

# responsAbility Impact UCITS (Lux)

Société d'Investissement à Capital Variable (SICAV)

a Luxembourg Undertaking for Collective Investment in Transferable Securities (UCITS)

Luxembourg R.C.S. B267404

Audited Annual Report as at 31.12.2023

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## Management and Administration

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### The Company

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responsAbility Impact UCITS (Lux)  
5, rue Jean Monnet,  
L - 2180 Luxembourg

### Board of Directors

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Renate Scheidegger, Member of the Board  
responsAbility Investments AG, Zurich

Dirk Hellbrück, Member of the Board  
Independent Director

Antonio Silva, Member of the Board  
Director, Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg

### Management Company

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MultiConcept Fund Management S.A.  
5, rue Jean Monnet  
L-2180 Luxembourg

### Board of Directors of the Management Company

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Annemarie Arens, Member of the Board  
Independent Director, Luxembourg

Hans Peter Bär, Member of the Board (since 24.05.2023 until 14.03.2024)  
Head of Fund Management Companies, Credit Suisse (Schweiz) AG, Switzerland

Marcus Ulm, Member of the Board (since 24.05.2023)  
CEO MultiConcept Fund Management S.A., Luxembourg

Arnold Spruit, Member of the Board  
Independent Director, Luxembourg

Patrick Tschumper, Member of the Board (until 24.05.2023)  
Managing Director, Credit Suisse Funds AG, Switzerland

Richard Browne, Member of the Board (until 31.01.2024)  
Director, Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg

### Auditor of the Company

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

### Auditor of the Management Company

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

### Depository Bank

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Credit Suisse (Luxembourg) S.A.  
5, rue Jean Monnet  
L-2180 Luxembourg

### Central Administration Agent, Registrar and Transfer Agent

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Credit Suisse Fund Services (Luxembourg) S.A.  
5, rue Jean Monnet  
L-2180 Luxembourg

### Investment Manager

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ESG -AM AG  
Gutenbergstrasse 10  
CH-8002 Zurich, Switzerland

### Investment Adviser

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responsAbility Investments AG  
Zollstrasse 17  
CH-8005 Zurich, Switzerland

### Distributor

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responsAbility Investments AG  
Zollstrasse 17  
CH-8005 Zurich, Switzerland

### Representative Company in Switzerland

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Credit Suisse AG  
Uetlibergstrasse 231  
CH-8070 Zurich

### Paying Agent

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Credit Suisse Funds AG  
Paradeplatz 8  
CH-8001 Zurich

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current sales prospectus accompanied by the Key Investor Information Documents (KIID), by the latest annual report and the latest semi-annual report if more recent.

The issue and redemption prices are published in Luxembourg at the registered office of the Management Company.

Shareholders may obtain the Sales Prospectus, the key investor information document, the latest annual and semi-annual reports, the changes in the composition of the securities portfolio during the reporting period and copies of the Articles of Association free of charge from the registered office of the Management Company or the local representatives in the countries where the Fund is registered.



## Audit report

To the Shareholders of  
**responsAbility Impact UCITS (Lux)**

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### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of responsAbility Impact UCITS (Lux) (the “Fund”) as at 31 December 2023, and of the results of its operations and changes in its 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 / changes in net assets for the year then ended;
- the statement of investments in securities as at 31 December 2023; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### 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.

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### 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.



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.

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**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 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 to cease operations, or has no realistic alternative but to do so.

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**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 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 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, 16 April 2024

Aleksandra Mrozek

**Statement of Net Assets (in EUR)****31.12.2023****Assets**

Investments in securities at market value	106,721,282.74
Cash at banks and at brokers	4,386,091.93
Income receivable	1,610,369.06
Formation expenses	33,142.62
Net unrealised gain on financial futures contracts	30,552.66
Net unrealised gain on forward foreign exchange contracts	905,116.82
	<b>113,686,555.83</b>

**Liabilities**

Due to banks and to brokers	6,057.81
Provisions for accrued expenses	108,408.00
Other liabilities	68.86
	<b>114,534.67</b>

