are not part of the worst sectorial performers when it comes to their level of carbon emissions.
- b) **No harm shall be caused to mandatory PAI 13:** The company's economic activities shall not be part of the worst sectorial performers when it comes to ensuring a minimum level of female directors on the Board.
- c) **No tolerance to high degree of ESG risks:** The company's economic activities shall not be part of the worst global performers when it comes to general E, S and G matters, using our internal ESG scoring. Note we have identified the worst performers to be the internal category: RED/C-. Also note companies subject to this category can be upgraded according to a strict internal process.
- d) **No tolerance to high degree of controversy:** The company's economic activities shall not be part of the worst performers when it comes to being subject to controversies.
- e) **No tolerance to controversial weapons:** The company's economic activities shall be immune from any type of involvement with controversial weapons.
- f) **No tolerance to large fossil fuel revenue share exposures:** The company's economic activities shall be capped at 30% maximum of revenues generated by thermal coal or shale oil activities.

Results of this newly implemented process will be available in 2024 for the year of 2023.

As of the end of the reference period, the Investment Manager decided not to collect all the other remaining mandatory PAI indicators as it is believed that the data is not mature enough. All PAI indicators may be considered for next year's reporting.

**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.

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

The Investment Manager used its external data provider's research in order to be alerted about any serious controversy on notable failures or events which it believed would include issues relating to the OECD Guidelines for Multinational Enterprises and to the UN Guiding Principles on Business and Human Rights.

*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 Union criteria for environmentally sustainable economic activities.

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

Besides, the Investment Manager's ESG internal assessment included a number of elements raised by the OCED Guidelines and by the UN Guiding Principles. For instance, the internal review has from times to times required to verify the respect of human rights and the compliance with minimum international labour rights.



## How did this financial product consider principal adverse impacts on sustainability factors?

The negative impact of investments on sustainability factors has been taken into consideration as an integrated part of the investment process.

The Investment Manager uses its ESG material map to assess whether an investee company has caused or could cause principal adverse impacts, or whether it has contributed or could contribute to principal adverse impacts, or whether principal adverse impacts are or would be directly linked with the investee company's operations, products, or services as far as relevant data can be obtained.

The Responsible Investor and Impact Statement Report available on the Investment Manager's website elaborates on the methodologies to identify and manage PAIs: [Alken Asset Management | Legal \(alken-am.com\)](https://www.alken-am.com/legal).



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

During the reference period the top 15 investments were:

Largest investments	Sector	% Assets	Country
4.25% USA 22/25 SR	COUNTRIES AND CENTRAL GOVERNMENTS, CANTONS, ...	11.19%	U.S.A.
2.75% USA 22/27 SR	COUNTRIES AND CENTRAL GOVERNMENTS, CANTONS, ...	8.27%	U.S.A.
BK AMERICA CV PFD NC 7.25% PERP 'L'	BANK & OTHER CREDIT INSTITUTIONS	3.05%	U.S.A.
2.875% USA 22/25 SR	COUNTRIES AND CENTRAL GOVERNMENTS, CANTONS, ...	2.07%	U.S.A.
7.336% HSBC HLDG 22/26 SR	BANK & OTHER CREDIT INSTITUTIONS	2.05%	UK
2.30% CV DEXUS DIN. 19/26 SR S	HOLDING & FINANCIAL TRUST	2.02%	AUSTRALIA
3.25% BP CAP. MARKETS 20/PERP SR	HOLDING & FINANCIAL TRUST	1.94%	UK
0.125% CV OKTA 20/25 SR	INTERNET, SOFTWARE & IT SERVICES	1.89%	U.S.A.
FCT 157 RE-T.REC	UCITS	1.77%	France
5.25 % NRG ENERGY 19/29 SR 144A	ENERGY & WATER SUPPLY	1.74%	U.S.A.
5.50 % PULTEGROUP 16/26 SR	BUILDING MATERIALS & BUILDING INDUSTRY	1.65%	U.S.A.
4.40 % AMERICAN TOWER 16/26 SR	REAL ESTATE	1.61%	U.S.A.
0.125%CV AIR FR. 19/26 EUR17.92 SR	TRAFFIC & TRANSPORTATION	1.58%	FRANCE
3.55% HASBRO (FR/RAT) 19/26 SR	MISC. CONSUMER GOODS	1.55%	U.S.A.
7.325% BARCLAYS 22/26 SR	BANK & OTHER CREDIT INSTITUTIONS	1.54%	UK

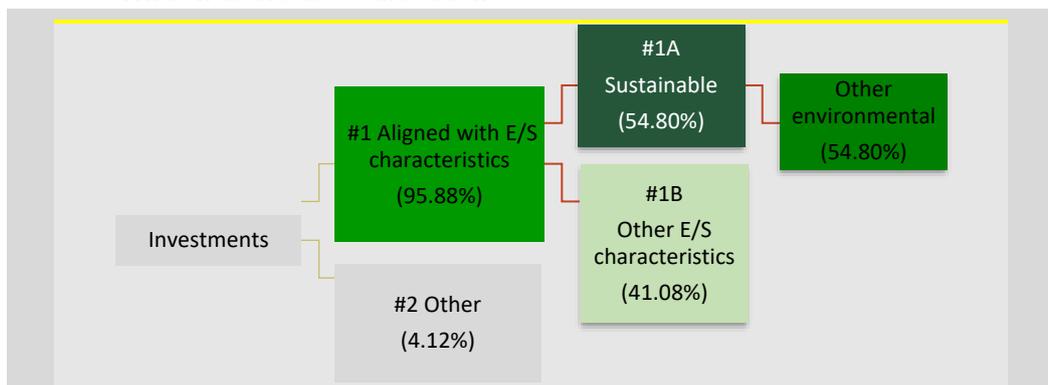
The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is 31/12/2022.



