



**Annual report including audited financial statements
as at 31st December 2023**

2Xideas UCITS

An Undertaking for Collective Investment in Transferable Securities (UCITS)
subject to the Luxembourg Law of 17th December 2010, as amended,
in the Form of an Open-ended Investment Company with Variable Share
Capital

R.C.S. Luxembourg B222176

No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current Prospectus, the key information document ("KID"), supplemented by the latest annual report including audited financial statements and the most recent unaudited semi-annual report, if published thereafter.

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* The Sub-Fund launched on 29th September 2023.

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Organization

Registered Office

10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Board of Directors

Adrian Kunz (Chairman)
Head of Fund Operations
2Xideas Switzerland AG, Switzerland
(since 26th April 2023)

Stephen McConville (Chairman)
Head of Fund Operations
2Xideas Switzerland AG, Switzerland
(until 26th April 2023)

Dr. Ion Florescu
Management Partner
FinDeal Advisers S.A., Luxembourg

Yves de Vos
Independent Director, Luxembourg

Management Company

Global Funds Management S.A.
Bâtiment A, 33, rue de Gasperich
L-5826 Hesperange
Grand Duchy of Luxembourg

Board of Directors of the Management Company

Mario Koster (Chairman)
Independent Director

Alan F. Crutchett (Chairman)
Independent Director
(until 1st April 2023)

Kristian Gesinski
Director and Conducting Officer
Global Funds Management S.A.

Takayuki Nakano
Executive Director, Product Development and Planning
Department
Nomura Securities Co., Ltd.

Investment Manager

2Xideas AG
Bahnhofstrasse 1
CH-8808 Pfäffikon
Switzerland

Depository

Northern Trust Global Services SE
10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Administrator, Registrar and Transfer Agent, Paying Agent and Domiciliation Services Agent

Northern Trust Global Services SE
10, rue du Château d'Eau
L-3364 Leudelange
Grand Duchy of Luxembourg

Global Distributor

ACOLIN Europe AG
Line-Eid-Strasse 6
D-78467 Konstanz
Germany

Auditor

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

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Report on activities of the Board of Directors

Dear Shareholders,

Performance

In 2023, the 2Xideas UCITS – Global Mid Cap Library Fund (the “Global Library Fund”) delivered a net return of 16.6% (Share Class S USD; the performance of the other Share Classes is listed below). This compares to a return of 22.2% for global equity markets in 2023 as measured by the MSCI ACWI Net Return USD Index. The 2Xideas UCITS – US Mid Cap Library Fund (the “US Library Fund”, together with Global Library Fund the “Funds”) gained 11.6% (Share Class S USD; the performance of the other Share Classes is listed below) since the launch on 29th September 2023 until 31st December 2023. This compares to 12.9% for the MSCI USA Mid Cap Index over the same time period.

While the positive absolute performance in 2023 brought long-term performance of the Global Library Fund within the 10–15% p.a. target at 11.6% over five years, the relative performance was subdued. The “Magnificent 7” contributed 9.1% to the benchmark return, such that excluding these seven companies the re-scaled MSCI ACWI would have delivered a 15.2% return in 2023. Their performance has also been a major driver of the main global and US indices in previous years. Although we outperformed the MSCI ACWI Mid Cap index that gained 15.4%, this was insufficient to compensate the underperformance from 2022. And while the end result is positive, the year was again very volatile, with strong returns in January, which was undone through March, then a rally to a peak at the end of July, a meaningful drawdown from August to October. A strong market in November and December ended the year at an all-time high. Public equity markets tested investors’ nerves and patience yet again, especially in the mid cap market segment.

The US Library Fund was up 9.5% in December vs. 7.9% for the index, making up for part of the underperformance in October and November. Equity markets rebounded strongly from November onwards, primarily due to declining headline inflation and signs of a moderate slowing of the US economy, which drove interest rate expectations lower.

Portfolio name turnover remained within the historical 20–25% annual range for both Funds. In terms of investment selection, the aim remains to benefit investors through the long-term compounding potential of high-quality public companies, combined with the conviction that consistent performance and a balanced risk/return profile are the key to ensure continued investor confidence in our strategy.

Outlook

The Investment Manager will focus on further enhancing the risk/return profile of the Funds. Over the longer term, the Investment Manager achieved good absolute and relative performance in most sectors and regions and therefore remains convinced of its stock picking capabilities.

The Investment Manager continues to invest into the team and infrastructure, both of which further strengthen the continuity of business operations as well as the Investment Manager’s ability to better serve the Shareholders of the Fund.

Sustainability

The Funds promote environmental and/or social characteristics within the meaning of Article 8 of SFDR. The 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 can be found from page 25 of this annual report.

We thank you for your trust and support.

Yours truly,

Luxembourg, 7th February 2024

The Board of Directors

The information in this report represents historical data and is not an indication of future results.



Audit report

To the Shareholders of
2Xideas UCITS

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of 2Xideas UCITS (the “Fund”) and of each of its sub-funds as at 31 December 2023, 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.

What we have audited

The Fund’s financial statements comprise:

- the statement of net assets as at 31 December 2023;
- the statement of operations and other changes in net assets for the year then ended;
- the statement of investments and other net assets as at 31 December 2023; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund 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. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund 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 audit report thereon.

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

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

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



In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund 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 the Board of Directors of the Fund 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, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' 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 Fund either intends to liquidate the Fund or close any of its sub-funds 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 an audit report 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 of 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 of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism 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 Fund'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 Fund;



- conclude on the appropriateness of the Board of Directors of the Fund's 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 Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report 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 audit report. However, future events or conditions may cause the Fund or any of its sub-funds 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.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 22 March 2024

Patrick Ries

2Xideas UCITS
Annual report and audited financial statements
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Statement of net assets

		Combined USD	2Xideas UCITS – Global Mid Cap Library Fund USD	2Xideas UCITS – US Mid Cap Library Fund* USD
Assets	Notes			
Securities portfolio at market value	2(b)	679,658,228.66	638,964,619.27	40,693,609.39
Cash at banks	2(b)	17,850,878.36	17,711,725.64	139,152.72
Receivable on issues of shares	2(b)	5,436.48	5,436.48	–
Income receivable on portfolio	2(b)	84,514.79	80,479.87	4,034.92
Unrealized gain on forward foreign exchange contracts	2(f), 9	249,395.84	249,143.77	252.07
Prepaid expenses	2(b)	2,042.49	1,258.90	783.59
Total assets		697,850,496.62	657,012,663.93	40,837,832.69
Liabilities				
Payable on redemptions of shares		3,549,707.89	3,549,707.89	–
Unrealized loss on forward foreign exchange contracts	2(f), 9	376,438.21	376,093.50	344.71
Accrued expenses		1,417,775.54	1,390,016.33	27,759.21
Total liabilities		5,343,921.64	5,315,817.72	28,103.92
Net assets at the end of the year		692,506,574.98	651,696,846.21	40,809,728.77

* The Sub-Fund launched on 29th September 2023.

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

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Statement of operations and other changes in net assets
from 1st January 2023 to 31st December 2023

	Notes	Combined USD	2Xideas UCITS – Global Mid Cap Library Fund USD	2Xideas UCITS – US Mid Cap Library Fund* USD
Income				
Dividends, net	2(e)	5,557,406.02	5,506,155.16	51,250.86
Bank interest		102,647.10	102,365.99	281.11
Other income		1,618.39	1,579.24	39.15
Total income		5,661,671.51	5,610,100.39	51,571.12
Expenses				
All-in fee	3	-7,383,770.71	-7,316,924.63	-66,846.08
Transaction costs	4	-452,965.52	-425,645.32	-27,320.20
Total expenses		-7,836,736.23	-7,742,569.95	-94,166.28
Net investment loss		-2,175,064.72	-2,132,469.56	-42,595.16
Net realized gain/(loss)				
- on securities portfolio	2(d)	-18,738,606.75	-18,499,400.16	-239,206.59
- on forward foreign exchange contracts	2(f)	5,152,690.37	5,146,387.49	6,302.88
- on foreign exchange	2(h)	-1,224,755.92	-1,216,329.99	-8,425.93
Realized result		-16,985,737.02	-16,701,812.22	-283,924.80
Net variation of the unrealized gain/(loss)				
- on securities portfolio		127,552,117.26	122,271,204.30	5,280,912.96
- on forward foreign exchange contracts	2(f)	-79,424.13	-79,331.49	-92.64
- on foreign exchange		5,272.46	5,251.32	21.14
Result of operations		110,492,228.57	105,495,311.91	4,996,916.66
Subscriptions		142,215,869.11	105,999,387.80	36,216,481.31
Redemptions		-276,183,022.58	-275,768,003.54	-415,019.04
Anti-dilution levy on subscriptions and redemptions	5	241,484.17	230,134.33	11,349.84
Total changes in net assets		-23,233,440.73	-64,043,169.50	40,809,728.77
Total net assets at the beginning of the year		715,740,015.71	715,740,015.71	–
Total net assets at the end of the year		692,506,574.98	651,696,846.21	40,809,728.77

* The Sub-Fund launched on 29th September 2023.