**Net assets** **113,572,021.16**

**Statement of Operations / Changes in Net Assets (in EUR)**For the period from  
01.01.2023 to 31.12.2023

<b>Net assets at the beginning of the year</b>	<b>77,715,924.72</b>
<b>Income</b>	
Interest on investments in securities (net)	3,829,288.61
Bank Interest	131,767.96
Other income	4,758.27
	<b>3,965,814.84</b>
<b>Expenses</b>	
Management fee	358,977.81
Management Company fees	39,089.07
Depository fee	37,653.16
Administration expenses	34,202.90
Printing and publication expenses	3,645.72
Interest and bank charges	4,061.04
Audit, control, legal, representative bank and other expenses	266,444.44
"Taxe d'abonnement"	13,091.92
Amortisation of formation expenses	8,634.48
	<b>765,800.54</b>
<b>Net income (loss)</b>	<b>3,200,014.30</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	1,175,300.32
Net realised gain (loss) on financial futures contracts	-291,029.39
Net realised gain (loss) on forward foreign exchange contracts	1,787,581.38
Net realised gain (loss) on foreign exchange	-352,401.53
	<b>2,319,450.78</b>
<b>Net realised gain (loss)</b>	<b>5,519,465.08</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	5,255,261.82
Change in net unrealised appreciation (depreciation) on financial futures contracts	-31,872.86
Change in net unrealised appreciation (depreciation) on forward foreign exchange contracts	158,236.25
	<b>5,381,625.21</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>10,901,090.29</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	33,330,533.51
Redemptions	-5,744,308.79
	<b>27,586,224.72</b>
<b>Currency translation adjustment</b>	<b>-2,631,218.57</b>
<b>Net assets at the end of the year</b>	<b>113,572,021.16</b>



## General

responsAbility Impact UCITS (Lux) (the "Company") is an undertaking for collective investment in transferable securities in the legal form of an investment company with variable capital (société d'investissement à capital variable, SICAV) subject to Part I of the Luxembourg Law of 17.12.2010 on undertakings for collective investment, as amended.

The Company was incorporated on 27.04.2022 and is registered with the Registre de Commerce et des Sociétés de Luxembourg under number B267404 and is managed by MultiConcept Fund Management S.A. (the "Management Company") in accordance with the articles of incorporation of the Company (the "Articles of Incorporation"). The Company has an umbrella structure.

## Summary of significant accounting policies

### a) Presentation of financial statements

The financial statements are prepared on a going concern basis in accordance with Luxembourg legal and regulatory requirements relating to undertakings for collective investments.

### b) Computation of the net asset value of each Subfund

The Net Asset Value per Share of each Class is calculated on each Banking Day on which banks are normally open all day for business in Luxembourg (each such day being referred to as a "Valuation Day").

For the Subfund responsAbility Impact UCITS (Lux) - Transition to Net Zero Fund the investment manager needs to undertake transactions in order to maintain the desired asset allocation as a result of subscriptions or redemptions, which may generate additional costs for the Company and its shareholders. As a consequence, in order to protect the existing investors' interest, from these capital movements, when net capital movements exceed a threshold pre-defined by the Board of Directors, an adjustment of the NAV per share used is applied. This adjustment reflects the estimated tax and dealing costs that may be incurred by the Company as a result of these transactions, and the estimated bid-offer spread of the assets in which the Company invests. A periodical review is undertaken in order to verify the appropriateness of the swing factor being applied.

The Net Asset Value calculated will be increased by up to a maximum of 0.3% per Share in the event of a net surplus of subscription applications or up to a maximum of 0.15% per Share in the event of a net surplus of conversion applications in favor of the Subfund or reduced by up to a maximum of 0.3% per Share in the event of a net surplus of redemption applications in respect of the applications received on the respective Valuation Day.

During the year ended as at 31.12.2023, the subfund responsAbility Impact UCITS (Lux) - Transition to Net Zero Fund applied swing pricing.

No Net Asset Values are swung as at 31.12.2023.

### c) Valuation of investment securities of each Subfund

- i. Securities which are listed or regularly traded on a stock exchange shall be valued at the last available traded price. If such a price is not available for a particular trading day, but a closing mid-price (the mean of the closing bid and ask prices) or a closing bid price is available, the closing mid-price, or alternatively the closing bid price, may be taken as a basis for the valuation.
- ii. If a security is traded on several stock exchanges, the valuation shall be made by reference to the exchange which is the main market for this security.
- iii. In the case of securities for which trading on a stock exchange is not significant but which are traded on a secondary market with regulated trading among securities dealers (with the effect that the price reflects market conditions), the valuation may be based on this secondary market.
- iv. Securities traded on a regulated market shall be valued in the same way as those listed on a stock exchange.
- v. Securities that are not listed on a stock exchange and are not traded on a regulated market shall be valued at their last available market price. If no such price is available, the Company shall value these securities in accordance with other criteria to be established by the Board of Directors and on the basis of the probable sales price, the value of which shall be estimated with due care and in good faith.