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

The proportion of sustainable investments made over the reference period was 54.80%.

### What was the asset allocation?



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

*[include the note below where the financial product made 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.

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

The remaining proportion is used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum safeguards are not considered for investments included under this category.

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

<b>Economic Sector</b>	<b>% of Assets</b>
BANK & OTHER CREDIT INSTITUTIONS	9.456%
BIOTECHNOLOGY	1.170%
BUILDING MATERIALS & BUILDING INDUSTRY	3.639%
COMPUTER HARDWARE & NETWORKING	2.414%
COUNTRIES AND CENTRAL GOVERNMENTS, CANTONS, ...	21.525%
ELECTRONICS & SEMICONDUCTORS	1.921%
ENERGY & WATER SUPPLY	2.646%
FOOD & NO ALCOHOLIC BEVERAGE	0.412%
GRAPHICS PUBLISHING & PRINTING MEDIA	0.533%
HEALTHCARE & SOCIAL SERVICES	1.310%
HOLDING & FINANCIAL TRUST	16.947%
INTERNET, SOFTWARE & IT SERVICES	7.306%
LODGING & CATERING IND., LEISURE FACILITIES	0.950%
MACHINERY & APPARELS	1.481%
MINING, COAL & STEEL INDUSTRY	1.319%
MISC. CONSUMER GOODS	3.333%
MISCELLANEOUS SERVICES	3.134%
PETROLEUM	0.928%
REAL ESTATE	3.532%
RETAIL TRADE & DEPARTEMENT STORES	1.851%
TELECOMMUNICATION	1.007%
TEXTILE & CLOTHING	0.952%
TRAFFIC & TRANSPORTATION	2.448%
UCITS	2.527%
VEHICLES	2.591%

*Please find below the proportion of investments during the period covered that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council, as of 31/12/2022:*

Integrated Oil & Gas 2.62%



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

N/A

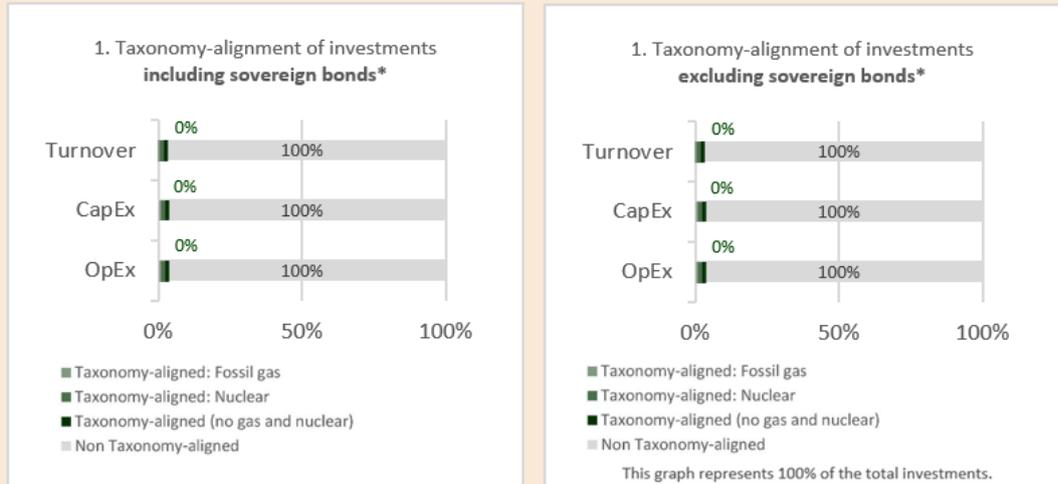
Taxonomy-aligned activities are expressed as a share of:

- **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.

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

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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?**

N/A

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of sustainable investment with an environmental objective and not aligned with the EU Taxonomy is 54.80%. It is considered that EU Taxonomy alignment of issuers is not sufficiently mature and available yet to commit to a minimum alignment for the product.



**What was the share of socially sustainable investments?**

N/A



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

The above '#2 Other' refers to Investments that were not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items. These remaining proportion could be used for investment purposes, or for instruments which are mainly used for liquidity or for risk balancing purposes, efficient portfolio management, and/or hedging purposes, notably cash, deposits and derivatives. Minimum environmental or social safeguards were not considered for investments included under this category.



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

During the reference period the Investment Manager took the following actions in order to ensure the environmental and social characteristics were adequately promoted:

- When considering new investments, the investment manager successfully **excluded a number of issuers** based on a selection of environmental and social characteristics;
- The investment manager **categorised its newly invested issuers** based on their performance on the identified environmental and social characteristics;
- Once invested, the investment manager successfully **reviewed the ESG risk profiles** of the new issuers, identifying their potential exposure to industry specific ESG concerns as well as ESG opportunities
- For each newly added issuers, the investment manager **assigned an internal ESG rating** based on their overall environmental and social performance
- The investment manager also successfully **engaged** with a number of issuers in order **to foster improvements** on the **identified environmental and social characteristics** to be mitigated or improved
- Finally, the investment manager successfully reviewed a number of **environmental or social controversies**, analysing potential environmental or social failures and reviewing the level of risk that can be tolerated.



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

N/A

- *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

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