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

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Statistical information

2Xideas UCITS – Global Mid Cap Library Fund

Total net assets	Currency	31.12.2021	31.12.2022	31.12.2023
	USD	1,302,945,681.16	715,740,015.71	651,696,846.21
Net asset value per Share Class	Currency	31.12.2021	31.12.2022	31.12.2023
I USD	USD	188.64	132.20	154.25
S USD	USD	188.64	132.20	154.21
D USD	USD	187.26	130.97	152.45
R CHF Hedged	CHF	166.96	111.83	124.03
R EUR Hedged	EUR	168.57	113.27	127.87
S CHF	CHF	159.95	113.83	120.81
S CHF Hedged	CHF	165.34	111.60	124.39
S EUR	EUR	168.33	125.63	141.59
S EUR Hedged	EUR	166.06	112.35	127.64
S GBP	GBP	156.37	123.37	135.75
Number of Shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
I USD	435,744.665	50,605.100	-328,033.134	158,316.631
S USD	1,643,113.598	137,855.672	-807,556.600	973,412.670
D USD	105,785.820	1,180.000	-40,594.070	66,371.750
R CHF Hedged	3,292.000	774.000	-1,206.000	2,860.000
R EUR Hedged	7,191.315	1.000	-3,954.780	3,237.535
S CHF	406,234.690	147,991.508	-112,770.873	441,455.325
S CHF Hedged	473,894.840	66,977.039	-113,956.910	426,914.969
S EUR	805,344.406	167,008.849	-149,244.430	823,108.825
S EUR Hedged	625,951.050	21,176.762	-184,288.437	462,839.375
S GBP	913,502.745	141,213.708	-212,769.163	841,947.290

2Xideas UCITS – US Mid Cap Library Fund*

Total net assets	Currency	31.12.2021	31.12.2022	31.12.2023
	USD	-	-	40,809,728.77
Net asset value per Share Class	Currency	31.12.2021	31.12.2022	31.12.2023
S USD*	USD	-	-	111.63
S CHF*	CHF	-	-	102.70
S CHF Hedged*	CHF	-	-	110.10
S EUR*	EUR	-	-	106.99
S EUR Hedged*	EUR	-	-	110.83
S GBP*	GBP	-	-	106.88
P USD*	USD	-	-	111.69
P CHF*	CHF	-	-	102.76
P EUR*	EUR	-	-	107.05
P GBP*	GBP	-	-	106.94
Number of Shares	outstanding at the beginning of the year	issued	redeemed	outstanding at the end of the year
S USD*	-	4,024.526	-500.000	3,524.526
S CHF*	-	500.000	-	500.000
S CHF Hedged*	-	500.000	-	500.000
S EUR*	-	500.000	-	500.000
S EUR Hedged*	-	500.000	-	500.000
S GBP*	-	500.000	-	500.000
P USD*	-	326,544.922	-2,125.000	324,419.922
P CHF*	-	500.000	-	500.000
P EUR*	-	31,977.735	-647.758	31,329.977
P GBP*	-	1,249.000	-500.000	749.000

* The Sub-Fund and Share Classes were launched on 29th September 2023.

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Statement of investments and other net assets

2Xideas UCITS – Global Mid Cap Library Fund

Currency	Holdings	Description	Market value USD	% of total net assets *
Investments in securities				
Transferable securities admitted to an official stock exchange listing				
Equities				
CAD	221,300	Brookfield Asset Management Ltd Class A	8,931,886.85	1.37
CHF	15,809	Lonza Group AG	6,643,668.15	1.02
CHF	6,504	Partners Group Holding AG	9,373,673.14	1.44
CHF	28,862	Sika AG	9,385,765.34	1.44
CHF	30,908	Sonova Holding AG	10,076,819.58	1.54
CHF	57,407	Straumann Holding AG	9,248,962.40	1.42
			<u>44,728,888.61</u>	<u>6.86</u>
DKK	70,349	Coloplast A/S Series B	8,047,808.43	1.23
DKK	39,274	DSV A/S	6,899,364.59	1.06
			<u>14,947,173.02</u>	<u>2.29</u>
EUR	57,889	IMCD NV	10,074,863.18	1.55
EUR	88,033	Kerry Group PLC Class A	7,649,343.19	1.17
EUR	60,065	Remy Cointreau SA	7,630,342.35	1.17
EUR	328,752	Zalando SE	7,789,694.08	1.20
			<u>33,144,242.80</u>	<u>5.09</u>
GBP	120,467	Ashtead Group PLC	8,388,066.93	1.29
GBP	301,285	Compass Group PLC	8,242,317.19	1.26
GBP	122,597	Croda International PLC	7,892,476.86	1.21
GBP	223,919	Experian PLC	9,140,172.02	1.40
GBP	44,825	Ferguson PLC	8,620,008.79	1.32
GBP	987,490	Rentokil Initial PLC	5,549,021.25	0.85
GBP	1,071,798	Rightmove PLC	7,864,585.24	1.21
GBP	63,584	Spirax-Sarco Engineering PLC	8,515,026.39	1.31
			<u>64,211,674.67</u>	<u>9.85</u>
HKD	902,200	AIA Group Ltd	7,862,498.16	1.21
HKD	500,484	JD.com Inc Class A	7,210,615.29	1.11
HKD	768,100	Shenzhen International Group Holdings Ltd	7,908,669.34	1.21
			<u>22,981,782.79</u>	<u>3.53</u>
JPY	19,800	Keyence Corp	8,724,471.56	1.34
JPY	685,800	MonotaRO Co Ltd	7,488,928.22	1.15
			<u>16,213,399.78</u>	<u>2.49</u>
SEK	386,454	Epiroc AB Series A	7,753,737.04	1.19
TWD	243,000	Airtac International Group	7,996,937.16	1.23
USD	65,864	Agilent Technologies Inc	9,157,071.92	1.41
USD	24,090	Align Technology Inc	6,600,660.00	1.01
USD	49,440	American Express Co	9,262,089.60	1.42
USD	42,144	Analog Devices Inc	8,368,112.64	1.28
USD	24,718	ANSYS Inc	8,969,667.84	1.38
USD	505,819	Certara Inc	8,897,356.21	1.37
USD	37,529	Charles River Laboratories International Inc	8,871,855.60	1.36
USD	29,341	Constellation Brands Inc Class A	7,093,186.75	1.09
USD	23,127	Cooper Cos Inc	8,752,181.88	1.34
USD	95,651	CoStar Group Inc	8,358,940.89	1.28
USD	93,018	Dolby Laboratories Inc Class A	8,016,291.24	1.23
USD	19,456	Domino's Pizza Inc	8,020,346.88	1.23
USD	106,158	Edwards Lifesciences Corp	8,094,547.50	1.24
USD	78,377	Entegris Inc	9,391,132.14	1.44

* Minor differences may arise due to rounding in the calculation of percentages.

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

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Statement of investments and other net assets (continued)

2Xideas UCITS – Global Mid Cap Library Fund

Currency	Holdings	Description	Market value USD	% of total net assets *
Investments in securities (continued)				
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (continued)				
USD	113,886	Etsy Inc	9,230,460.30	1.42
USD	135,770	Fastenal Co	8,793,822.90	1.35
USD	125,335	Fortinet Inc	7,335,857.55	1.13
USD	21,403	Gartner Inc	9,655,107.33	1.48
USD	192,528	Halozyme Therapeutics Inc	7,115,834.88	1.09
USD	67,015	Intercontinental Exchange Inc	8,606,736.45	1.32
USD	14,415	Intuit Inc	9,009,807.45	1.38
USD	25,162	Intuitive Surgical Inc	8,488,652.32	1.30
USD	37,382	IQVIA Holdings Inc	8,649,447.16	1.33
USD	17,764	Kinsale Capital Group Inc	5,949,341.24	0.91
USD	16,065	KLA Corp	9,338,584.50	1.43
USD	36,672	Laboratory Corp of America Holdings	8,335,178.88	1.28
USD	118,051	Liberty Media Corp-Liberty Formula One Series C	7,452,559.63	1.14
USD	88,567	Live Nation Entertainment Inc	8,289,871.20	1.27
USD	4,996	Markel Group Inc	7,093,820.40	1.09
USD	34,504	MarketAxess Holdings Inc	10,104,496.40	1.55
USD	5,799	MercadoLibre Inc	9,113,360.46	1.40
USD	14,362	MSCI Inc	8,123,865.30	1.25
USD	178,847	New York Times Co Class A	8,761,714.53	1.34
USD	28,410	Paycom Software Inc	5,872,915.20	0.90
USD	20,701	Pool Corp	8,253,695.71	1.27
USD	51,912	PTC Inc	9,082,523.52	1.39
USD	49,850	ResMed Inc	8,575,197.00	1.32
USD	66,470	Revvity Inc	7,265,835.70	1.12
USD	129,101	Service Corp International	8,836,963.45	1.36
USD	74,980	Skyworks Solutions Inc	8,429,251.60	1.29
USD	80,890	Starbucks Corp	7,766,248.90	1.19
USD	73,272	Teradyne Inc	7,951,477.44	1.22
USD	91,765	Tradeweb Markets Inc Class A	8,339,603.20	1.28
USD	19,049	Tyler Technologies Inc	7,964,767.88	1.22
USD	18,413	Ulta Beauty Inc	9,022,185.87	1.38
USD	36,313	VeriSign Inc	7,479,025.48	1.15
USD	21,151	Vertex Pharmaceuticals Inc	8,606,130.39	1.32
USD	99,604	Walker & Dunlop Inc	11,057,040.04	1.70
USD	19,560	Watsco Inc	8,380,873.20	1.29
USD	176,836	WillScot Mobile Mini Holdings Corp	7,869,202.00	1.21
			<u>418,054,896.55</u>	<u>64.15</u>
Total equities			638,964,619.27	98.05
Total investments in securities (Cost: USD 584,552,996.36)			638,964,619.27	98.05
Cash at banks			17,711,725.64	2.72
Other net liabilities			-4,979,498.70	-0.77
Total			<u><u>651,696,846.21</u></u>	<u><u>100.00</u></u>

* Minor differences may arise due to rounding in the calculation of percentages.

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

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Statement of investments and other net assets