vi. Derivatives shall be treated in accordance with the above. OTC swap transactions will be valued on a consistent basis based on bid, offer or mid prices as determined in good faith pursuant to procedures established by the Board of Directors. When deciding whether to use the bid, offer or mid prices the Board of Directors will take into consideration the anticipated subscription or redemption flows, among other parameters. If, in the opinion of the Board of Directors, such values do not reflect the fair market value of the relevant OTC swap transactions, the value of such OTC swap transactions will be determined in good faith by the Board of Directors or by such other method as it deems in its discretion appropriate.

vii. The valuation price of a money market instrument which has a maturity or remaining term to maturity of less than 12 months and does not have any specific sensitivity to market parameters, including credit risk, shall, based on the net acquisition price or on the price at the time when the investment's remaining term to maturity falls below 12 months, be progressively adjusted to the repayment price while keeping the resulting investment return constant. In the event of a significant change in market conditions, the basis for the valuation of different investments shall be brought into line with the new market yields.

viii. Units or Shares of UCITs or UCIs shall be valued on the basis of their most recently calculated Net Asset Value, where necessary by taking due account of the redemption fee. Where no Net Asset Value and only buy and sell prices are available for units or Shares of UCITs or other UCIs, the units or Shares of such UCITs or UCIs may be valued at the mean of such buy and sell prices.

### d) Cash at banks and at brokers

Cash at banks and at brokers includes cash in hand, margin calls and deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts.

### e) Realised gain/loss on sales of investments of each Subfund

The realised gains or losses on the sales of securities are determined on the basis of the average acquisition cost.

### f) Foreign exchange conversion

The financial statements are kept in reference currency of each Subfund and the combined financial statements are kept in EUR.

Cash at banks, other net assets and the value of portfolio securities in currencies other than reference currency of each Subfund are converted into the reference currency at the foreign exchange rate prevailing on the date of valuation.

Income and expenses in currencies other than reference currency of each Subfund are converted into the reference currency at the foreign exchange rate applicable at the date they accrue to the Subfund.

Realised gains or losses on foreign currencies are accounted for in the statement of operations.

The acquisition cost of securities in currencies other than the reference currency of each Subfund is converted into the reference currency at the foreign exchange rate valid at the date of acquisition.

### g) Transactions on investments in securities of each Subfund

The transactions on investments in securities are booked on a trade date basis.

### h) Formation expenses of the Subfund

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

### i) Valuation of financial futures contracts of each Subfund

Unmatured financial futures contracts are valued at valuation date at market prices prevailing at this date and resulting unrealised gains or losses are posted to the statement of operations and are shown under unrealised appreciation/depreciation on financial futures contracts in the statement of net assets.

### j) Valuation of forward foreign exchange contracts of each Subfund

Unmatured forward foreign exchange contracts are valued at valuation date at forward exchange rates prevailing at this date and resulting unrealised gains or losses are posted to the statement of operations and are shown under unrealised appreciation/depreciation on forward foreign exchange contracts in the statement of net assets.

### k) Valuation of swaps

On each valuation day, swap contracts are valued at the net present value of the future cash flows, using the relevant interest rate yield curve on valuation day.

For the valuation of excess return swaps, the relevant underlying is taken into account. The resulting unrealised gains or losses are shown under net unrealised gain/loss on swap contracts in the statement of net assets. Realised gains or losses are also posted to the statement of operations / changes in net assets under net realised gain (loss) on swap contracts.

l) Allocation of accrued expenses

Accrued expenses which can be allocated directly to only 1 Subfund are charged to this Subfund. Accrued expenses which cannot be allocated directly are divided among the Subfunds in proportion to the net assets of each Subfund.

m) Income recognition

Dividends are recorded on ex-dividend date, net of withholding tax. Interests are accrued on a daily basis.

### Management fee

(see detail at Subfund level)

As remuneration for their services, the Investment Manager is entitled to a management fee, payable at the end of each month and calculated monthly on the basis of the average Net Asset Value of the respective Share Class.