2Xideas UCITS – US Mid Cap Library Fund**

Currency	Holdings	Description	Market value USD	% of total net assets *
Investments in securities				
Transferable securities admitted to an official stock exchange listing				
Equities				
CAD	19,300	Brookfield Asset Management Ltd Class A	778,967.09	1.91
EUR	7,699	Kerry Group PLC Class A	668,979.74	1.64
GBP	10,536	Ashtead Group PLC	733,617.28	1.80
GBP	26,350	Compass Group PLC	720,862.50	1.76
GBP	19,583	Experian PLC	799,360.43	1.96
GBP	86,366	Rentokil Initial PLC	485,318.10	1.19
			2,739,158.31	6.71
USD	5,760	Agilent Technologies Inc	800,812.80	1.96
USD	2,106	Align Technology Inc	577,044.00	1.41
USD	4,324	American Express Co	810,058.16	1.98
USD	3,685	Analog Devices Inc	731,693.60	1.79
USD	2,161	ANSYS Inc	784,183.68	1.92
USD	44,239	Certara Inc	778,164.01	1.91
USD	3,282	Charles River Laboratories International Inc	775,864.80	1.90
USD	2,566	Constellation Brands Inc Class A	620,330.50	1.52
USD	2,022	Cooper Cos Inc	765,205.68	1.88
USD	8,365	CoStar Group Inc	731,017.35	1.79
USD	8,135	Dolby Laboratories Inc Class A	701,074.30	1.72
USD	1,698	Domino's Pizza Inc	699,966.54	1.72
USD	9,284	Edwards Lifesciences Corp	707,905.00	1.73
USD	6,854	Entegris Inc	821,246.28	2.01
USD	9,960	Etsy Inc	807,258.00	1.98
USD	11,874	Fastenal Co	769,078.98	1.88
USD	3,903	Ferguson PLC	753,552.21	1.85
USD	10,961	Fortinet Inc	641,547.33	1.57
USD	1,871	Gartner Inc	844,026.81	2.07
USD	16,838	Halozyme Therapeutics Inc	622,332.48	1.52
USD	5,846	Intercontinental Exchange Inc	750,801.78	1.84
USD	1,260	Intuit Inc	787,537.80	1.93
USD	2,200	Intuitive Surgical Inc	742,192.00	1.82
USD	3,269	IQVIA Holdings Inc	756,381.22	1.85
USD	1,553	Kinsale Capital Group Inc	520,115.23	1.27
USD	1,404	KLA Corp	816,145.20	2.00
USD	3,207	Laboratory Corp of America Holdings	728,919.03	1.79
USD	10,324	Liberty Media Corp-Liberty Formula One Series C	651,754.12	1.60
USD	7,746	Live Nation Entertainment Inc	725,025.60	1.78
USD	436	Markel Group Inc	619,076.40	1.52
USD	3,017	MarketAxess Holdings Inc	883,528.45	2.16
USD	1,256	MSCI Inc	710,456.40	1.74
USD	15,641	New York Times Co Class A	766,252.59	1.88
USD	2,484	Paycom Software Inc	513,492.48	1.26
USD	1,810	Pool Corp	721,665.10	1.77
USD	4,540	PTC Inc	794,318.40	1.95
USD	4,359	ResMed Inc	749,835.18	1.84
USD	5,813	Revvity Inc	635,419.03	1.56
USD	11,257	Service Corp International	770,541.65	1.89
USD	6,557	Skyworks Solutions Inc	737,137.94	1.81
USD	7,074	Starbucks Corp	679,174.74	1.66
USD	6,408	Teradyne Inc	695,396.16	1.70
USD	8,025	Tradeweb Markets Inc Class A	729,312.00	1.79

* Minor differences may arise due to rounding in the calculation of percentages.

** The Sub-Fund launched on 29th September 2023.

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

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Statement of investments and other net assets (continued)

2Xideas UCITS – US Mid Cap Library Fund**

Currency	Holdings	Description	Market value USD	% of total net assets *
Investments in securities (continued)				
Transferable securities admitted to an official stock exchange listing (continued)				
Equities (continued)				
USD	1,666	Tyler Technologies Inc	696,587.92	1.71
USD	1,610	Ulta Beauty Inc	788,883.90	1.93
USD	3,175	VeriSign Inc	653,923.00	1.60
USD	1,849	Vertex Pharmaceuticals Inc	752,339.61	1.84
USD	8,711	Walker & Dunlop Inc	967,008.11	2.37
USD	1,710	Watsco Inc	732,683.70	1.80
USD	15,466	WillScot Mobile Mini Holdings Corp	688,237.00	1.69
			<u>36,506,504.25</u>	<u>89.46</u>
Total equities			40,693,609.39	99.72
Total investments in securities (Cost: USD 35,412,696.43)			40,693,609.39	99.72
Cash at banks			139,152.72	0.34
Other net liabilities			-23,033.34	-0.06
Total			<u><u>40,809,728.77</u></u>	<u><u>100.00</u></u>

* Minor differences may arise due to rounding in the calculation of percentages.

** The Sub-Fund launched on 29th September 2023.

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

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Industrial and geographical classification of investments

2Xideas UCITS – Global Mid Cap Library Fund

Industrial classification		Geographical classification	
(in percentage of net assets)		(by domicile of issuer)	
Health Care	21.70%	(in percentage of net assets)	
Information Technology	18.36%	United States of America	62.75%
Industrials	17.10%	United Kingdom	8.45%
Financials	14.54%	Switzerland	6.86%
Consumer Discretionary	14.03%	Ireland	2.57%
Communication Services	4.96%	Japan	2.49%
Consumer Staples	3.43%	People's Republic of China	2.32%
Materials	2.65%	Denmark	2.29%
Real Estate	1.28%	Netherlands	1.55%
	<u>98.05%</u>	Uruguay	1.40%
		Canada	1.37%
		Taiwan	1.23%
		Hong Kong	1.21%
		Germany	1.20%
		Sweden	1.19%
		France	1.17%
			<u>98.05%</u>

2Xideas UCITS – US Mid Cap Library Fund*

Industrial classification		Geographical classification	
(in percentage of net assets)		(by domicile of issuer)	
Information Technology	23.78%	(in percentage of net assets)	
Health Care	23.01%	United States of America	87.61%
Financials	16.58%	United Kingdom	6.60%
Industrials	13.43%	Ireland	3.60%
Consumer Discretionary	12.71%	Canada	1.91%
Communication Services	5.26%		<u>99.72%</u>
Consumer Staples	3.16%		
Real Estate	1.79%		
	<u>99.72%</u>		

* The Sub-Fund launched on 29th September 2023.

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Notes to the financial statements

1. General information

2Xideas UCITS (the “Company”) is a public limited company (“*Société Anonyme*”) incorporated on 19th February 2018 under the laws of Luxembourg as an investment company with variable share capital (“*Société d’Investissement à Capital Variable*”). The Company is subject to Part I of the Luxembourg law of 17th December 2010 relating to undertakings for collective investment, as amended or supplemented from time to time (the “2010 Law”).

At the date of the financial statements, two sub-funds (the “Sub-Funds”) are active:

Sub-Funds	Launch date
2Xideas UCITS – Global Mid Cap Library Fund	30th April 2018
2Xideas UCITS – US Mid Cap Library Fund	29th September 2023

A copy of the Articles of Association, the Prospectus, the applicable KID as well as of the latest annual report or semi-annual report may be obtained at the registered office of the Company free of charge during normal business hours on any full bank business day in Luxembourg or obtained on website www.fundpublications.com.

2. Significant accounting policies

(a) Presentation of the financial statements

The combined primary statements of these financial statements (*Statement of net assets, Statement of operations and changes in net assets*) are the arithmetic sum of the financial statements of all Sub-Funds as at 31st December 2023.

The financial statements of the Company are prepared in accordance with Luxembourg legal and regulatory requirements concerning undertakings for collective investment and with generally accepted accounting principles in Luxembourg.

The financial statements of the Company have been prepared on the basis of the Net Asset Value calculated on 31st December 2023 for year-end reporting purposes and on a going concern basis.

The reference currency of the Company and of each of its Sub-Funds is USD and all the financial statements of the Company are presented in USD.

(b) Valuation of assets

In accordance with the Articles of Association, the valuation of the assets of the Company is conducted as follows:

- 1) The value of any cash on hand or on deposit, bills or notes payable, accounts receivable, prepaid expenses, cash dividends and interest accrued but not yet received is equal to the entire nominal or face amount thereof, unless the same is unlikely to be paid or received in full, in which case the value thereof is determined after making such discount as the Administrator may consider appropriate in such case to reflect the true value thereof.
- 2) Transferable Securities and Money Market Instruments which are quoted, listed or traded on an exchange or regulated market are valued, unless otherwise provided under paragraphs 3) and 6) below, at the last available closing or settlement price or quotation, prior to the time of valuation, on the exchange or regulated market where the securities or instruments are primarily quoted, listed or traded. Where securities or instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors determines on which exchange or regulated market the securities or instruments are primarily quoted, listed or traded and the market prices or quotations on such exchange or regulated market are used for the purpose of their valuation. Transferable Securities and Money Market Instruments for which market prices or quotations are not available or representative, or which are not quoted, listed or traded on an exchange or regulated market, are valued at their probable realization value estimated with care and in good faith by the Administrator using any valuation method approved by the Board of Directors.
- 3) Notwithstanding paragraph 2) above, where permitted under applicable laws and regulations, Money Market Instruments may be valued using an amortization method whereby instruments are valued at their acquisition cost as adjusted for amortization of premium or accrual of discount on a constant basis until maturity, regardless of the impact of fluctuating interest rates on the market value of the instruments. The amortization method is only used if it is not expected to result in a material discrepancy between the market value of the instruments and their value calculated

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Notes to the financial statements (continued)

2. Significant accounting policies (continued)

(b) Valuation of assets (continued)

according to the amortization method.

- 4) Financial derivative instruments which are quoted, listed or traded on an exchange or regulated market are valued at the last available closing or settlement price or quotation, prior to the time of valuation, on the exchange or regulated market where the instruments are primarily quoted, listed or traded. Where instruments are quoted, listed or traded on more than one exchange or regulated market, the Board of Directors determines on which exchange or regulated market the instruments are primarily quoted, listed or traded and the closing or settlement prices or quotations on such exchange or regulated market will be used for the purpose of their valuation. Financial derivative instruments for which closing or settlement prices or quotations are not available or representative will be valued at their probable realization value estimated with care and in good faith by the Administrator using any valuation method approved by the Board of Directors.
- 5) Financial derivative instruments which are traded over-the-counter (OTC) are valued daily at their fair market value, on the basis of valuations provided by the counterparty which is approved or verified on a regular basis independently from the counterparty. Alternatively, OTC financial derivative instruments may be valued on the basis of independent pricing services or valuation models approved by the Board of Directors which follow international best practice and valuation principles. Any such valuation is reconciled to the counterparty valuation on a regular basis independently from the counterparty, and significant differences are promptly investigated and explained.
- 6) Notwithstanding paragraph 2) above, shares or units in investment funds (including UCITS and UCI) are valued at their latest available official net asset value, as reported or provided by or on behalf of the investment fund or at their latest available unofficial or estimated net asset value if more recent than the latest available official net asset value, provided that the Administrator is satisfied of the reliability of such unofficial net asset value. The Net Asset Value calculated on the basis of unofficial net asset values of the investment fund may differ from the Net Asset Value which would have been calculated, on the same Valuation Day, on the basis of the official net asset value of the investment fund. Alternatively, shares or units in investment funds which are quoted, listed or traded on an exchange or regulated market may be valued in accordance with the provisions of paragraph 2) above.
- 7) The value of any other asset not specifically referenced above is the probable realization value estimated with care and in good faith by the Administrator using any valuation method approved by the Board of Directors.

(c) Acquisition cost of securities in the portfolio

The acquisition cost of the securities held by the Sub-Funds that are denominated in currencies other than the reference currency of the Sub-Funds are converted into this currency at the exchange rate prevailing on the date of purchase.

(d) Net realized gain/(loss) on securities portfolio

The realized gains and losses on securities portfolio are calculated on the basis of the average acquisition cost and are disclosed net in the *Statement of operations and other changes in net assets*.

(e) Income

Dividend is recorded at the ex-date, net of any withholding tax.

(f) Valuation of forward foreign exchange contracts

Forward foreign exchange contracts are valued at forward market rates for the remaining period from valuation date to the maturity of the contracts. Unrealized gains or losses are disclosed in the *Statement of net assets*. Net variation of the unrealized gains or losses and net realized gains or losses are disclosed in the *Statement of operations and other changes in net assets*.

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Notes to the financial statements (continued)

2. Significant accounting policies (continued)

(g) Formation expenses

Formation expenses are amortized on a straight line basis over a period of five years.

If the launch of a Sub-Fund occurs after the launch date of the Company, the formation expenses related to the launch of the new Sub-Fund are charged to such Sub-Fund alone and will be amortized over a maximum of three years with effect as from the Sub-Fund's launch date.

(h) Conversion of foreign currencies

Cash at banks, other net assets and, liabilities and the market value of the securities in portfolio expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the financial statements. Income and expenses expressed in currencies other than the reference currency of the Sub-Fund are converted into this currency at the exchange rate prevailing on the date of the transaction. Net realized gains and losses on foreign exchange are disclosed in the *Statement of operations and other changes in net assets*.

The exchange rates used at the date of the financial statements are the following:

1	USD	=	1.318600	CAD	Canadian Dollar
			0.841650	CHF	Swiss Franc
			6.748350	DKK	Danish Krona
			0.905264	EUR	Euro
			0.784437	GBP	Pound Sterling
			7.808550	HKD	Hong Kong Dollar
			140.980000	JPY	Japanese Yen
			10.077850	SEK	Swedish Kronor
			30.690500	TWD	Taiwan Dollar

3. All-in fee

The Company charges an All-in fee at the following rates:

2Xideas UCITS – Global Mid Cap Library Fund

Share Class	I USD	S USD	D USD	R CHF Hedged	R EUR Hedged	S CHF	S CHF Hedged	S EUR	S EUR Hedged	S GBP
Rate	1.00% p.a.	1.00% p.a.	1.20% p.a.	1.60% p.a.	1.60% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.

2Xideas UCITS – US Mid Cap Library Fund*

Share Class	S USD	S CHF	S CHF Hedged	S EUR	S EUR Hedged	S GBP	P USD	P CHF	P EUR	P GBP
Rate	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	1.00% p.a.	0.80% p.a.	0.80% p.a.	0.80% p.a.	0.80% p.a.

The All-in fee covers costs and expenses such as:

- 1) the Investment Manager Fee;
- 2) all fees of the Management Company;
- 3) all fees of the Depositary;
- 4) all fees of the Administrator;
- 5) all fees of the Global Distributor;
- 6) fees related to the Board of Directors;

* The Sub-Fund launched on 29th September 2023.

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Notes to the financial statements (continued)

3. All-in fee (continued)

- 7) any other operating and administrative expenses, which occur in the normal operation of the Company or any Sub-Fund;
- 8) all costs and expenses incurred in connection with the formation of the Company.

The All-in fee is accrued on each Valuation Day and covers any fee or expense mentioned above. In principal, the All-in fee covers all costs and expenses normally used in the calculation of the ongoing charges figure (OCF) of the Company or any Sub-Fund. The All-in fee is payable quarterly in arrears out of the assets of the Company and allocated to each Sub-Fund and Share Class.

For the avoidance of doubt, the All-in fee does not cover:

- 1) transaction costs;
- 2) extraordinary costs and expenses;
- 3) performance fees, if any;
- 4) the Anti-Dilution Levy.

4. Transaction costs

The Transaction costs borne by each Sub-Fund, are costs and expenses arising from buying and selling portfolio assets and entering into other transactions in securities or other financial instruments, such as brokerage fees and commissions and all other fees, expenses, commissions, charges, premiums and interest paid to banks, brokers, execution agents, exchange fees, taxes, levies and stamp duties chargeable in connection with transactions in securities or other financial instruments, and any other transaction-related expenses which are normally excluded from the calculation of the OCF.

5. Anti-Dilution Levy and conversion fees

An extra charge referred to as the Anti-Dilution Levy is levied by the Company on investors subscribing for or redeeming Shares to account for the aggregate costs of buying and/or selling underlying investments related to such subscriptions or redemptions. The Anti-Dilution Levy is not applied at the launch of a Sub-Fund. The Anti-Dilution Levy also applies for Conversions of Shares between different Sub-Funds. No Anti-Dilution Levy is applied on conversions of Shares within the same Sub-Fund.

The Anti-Dilution Levy applies only if the total amount of all subscriptions converted into the reference currency of a Sub-Fund exceeds the total amount of all redemptions converted into the reference currency of a Sub-Fund on a valuation day (net subscriptions) or if the total amount of all redemptions converted into the reference currency of a Sub-Fund exceeds the total amount of all subscriptions converted into the reference currency of a Sub-Fund for the same valuation day (net redemptions) by a certain threshold. In case the threshold is exceeded, the Anti-Dilution Levy will be applied to all subscriptions and all redemptions for a given valuation day. No Anti-Dilution Levy will be applied on either subscriptions or redemptions for a given valuation day in case the threshold is not exceeded.

Banks and other financial intermediaries appointed by or acting on behalf of the investors, where applicable, may charge administration and/or other fees or commissions to the investors pursuant to arrangements between those banks or other financial intermediaries and the investors. The Company has no control over such arrangements.

The Anti-Dilution Levy rate was 0.10% for all share classes.

6. Subscription tax (“taxe d’abonnement”)

The Company is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the Company is subject to an annual subscription tax (“*taxe d’abonnement*”) of 0.05% which is payable quarterly and calculated on the basis of the Net Asset Value of the respective Share Class at the end of the relevant calendar quarter.

Pursuant to Article 175 (a) of the amended 2010 Law, the net assets invested in undertakings for collective investment already subject to the “*taxe d’abonnement*” are exempt from this tax.

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Notes to the financial statements (continued)

6. Subscription tax (“taxe d’abonnement”) (continued)

A reduced tax rate of 0.01% per annum of the net assets is applicable to Share Classes which are only sold to and held by Institutional Investors. Such tax is payable quarterly and calculated on the net assets of such Share Class at the end of the relevant quarter.

The subscription tax is covered by the All-in fee described in Note 3.

7. Performance fees

The Investment Manager may be entitled to receive a Performance fee with respect to certain Sub-Funds or Share Classes; the payment and size of the Performance fee depends on the performance of the Sub-Fund or Share Class over a specified time period. The Performance fee is calculated and accrued at each Valuation Day on the basis of the Net Asset Value after deducting all fees and expenses, including the All-in fee (but not the Performance fee) and adjusting for subscriptions and redemptions during the performance period so these will not affect the calculation of the Performance fee. The Performance fee is paid out of the assets of the Company and allocated to the relevant Sub-Funds and Share Classes. For the avoidance of doubt, the Performance fee, if applicable, is not part of the All-in fee.

At the date of the financial statements, there are no Share Classes entitled to performance fee for both Sub-Funds.

8. Changes in investments

The statement of changes in investments for the year ended 31st December 2023 is available free of charge at the registered office of the Company.

9. Forward foreign exchange contracts

At the date of the financial statements, the Sub-Funds are committed in the following forward foreign exchange contracts with Northern Trust Global Services SE:

2Xideas UCITS - Global Mid Cap Library Fund

Currency	Purchases	Currency	Sales	Maturity	Unrealized result USD
Forward foreign exchange contracts linked to Classes R CHF Hedged shares					
CHF	349,048.42	USD	416,608.09	28.03.2024	1,649.02
					<u>1,649.02</u>
Forward foreign exchange contracts linked to Classes R EUR Hedged shares					
EUR	396,600.15	USD	442,117.55	28.03.2024	-2,548.63
					<u>-2,548.63</u>
Forward foreign exchange contracts linked to Classes S CHF Hedged shares					
CHF	52,316,549.71	USD	62,442,619.55	28.03.2024	247,161.23
CHF	41,693.61	USD	49,754.66	28.03.2024	205.88
USD	141,778.77	CHF	118,808.34	28.03.2024	-586.67
					<u>246,780.44</u>
Forward foreign exchange contracts linked to Classes S EUR Hedged shares					
USD	22,489.56	EUR	20,176.00	28.03.2024	127.64
EUR	58,037,115.27	USD	64,697,976.95	28.03.2024	-372,958.20
					<u>-372,830.56</u>

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Notes to the financial statements (continued)

9. Forward foreign exchange contracts (continued)

2Xideas UCITS - US Mid Cap Library Fund*

Currency	Purchases	Currency	Sales	Maturity	Unrealized result USD
Forward foreign exchange contracts linked to Classes S CHF Hedged shares					
CHF	53,355.39	USD	63,682.53	28.03.2024	252.07
					252.07
Forward foreign exchange contracts linked to Classes S EUR Hedged shares					
EUR	53,641.59	USD	59,797.98	28.03.2024	-344.71
					-344.71

* The Sub-Fund launched on 29th September 2023.

10. Significant events during the year

As of 1st January 2023, the migration of the administrative and custodian services from European Fund Administration S.A. and Nomura Bank (Luxembourg) S.A., respectively, to Northern Trust Global Services SE has been executed successfully. Following the migration, Northern Trust Global Services SE will act as the new domiciliation agent and the domicile of the registered office has changed from its former registered address 2, Rue d'Alsace, L-1122 Luxembourg to 10, Rue du Château d'Eau, L-3364 Leudelange.

Effective 1st January 2023, the 2Xideas UCITS - Global Mid Cap Library Fund is classified as an Article 8 financial product under the Sustainable Finance Disclosure Regulation.

An updated prospectus dated January 2023 was approved and issued, containing the above mentioned changes.

2Xideas UCITS - US Mid Cap Library Fund was launched on 29th September 2023. Further updates were made on the prospectus during the year, with the latest version approved and issued on September 2023.

There were no other significant events during the year that require adjustment of, or disclosure in, the financial statements.

11. Subsequent events

There were no material subsequent events that require adjustment of, or disclosure in, the financial statements.

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Appendix I – Information for investors in Switzerland

Place of performance and jurisdiction

The country of origin of the Company is Luxembourg.

Representative in Switzerland

The Swiss representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich.

Paying agent in Switzerland

The paying agent in Switzerland is Banque Cantonale Vaudoise, Place St-François 14, CH-1003 Lausanne.

Publications

The Prospectus, key information document (“KID”), the Articles of Association, the list of purchases and sales, as well as the annual and semi-annual reports may be obtained free of charge from the Swiss representative.

Total expense ratio (unaudited)

The total expense ratio (“TER”) disclosed in this report is calculated in accordance with the “Guidelines on the calculation and disclosure of the TER of collective investment schemes” issued by the Asset Management Association Switzerland (“AMAS”) on 16th May 2008 and as modified on 5th August 2021.

Transaction costs are taken into account in the calculation of the TER.

The annualized TER of each Share Class for the year ended 31st December 2023 are specified in the tables below:

2Xideas UCITS – Global Mid Cap Library Fund

Share Class	TER (in %)
I USD	1.06
S USD	1.06
D USD	1.26
R CHF Hedged	1.65
R EUR Hedged	1.66
S CHF	1.05
S CHF Hedged	1.04
S EUR	1.05
S EUR Hedged	1.05
S GBP	1.05

2Xideas UCITS – US Mid Cap Library Fund*

Share Class	TER (in %)
S USD*	1.14
S CHF*	1.30
S CHF Hedged*	1.30
S EUR*	1.30
S EUR Hedged*	1.30
S GBP*	1.30
P USD*	1.11
P CHF*	1.10
P EUR*	1.10
P GBP*	1.15

* The Sub-Fund and Share Classes were launched on 29th September 2023.

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Appendix I – Information for investors in Switzerland (continued)

Performance

The performance is defined as the total return of one share over a specified period, expressed as a percentage of the NAV per share at the beginning of the observation period. The performance is calculated in accordance with the guidelines published by the Asset Management Association Switzerland.

The performance of each Share Class are specified in the tables below:

2Xideas UCITS – Global Mid Cap Library Fund

Annual performance per Share Class (in %)	Currency	31.12.2021	31.12.2022	31.12.2023
I USD	USD	16.42	-29.92	16.68
S USD	USD	16.42	-29.92	16.65
D USD	USD	16.19	-30.06	16.40
R CHF Hedged	CHF	14.28	-33.02	10.91
R EUR Hedged	EUR	14.66	-32.81	12.89
S CHF	CHF	19.97	-28.83	6.13
S CHF Hedged	CHF	14.98	-32.50	11.47
S EUR	EUR	25.30	-25.37	12.70
S EUR Hedged	EUR	15.26	-32.34	13.62
S GBP	GBP	17.52	-21.10	10.04

2Xideas UCITS – US Mid Cap Library Fund*

Annual performance per Share Class (in %)	Currency	31.12.2021	31.12.2022	31.12.2023
S USD*	USD	–	–	11.63
S CHF*	CHF	–	–	2.70
S CHF Hedged*	CHF	–	–	10.10
S EUR*	EUR	–	–	6.99
S EUR Hedged*	EUR	–	–	10.83
S GBP*	GBP	–	–	6.88
P USD*	USD	–	–	11.69
P CHF*	CHF	–	–	2.76
P EUR*	EUR	–	–	7.05
P GBP*	GBP	–	–	6.94

Past performance is no indication of current or future performance.

The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares.

* The Sub-Fund and Share Classes were launched on 29th September 2023.

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Appendix II – Additional information (unaudited)

Risk Management

The Board of Directors of the Company decided to adopt the commitment approach to determine the global market risk exposure of 2Xideas UCITS - Global Mid Cap Library Fund and 2Xideas UCITS - US Mid Cap Library Fund*.

Remuneration

Remuneration of the Management Company

The disclosures are made in line with the applicable laws and regulations, and in particular with the EU and Luxembourg provisions addressed to management companies and Alternative Investment Fund Managers, the “Guidelines on sound remuneration policies under the UCITS Directive and AIFMD” issued by the European Securities and Markets Authority and the applicable CSSF regulatory instruments concerning the remuneration policies in the financial sector.

Remuneration Policy:

The Management Company’s Remuneration Policy (the “Remuneration Policy”) provides guidelines on compensation and benefits at the Management Company, in line with its activities, objectives, values and long-term interests. The Remuneration Policy sits within the broader policy covering Nomura Holdings Inc., its branches and subsidiaries.

The Remuneration Policy applies to all employees of the Management Company, including individuals whose professional activities may have a material impact on the risk profile of the Management Company or the UCITS Funds and Alternative Investment Funds (“AIF”) it manages (the “Identified Staff”). The Identified Staff include members of the Board of the Management Company (the “Board”), senior management, the heads of relevant Control Functions, and holders of other key functions. Principles of the Remuneration Policy can be found at www.gfmanagement.lu.

Quantitative Disclosures:

The table below provides an overview of the total remuneration paid to all the staff of the Management Company and the number of beneficiaries during its last accounting year ended 31st March 2023.

Total fixed remuneration	EUR 811,646.93
Total variable remuneration (**)	EUR 122,230.85
Number of beneficiaries	8

(**) Paid after the Management Company’s Year-end (31st March 2023)

No element of employees’ remuneration is linked to the Company’s performance. Those Management Company Directors who are also employees of the Nomura group are not entitled to receive a Director’s fee. Other Management Company Director(s) (if any) is/are paid fees that reflect the time commitment and responsibilities of their roles.

This note needed to provide a further breakdown of remuneration attributable to the Management Company which is not readily available and would neither be relevant, reliable nor proportionate due to its operational structure. However, in order to contextualize above information, the Management Company manages 23 Alternative Investment Funds (with 36 Sub-Funds) and 1 UCITS Fund (with 2 Sub-Fund), with a combined AUM as at 31st December 2023 of EUR 8,265m and USD 693m respectively.

* The Sub-Fund launched on 29th September 2023.

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Appendix II – Additional information (unaudited) (continued)

Remuneration (continued)

Remuneration of the Investment Manager

The table below provides an overview of the total remuneration paid to all the staff of the Investment Manager and the number of beneficiaries during its last accounting year ended 31st December 2023.

Total fixed remuneration	CHF 2,549,840.00
Total variable remuneration	CHF 0.00
Number of beneficiaries	23

Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter “SFTR”)

During the reporting period, the Company did not engage in transactions which are subject to the publication requirements of SFTR. Accordingly, no information concerning the transparency of securities financing transactions and of reuse of cash collateral should be reported.

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Appendix III – Sustainable Finance Disclosure Regulation (unaudited)

Sustainable Finance Disclosure Regulation (SFDR) refers to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The Global Mid Cap Library Fund and US Mid Cap Library Fund* (the “Sub-Funds”) promote environmental and/or social characteristics within the meaning of Article 8 of SFDR. The 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 can be found in the annex of this document.

The Sub-Funds promote environmental characteristics, specifically with regard to reducing the investee companies’ carbon emissions. This is measured by a metric provided by MSCI ESG Research LLC, namely the Implied Temperature Rise (ITR) of the individual companies and the ITR on portfolio level. ITR is a forward-looking metric defined by MSCI ESG Research LLC, expressed in degrees Celsius, designed to show the temperature alignment of a company or portfolio with global temperature goals such as 2015 Paris Agreement.

The long-term target (until the year 2050 or sooner) of the Sub-Fund is to have a portfolio ITR of 1.5°C or below. This objective is conceivable because most investee companies are in the process of enhancing their emissions measurement and reduction strategies as well as their reporting capacities. To achieve an ITR of 1.5°C or below in the long-term, the Sub-Fund targets the following two metrics:

1. A minimum of 50% of all assets, weighted by their respective weights in the Sub-Fund, shall exhibit an ITR below 2.0°C.
2. The ITR on the portfolio level (calculated excluding assets with no ITR data availability) shall be below 2.5°C at any point in time until the year 2030. After 2030, the investment manager will revise the temperature alignment target on the portfolio level.

ITR is a forward-looking metric defined by MSCI ESG Research LLC, expressed in degrees Celsius (°C), that is designed to show the alignment of companies with global temperature goals.

* The Sub-Fund launched on 29th September 2023.

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: 2Xideas UCITS – Global Mid Cap Library Fund

Legal entity identifier: 254900PBI500FUBJEY35

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No
<p><input type="checkbox"/> It made sustainable investments with an environmental objective: ___%</p> <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <p><input type="checkbox"/> It made sustainable investments with a social objective: ___%</p>	<p><input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <p><input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments</p>

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

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



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

The 2Xideas UCITS – Global Mid Cap Library Fund promotes environmental characteristics, specifically with regard to reducing the investee companies’ carbon emissions. This is measured by a metric provided by MSCI ESG Research, namely the Implied Temperature Rise (ITR) of the individual companies and the weighted ITR on portfolio level. ITR is a forward-looking metric defined by MSCI ESG Research LLC¹, expressed in degrees

1. <https://www.msci.com/documents/1296102/31997292/Implied-Temperature-Rise-Methodology-Summary.pdf/38022da2-647f-15be-d367-524f351038f2?t=1653405935387>

Celsius, designed to show the temperature alignment of a company with global temperature goals such as the 2015 Paris Agreement.

The long-term target (until the year 2050 or sooner) of the Sub-Fund is to have a weighted portfolio ITR of 1.5°C or below. This objective is conceivable because most investee companies are in the process of enhancing their emissions measurement and reduction strategies as well as their reporting capacities. To achieve an ITR of 1.5°C or below in the long-term, the Sub-Fund targets the following two metrics:

1. A minimum of 50% of all assets, weighted by their respective weights in the Sub-Fund, shall exhibit an ITR below 2.0°C.
2. The ITR on the portfolio level (calculated excluding assets with no ITR data availability) shall be below 2.5°C at any point in time until the year 2030. After 2030, the investment manager will revise the temperature alignment target on the portfolio level.
3. The Sub-Fund excludes any issuers that fail one or more of the norms-based or values-based criteria, according to the exclusion criteria set forth in the prospectus.

The Investment Manager confirms that the environmental characteristics have been met in accordance with pre-contractual commitments.

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

As stated in the prospectus, the periodic reporting requires the disclosure of the following sustainability-related metrics:

1. Implied Temperature Rise (ITR) on the asset level, in ranges.

The corresponding percentage of the directly invested portfolio companies, weighted by their respective weights in the Sub-Fund, is disclosed with the following ranges:

ITR <=1.5°C	: 45.8%
ITR >1.5°C, <=2.0°C	: 30.5%
ITR >2.0°C, <=2.5°C	: 12.9%
ITR >2.5°C, <=3.0°C	: 6.9%
ITR > 3.0°C	: 3.9%

2. ITR on the portfolio level

The ITR on the portfolio level stands at 1.8°C.

3. 3. Percentage of investee companies, weighted by their respective weights in the Sub-Fund, with targets consistent with the Science Based Targets initiative (SBTi).

The percentage of investee companies with targets consistent with the Science Based Targets initiative is 27.5%.

The Investment Manager considered the principal adverse impacts.

Notwithstanding the above, the investments underlying this financial product did not take into account the EU criteria for environmentally sustainable economic activities as determined by the Taxonomy Regulation.

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

Not applicable as this is the first year that this annex is integrated in the annual report.

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

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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 EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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



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

2Xideas AG (“2Xideas”), the Investment Manager of the 2Xideas UCITS – Global Mid Cap Library Fund, considers principle adverse impacts (PAI) of investment decisions on sustainability factors for direct investments. The consideration of PAI for indirect investments depends on the quality of implementation of the provider.

By integrating sustainability into its business strategy, 2Xideas has committed itself to the systematic and comprehensive consideration of climate and sustainability aspects in its business activities. Therefore, 2Xideas has incorporated the systematic consideration of Principal Adverse Impacts (PAI), as defined in the SFDR, into its investment processes.

2Xideas considered PAI in three different stages of its investment process:

1. **Universe exclusions:** PAI 11 has strict exclusion criteria for companies found in breach of those mentioned standards. PAI 15 has a 0% revenue threshold. PAI 11 and 15, are part of the norms-based exclusions that 2Xideas uses to remove certain non-compliant companies from its investment universe. Companies that exceed the threshold level on any of these PAI are therefore not eligible for investment.
2. **Company-specific thresholds:** At the start of our fundamental research activities with respect to a target company, the responsible analyst must complete a checklist that contains, amongst other items, the PAI under consideration. For each PAI, the analyst must confirm that the company does not exceed a defined threshold. These thresholds are set by the Sustainability Committee and reviewed annually. The thresholds vary for each sector, depending on the exposure to certain industries. If one or several thresholds are not met, the analyst must specifically comment on why the target company should still be considered as a potential investment. The decision to commence the research activities rests with the respective Sector Group. The decision of whether a company does become eligible for investment rests with the Investment Decision Committee, which will explicitly consider PAI threshold breaches as a negative data point in its decision. The Sustainability Committee reviews the full list of companies eligible for investment on a quarterly basis and decides on the eligibility of companies with significantly negative developments in any of the PAI under consideration. If for any of the companies that are eligible for investment a negative PAI development leads to a breach of the defined threshold levels, 2Xideas engages with the company with the aim to rectify the breach.
3. **Portfolio construction:** For investment products that explicitly consider the PAI on a portfolio level, a weighted budget approach is used. These thresholds are set by the Sustainability Committee on a product-by-product basis and are reviewed annually. The respective portfolios are constantly monitored for breaches of the PAI threshold levels. A breach of a PAI threshold triggers a portfolio review. The Investment Decision Committee may choose not to act on a breached PAI threshold if no suitable investment alternatives are deemed to be available. This decision must be documented.

PAI exposures reporting 2023

Environmental PAI

		Portfolio Exposure	Av. Data Coverage
PAI 1	Greenhouse Gas Emissions: GHG emissions in metric tons of CO ₂ , weighted by the portfolio’s value of investment in a company and by the company’s enterprise value including cash. The GHG emissions are measured in four categories: Scope 1 (direct GHG emissions), Scope 2 (indirect GHG emissions, e.g., in embedded in the electricity consumed by a company),	1.a) GHG emissions – Scope 1: 1685.2 metric tons of CO ₂ 1.b) GHG emissions – Scope 2: 1670.9 metric tons of CO ₂ 1.c) GHG emissions – Scope 3: 67143.6 metric tons of CO ₂	98.58%

	Scope 3 (indirect emissions resulting from activities in a company's upstream and downstream value chain).	1.d) GHG emissions – Scope 1-2-3: 69614.9 metric tons of CO2	
PAI 2	Carbon Footprint: Total GHG emissions in metric tons of CO2, weighted by the portfolio's value of investment in a company and by the company's enterprise value including cash, adjusted to show the emissions associated with EUR 1mn invested in the portfolio.	103.9	98.58%
PAI 3	GHG intensity of investee companies: Portfolio weighted average of companies' total GHG Emissions Intensity per EUR 1mn in revenue.	396	98.58%
PAI 4	Investments in companies without carbon reduction initiatives: Share of investments in investee companies without carbon emissions reduction initiatives aimed at aligning with the Paris Agreement.	26%	98.58%
PAI 5	Exposure to companies active in the fossil fuel sector: Share of investments in companies active in the fossil fuel sector.	0%	98.58%
PAI 6	Share of non-renewable energy consumption and production: Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources, expressed as a percentage.	77.1%	48.79%
PAI 7	Energy consumption intensity per high impact climate sector: Energy consumption in GWh per EUR 1mn of revenue of investee companies, measured per high impact climate sector.	2.2	62.56%
PAI 8	Activities negatively affecting biodiversity-sensitive areas: Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas.	0%	98.58%
PAI 9	Emissions to water: Tons of emissions to water generated by investee companies per EUR 1mn invested, expressed as a weighted average.	0.1	1.08%
PAI 10	Hazardous waste ratio: Tons of hazardous waste generated by investee companies per EUR 1mn invested, expressed as a weighted average.	0.3	20.17%

Social PAI

		Portfolio Exposure	Av. Data Coverage
PAI 11	Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises: Share of Investments in investee companies that have been involved in violations of the UNGC principles for OECD Guidelines for Multinational Enterprises.	0%	98.58%
PAI 12	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises: Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	75%	98.58%
PAI 13	Unadjusted gender pay gap: Average unadjusted gender pay gap of investee companies.	13.6	20.42%
PAI 14	Board gender diversity: Average ratio of female to male board members in investee companies.	33.4%	98.58%
PAI 15	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons): Share of investments in investee companies involved in the manufacture or selling of controversial weapons.	0%	98.58%
PAI 16	Lack of supplier code of conduct: Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labor and forced labor).	51%	98.58%

Basis of calculation: Average of end-of-quarter values.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **1.1. – 31.12.2023**

Largest investments	Sector	% Assets	Country
Walker & Dunlop	Financials	1.7%	US
MarketAxess	Financials	1.5%	US
Sonova	Health Care	1.5%	Switzerland
IMCD	Industrials	1.5%	Netherlands
Gartner	Industrials	1.5%	US
Entegris	Technology	1.4%	US
Sika	Industrials	1.4%	Switzerland
Partners Group	Financials	1.4%	Switzerland
KLA	Technology	1.4%	US
American Express	Financials	1.4%	US
Straumann	Health Care	1.4%	Switzerland
Etsy	Consumer	1.4%	US
Agilent Technologies	Health Care	1.4%	US
Experian	Financials	1.4%	United Kingdom
MercadoLibre	Consumer	1.4%	Brazil

Basis of calculation: End-of-year values.



What was the proportion of sustainability-related investments?

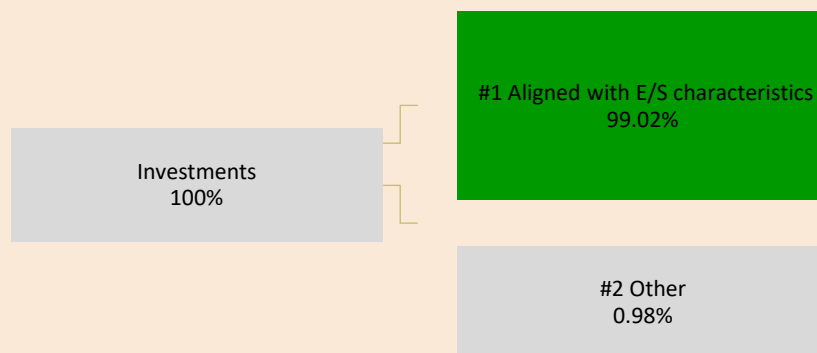
Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

● **What was the asset allocation?**

Asset allocation describes the share of investments in specific assets.

99.02% of the sub-fund assets promoted environmental or social characteristics during the period covered by the periodic report. The remaining 0.98% of the sub-fund was invested in the iShares MSCI World SRI Reduced Fossil Fuels ETF for the purpose of liquidity management. This ETF product is nevertheless in line with our norms- and values-based exclusion criteria for business involvements as set forth in the Fund's exclusion policy, which can be found on our website.

99,02% of the Sub-Fund's assets were invested in investments #1 Aligned with E/S characteristics
 0.98% of the Sub-Fund's assets were invested in #2 Other



#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.

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

Average Exposure to GICS Sectors

GICS Sector & Sub Sectors	Average
Health Care	20.16%
Health Care Equipment & Services	11.12%
Pharmaceuticals, Biotechnology & Life Sciences	9.04%
Information Technology	18.29%
Semiconductors & Semiconductor Equipment	5.81%
Software & Services	10.45%
Technology Hardware & Equipment	2.03%
Industrials	17.40%
Capital Goods	12.33%
Commercial & Professional Services	3.93%
Transportation	1.14%
Financials	15.07%
Financial Services	11.52%
Insurance	3.05%
Consumer Discretionary	14.44%
Automobiles & Components	0.63%
Consumer Discretionary Distribution & Retail	7.93%
Consumer Durables & Apparel	1.16%
Consumer Services	4.71%

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

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

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

Communication Services	5.82%
Media & Entertainment	5.82%
Consumer Staples	4.90%
Food, Beverage & Tobacco	4.01%
Household & Personal Products	0.89%
Materials	1.77%
Materials	1.77%
Real Estate	1.18%
Real Estate Management & Development	1.18%
Energy	0.00%
Utilities	0.00%
Cash / Index ETF	0.98%

Basis of calculation: Average of calendar year.

Taxonomy-aligned activities are expressed as a share of:

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



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

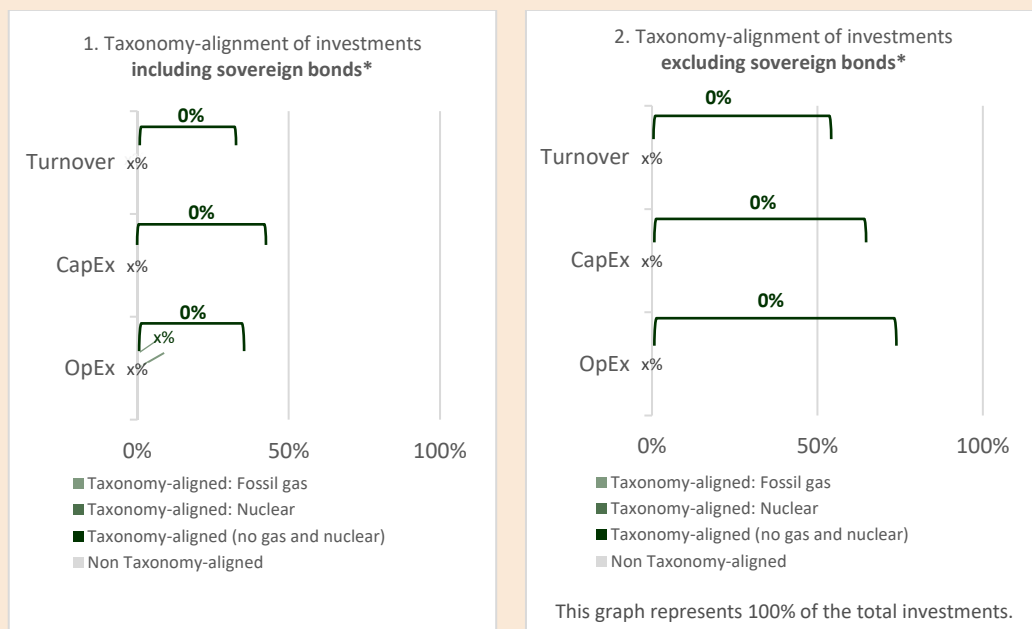
The Sub-Fund did not invest in environmentally sustainable economic activities aligned with the EU Taxonomy.

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy²?

- Yes:
- In fossil gas In nuclear energy
- No

2. ² 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.

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.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.



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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.



What was the share of socially sustainable investments?

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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.



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

Cash and/or exchange traded funds were held as ancillary liquidity.



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

The Investment Manager took action regarding the Sustainability Factors at four stages in its investment process:

- 1. Investment universe exclusions:** The Investment Manager used norms-based and values-based exclusions to limit the universe of investable companies. The Sustainability Committee of the Investment Manager reviewed the exclusion criteria on an annual basis and revised it where warranted. The exclusions were applied on a weekly basis to define the investment universe. The current exclusion criteria are as set forth in the prospectus and available on the website of the investment manager.
- 2. Fundamental analysis:** As part of the fundamental research process, the Investment Manager considered Sustainability Factors amongst a multitude of other factors. Various Environmental, Social and Governance indicators as measured for example by the ITR metric, and the principal adverse impacts, were used to determine the fundamental characteristics of a company.
- 3. Ongoing monitoring:** The Investment Manager monitored sustainability-related developments for all companies that are eligible for investment on an ongoing basis. Changes in ESG ratings, new controversies, and updates to controversies would have been flagged and subsequently analyzed. If warranted, the Investment Manager engaged with a company based on the result of the analysis.
- 4. Engagement policy:** As part of the engagement on Sustainability Factors, the Investment Manager urged to report transparently on emissions and climate change risks, preferably along the Task Force on Climate-Related Financial Disclosures (TCFD) framework. Of the 16 specific ESG-related engagements conducted by the investment Manager during 2023, 87% were related to the companies' environmental reporting and the companies' ITR.

The Investment Manager also encourages investee companies to set targets in line with the Science Based Targets initiative (SBTi). The Investment Manager engaged with investee companies that have not set themselves targets consistent with the Science Based Targets initiative with the goal of having them commit to such targets.

The Investment Manager logged and analyzed every interaction with target investee companies, as well as continues to monitor and review engagement outcomes. Where necessary, the Investment Manager revises the objectives and approaches a company's management again.



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

The Sub-Fund has not designated a specific index as a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

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

Not applicable.

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?***

Not applicable.

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

Not applicable.

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

The Benchmark used by the Sub-Fund is a mainstream index and does not take account of ESG factors and is therefore not consistent with the environmental and social characteristics promoted by the Sub-Fund.

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: 2Xideas UCITS – US Mid Cap Library Fund

Legal entity identifier: 2549004LU31H1164GB91

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 sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective <input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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

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



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

The 2Xideas UCITS – US Mid Cap Library Fund promotes environmental characteristics, specifically with regard to reducing the investee companies’ carbon emissions. This is measured by a metric provided by MSCI ESG Research, namely the Implied Temperature Rise (ITR) of the individual companies and the weighted ITR on portfolio level. ITR is a forward-looking metric defined by MSCI ESG Research LLC¹, expressed in degrees

1

1. <https://www.msci.com/documents/1296102/31997292/Implied-Temperature-Rise-Methodology-Summary.pdf/38022da2-647f-15be-d367-524f351038f2?t=1653405935387>

Celsius, designed to show the temperature alignment of a company with global temperature goals such as the 2015 Paris Agreement.

The long-term target (until the year 2050 or sooner) of the Sub-Fund is to have a weighted portfolio ITR of 1.5°C or below. This objective is conceivable because most investee companies are in the process of enhancing their emissions measurement and reduction strategies as well as their reporting capacities. To achieve an ITR of 1.5°C or below in the long-term, the Sub-Fund targets the following two metrics:

1. A minimum of 50% of all assets, weighted by their respective weights in the Sub-Fund, shall exhibit an ITR below 2.0°C.
2. The ITR on the portfolio level (calculated excluding assets with no ITR data availability) shall be below 2.5°C at any point in time until the year 2030. After 2030, the investment manager will revise the temperature alignment target on the portfolio level.
3. The Sub-Fund excludes any issuers that fail one or more of the norms-based or values-based criteria, according to the exclusion criteria set forth in the prospectus.

The Investment Manager confirms that the environmental characteristics have been met in accordance with pre-contractual commitments.

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

As stated in the prospectus, the periodic reporting requires the disclosure of the following sustainability-related metrics:

1. Implied Temperature Rise (ITR) on the asset level, in ranges.

The corresponding percentage of the directly invested portfolio companies, weighted by their respective weights in the Sub-Fund, is disclosed with the following ranges:

ITR <=1.5°C	: 46.4%
ITR >1.5°C, <=2.0°C	: 32.1%
ITR >2.0°C, <=2.5°C	: 12.9%
ITR >2.5°C, <=3.0°C	: 7.3%
ITR > 3.0°C	: 1.3%

2. ITR on the portfolio level

The ITR on the portfolio level stands at 1.8°C.

3. 3. Percentage of investee companies, weighted by their respective weights in the Sub-Fund, with targets consistent with the Science Based Targets initiative (SBTi).

The percentage of investee companies with targets consistent with the Science Based Targets initiative is 21.4%.

The Investment Manager considered the principal adverse impacts.

Notwithstanding the above, the investments underlying this financial product did not take into account the EU criteria for environmentally sustainable economic activities as determined by the Taxonomy Regulation.

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

Not applicable as this is the first year that this annex is integrated in the annual report.

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

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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 EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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



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

2Xideas AG (“2Xideas”), the Investment Manager of the 2Xideas UCITS – US Mid Cap Library Fund, considers principle adverse impacts (PAI) of investment decisions on sustainability factors for direct investments. The consideration of PAI for indirect investments depends on the quality of implementation of the provider.

By integrating sustainability into its business strategy, 2Xideas has committed itself to the systematic and comprehensive consideration of climate and sustainability aspects in its business activities. Therefore, 2Xideas has incorporated the systematic consideration of Principal Adverse Impacts (PAI), as defined in the SFDR, into its investment processes.

2Xideas considered PAI in three different stages of its investment process:

1. **Universe exclusions:** PAI 11 has strict exclusion criteria for companies found in breach of those mentioned standards. PAI 15 has a 0% revenue threshold. PAI 11 and 15, are part of the norms-based exclusions that 2Xideas uses to remove certain non-compliant companies from its investment universe. Companies that exceed the threshold level on any of these PAI are therefore not eligible for investment.
2. **Company-specific thresholds:** At the start of our fundamental research activities with respect to a target company, the responsible analyst must complete a checklist that contains, amongst other items, the PAI under consideration. For each PAI, the analyst must confirm that the company does not exceed a defined threshold. These thresholds are set by the Sustainability Committee and reviewed annually. The thresholds vary for each sector, depending on the exposure to certain industries. If one or several thresholds are not met, the analyst must specifically comment on why the target company should still be considered as a potential investment. The decision to commence the research activities rests with the respective Sector Group. The decision of whether a company does become eligible for investment rests with the Investment Decision Committee, which will explicitly consider PAI threshold breaches as a negative data point in its decision. The Sustainability Committee reviews the full list of companies eligible for investment on a quarterly basis and decides on the eligibility of companies with significantly negative developments in any of the PAI under consideration. If for any of the companies that are eligible for investment a negative PAI development leads to a breach of the defined threshold levels, 2Xideas engages with the company with the aim to rectify the breach.
3. **Portfolio construction:** For investment products that explicitly consider the PAI on a portfolio level, a weighted budget approach is used. These thresholds are set by the Sustainability Committee on a product-by-product basis and are reviewed annually. The respective portfolios are constantly monitored for breaches of the PAI threshold levels. A breach of a PAI threshold triggers a portfolio review. The Investment Decision Committee may choose not to act on a breached PAI threshold if no suitable investment alternatives are deemed to be available. This decision must be documented.

PAI exposures reporting 2023

Environmental PAI

		Portfolio Exposure	Av. Data Coverage
PAI 1	Greenhouse Gas Emissions: GHG emissions in metric tons of CO ₂ , weighted by the portfolio’s value of investment in a company and by the company’s enterprise value including cash. The GHG emissions are measured in four categories: Scope 1 (direct GHG emissions), Scope 2 (indirect GHG emissions, e.g., in embedded in the electricity consumed by a company), Scope 3 (indirect emissions resulting from	1.a) GHG emissions – Scope 1: 90.0 metric tons of CO ₂ 1.b) GHG emissions – Scope 2: 89.4 metric tons of CO ₂ 1.c) GHG emissions – Scope 3: 3,926.0 metric tons of CO ₂ 1.d) GHG emissions – Scope 1-2-3: 3,778.7 metric tons of CO ₂	99.13%

	activities in a company's upstream and downstream value chain).		
PAI 2	Carbon Footprint: Total GHG emissions in metric tons of CO2, weighted by the portfolio's value of investment in a company and by the company's enterprise value including cash, adjusted to show the emissions associated with EUR 1mn invested in the portfolio.	144.0	99.13%
PAI 3	GHG intensity of investee companies: Portfolio weighted average of companies' total GHG Emissions Intensity per EUR 1mn in revenue.	609	99.13%
PAI 4	Investments in companies without carbon reduction initiatives: Share of investments in investee companies without carbon emissions reduction initiatives aimed at aligning with the Paris Agreement.	30%	99.13%
PAI 5	Exposure to companies active in the fossil fuel sector: Share of investments in companies active in the fossil fuel sector.	0%	73.51%
PAI 6	Share of non-renewable energy consumption and production: Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources, expressed as a percentage.	57%	50.91%
PAI 7	Energy consumption intensity per high impact climate sector: Energy consumption in GWh per EUR 1mn of revenue of investee companies, measured per high impact climate sector.	0.2	78.73%
PAI 8	Activities negatively affecting biodiversity-sensitive areas: Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas.	0%	49.13%
PAI 9	Emissions to water: Tons of emissions to water generated by investee companies per EUR 1mn invested, expressed as a weighted average.	0.1	7.82%
PAI 10	Hazardous waste ratio: Tons of hazardous waste generated by investee companies per EUR 1mn invested, expressed as a weighted average.	0.0	57.16%

Social PAI

		Portfolio Exposure	Av. Data Coverage
PAI 11	Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises: Share of Investments in investee companies that have been involved in violations of the UNGC principles for OECD Guidelines for Multinational Enterprises.	0%	99.13%
PAI 12	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises: Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.	67%	55.67%
PAI 13	Unadjusted gender pay gap: Average unadjusted gender pay gap of investee companies.	12.7	56.17%
PAI 14	Board gender diversity: Average ratio of female to male board members in investee companies.	54.2%	99.13%
PAI 15	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons): Share of investments in investee companies involved in the manufacture or selling of controversial weapons.	0%	99.13%
PAI 16	Lack of supplier code of conduct: Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labor and forced labor).	40.5%	99.13%

Basis of calculation: Average of end-of-quarter values.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **1.1. – 31.12.2023**

Largest investments	Sector	% Assets	Country
Walker & Dunlop	Financials	2.4%	US
MarketAxess	Financials	2.2%	US
Gartner	Industrials	2.1%	US
Entegris	Technology	2.0%	US
KLA Corporation	Technology	2.0%	US
American Express	Financials	2.0%	US
Etsy	Consumer	2.0%	US
Agilent Technologies	Health Care	2.0%	US
Experian	Financials	2.0%	US
PTC	Technology	2.0%	US
Ulta Beauty	Consumer	1.9%	US
Intuit	Technology	1.9%	US
Ansys	Technology	1.9%	US
Brookfield Asset Management	Financials	1.9%	Canada
Certara	Health Care	1.9%	US

Basis of calculation: End-of-year values.



What was the proportion of sustainability-related investments?

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

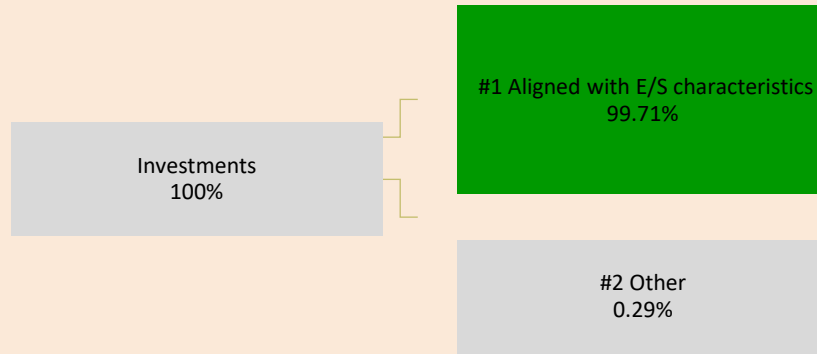
● **What was the asset allocation?**

Asset allocation describes the share of investments in specific assets.

99.71% of the sub-fund assets promoted environmental characteristics as defined by the precontractual disclosure during the period covered by the periodic report. The remaining 0.29% of the sub-fund was partly invested in the iShares MSCI World SRI Reduced Fossil Fuels ETF and partly held in cash, both for the purpose of liquidity management. The ETF product is nevertheless in line with our norms- and values-based exclusion criteria for business involvements as set forth in the Fund's exclusion policy.

Basis of calculation: Average over reporting period. Basis of calculation: Average over reporting period.

99.71% of the Sub-Fund's assets were invested in investments #1 Aligned with E/S characteristics
 0.29% of the Sub-Fund's assets were invested in #2 Other



#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.

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

Average Exposure to GICS Sectors

GICS Sector & Industry Group	Average
Information Technology	23.42%
Software & Services	14.32%
Semiconductors & Semiconductor Equipment	9.10%
Technology Hardware & Equipment	0.00%
Health Care	23.32%
Health Care Equipment & Services	12.59%
Pharmaceuticals, Biotechnology & Life Sciences	10.73%
Financials	16.62%
Financial Services	13.74%
Insurance	2.88%
Banks	0.00%
Industrials	13.32%
Capital Goods	9.00%
Commercial & Professional Services	4.32%
Transportation	0.00%
Consumer Discretionary	12.83%
Consumer Services	7.1%
Consumer Discretionary Distribution & Retail	5.2%
Consumer Durables & Apparel	0.0%
Automobiles & Components	0.0%

Communication Services	5.20%
Media & Entertainment	5.20%
Consumer Staples	3.20%
Food, Beverage & Tobacco	3.20%
Household & Personal Products	0.00%
Other	0.00%
Real Estate	1.80%
Real Estate Management & Development	1.80%
Equity Real Estate Investments Trusts (REITs)	0.00%
Materials	0.00%
Energy	0.00%
Utilities	0.00%
Cash / Index ETF	0.29%

Basis of calculation: Average of calendar year.



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

The Sub-Fund did not invest in environmentally sustainable economic activities aligned with the EU Taxonomy.

● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy²?

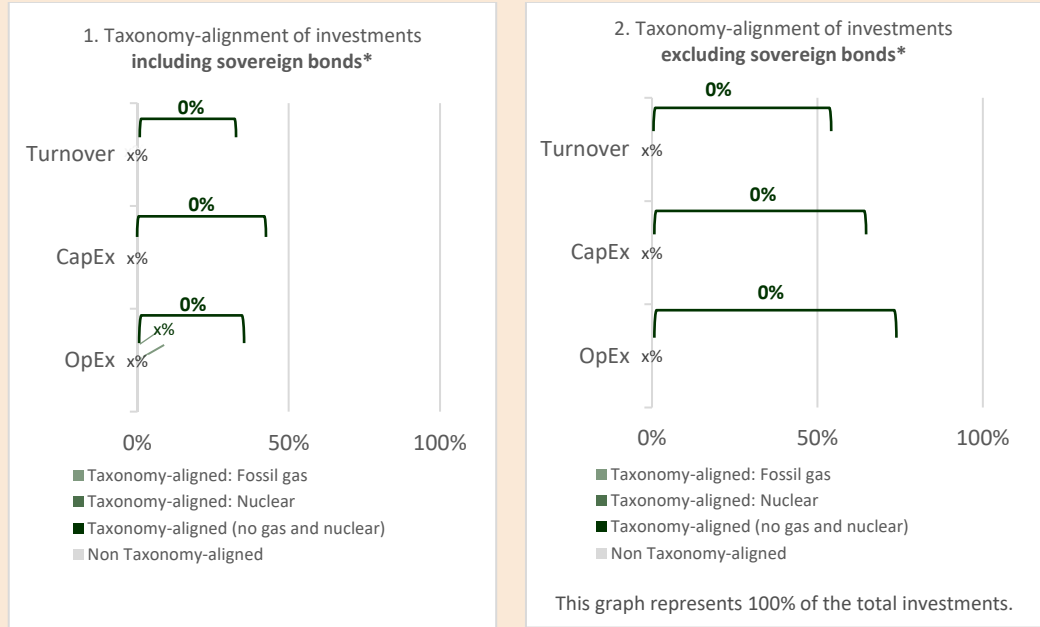
- Yes:
- In fossil gas In nuclear energy
- No

2. ² 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.

Taxonomy-aligned activities are expressed as a share of:

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

The 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.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.

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.



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

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.



What was the share of socially sustainable investments?

Not applicable, the Sub-Fund does not make any commitment to invest in sustainable investments.



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

Cash and/or exchange traded funds were held as ancillary liquidity.



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

The Investment Manager took action regarding the Sustainability Factors at four stages in its investment process:

- 1. Investment universe exclusions:** The Investment Manager used norms-based and values-based exclusions to limit the universe of investable companies. The Sustainability Committee of the Investment Manager reviewed the exclusion criteria on an annual basis and revised it where warranted. The exclusions were applied on a weekly basis to define the investment universe. The current exclusion criteria are as set forth in the prospectus and available on the website of the investment manager.
- 2. Fundamental analysis:** As part of the fundamental research process, the Investment Manager considered Sustainability Factors amongst a multitude of other factors. Various Environmental, Social and Governance indicators as measured for example by the ITR metric, and the principal adverse impacts, were used to determine the fundamental characteristics of a company.
- 3. Ongoing monitoring:** The Investment Manager monitored sustainability-related developments for all companies that are eligible for investment on an ongoing basis. Changes in ESG ratings, new controversies, and updates to controversies would have been flagged and subsequently analyzed. If warranted, the Investment Manager engaged with a company based on the result of the analysis.
- 4. Engagement policy:** As part of the engagement on Sustainability Factors, the Investment Manager urged to report transparently on emissions and climate change risks, preferably along the Task Force on Climate-Related Financial Disclosures (TCFD) framework.

The Investment Manager also encourages investee companies to set targets in line with the Science Based Targets initiative (SBTi). The Investment Manager engaged with investee companies that have not set themselves targets consistent with the Science Based Targets initiative with the goal of having them commit to such targets.

The Investment Manager logged and analyzed every interaction with target investee companies, as well as continues to monitor and review engagement outcomes. Where necessary, the Investment Manager revises the objectives and approaches a company’s management again.



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

The Sub-Fund has not designated a specific index as a reference benchmark to determine whether it is aligned with the environmental and/or social characteristics that it promotes.

- **How does the reference benchmark differ from a broad market index?**
Not applicable.
- **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?**
Not applicable.

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 with the reference benchmark?***

Not applicable.

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

The Benchmark used by the Sub-Fund is a mainstream index and does not take account of ESG factors and is therefore not consistent with the environmental and social characteristics promoted by the Sub-Fund.