### Depositary fee

The Depositary is entitled to receive a depositary bank and brokerage services fee which is calculated monthly on the basis of the average Net Asset Value of the respective Share Class. Such fee amounts to up to max. 4 bps p.a. subject to a minimum fee in the amount of EUR 25,000.- p.a. (each plus any applicable taxes). In addition, the Depositary receives a depositary control and monitoring fee which amounts to 10,000.- EUR p.a. (each plus applicable taxes).

### Central Administration fee

The Central Administration is entitled to receive a fee for administration services based on a percentage of the net asset value of the Company at the end of each month and subject to a minimum annual fee.

### "Taxe d'abonnement"

Under the prevailing laws and regulations, the Company is subject in Luxembourg, on the basis of its investments, to a "taxe d'abonnement" at the annual rate of 0.05%, payable quarterly and calculated on the basis of the net assets of the subfund at the end of each quarter.

This rate is however of 0.01% per annum for :

- Individual Subfunds the exclusive object of which is the collective investment in money market instruments and the placing of deposits with credit institutions;
- Individual Subfunds the exclusive object of which is the collective investment in deposits with credit institutions; and,
- Individual Subfunds as well as for individual Share Classes, provided that the Shares of such Subfund or Share Class are reserved to one or more institutional investors (defined as investors referred to in Article 174, para. 2, lit. c) of the Law of 17 December 2010 and meeting the conditions resulting from the Luxembourg regulator's administrative practice).

The portion of net assets, which is invested in other undertakings for collective investment in securities under Luxembourg law, is exempt from this tax.

### Total Expense Ratio (TER)

(see detail at Subfund level)

The TER expresses the sum of all costs and commissions charged on an ongoing basis, taken retrospectively as a percentage of these assets.

If a subfund invests at least 10% of its net assets as a fund of fund in target funds, a composite TER of the fund of funds is to be calculated as follows:

The prorated TER of the individual target funds including a performance related remuneration, weighted according to the share they represent in the overall assets of the fund of funds as of the closing date and the TER of the fund of funds minus the retroceded commissions received from the target funds during the reporting year. The TER is calculated following the AMAS (Asset Management Association Switzerland) guideline. No TER is disclosed for liquidated share classes during the reporting period.

### Exchange Rates

The combined financial statements are kept in EUR. For this purpose, the financial statements of the Subfund are converted into EUR at the foreign exchange rate as of 31.12.2023:

1 USD = 0.905264 EUR

### Financial Derivative Instruments

In addition to direct investments, all Subfunds may acquire financial derivative instruments (such as, without being limited to, futures, forward or options) as well as swap transactions (such as, without being limited to, interest-rate swaps, but excluding total return swaps) for the purpose of hedging, the efficient management of the portfolio and implementing its investment strategy, provided due account is taken of the investment restrictions set out in the Prospectus.

No collateral was received by the Fund to reduce the counterparty risk as of 31.12.2023.

### Fund performance

(see detail at Subfund level)

The performance of the year Y is based on the net asset values as calculated on the first business day of the years Y and Y-1. Those net asset values reflect the market prices of the investments as of the last business day of the years Y-1 and Y.

Historical performance is no indicator of current or future performance. The performance data given does not take into account commissions and costs incurred in the purchase or redemption of Company's shares. The YTD (year-To-Date) Performance includes the year from 01.01.2023 until 31.12.2023.

For units launched more than 3 years ago no performance since inception is disclosed.

### Transaction costs

Transactions costs include brokerage fees, stamp duty, local taxes and other foreign charges if incurred during the reporting year. Transaction costs are included in the cost of securities purchased and sold.

For the year ended on 31.12.2023, the Company incurred transaction costs relating to purchase or sale of investments in securities and similar transactions, (including derivatives instruments or other eligible assets) as follows:

Subfund	Ccy	Transaction cost
responsAbility Impact UCITS (Lux) - Transition to Net Zero Fund	USD	5,567.10

Not all transaction costs are separately identifiable. For fixed income investments, forward currency contracts and for some other derivative contracts, transaction costs are included in the purchase and sales price of the investment. Whilst not separately identifiable these transaction costs will be captured within the performance of each Subfund.

### Changes in the composition of the security portfolio

Changes in the composition of the security portfolio during the reporting year are available to Shareholders free of charge at the registered office of the Company or the local representatives in the countries where the Company is registered.

**Transparency of the promotion of environmental or social characteristics and of sustainable investments**

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Information on environmental and/or social characteristics and/or sustainable investments is available in the relevant annexes under the (unaudited) Transparency of the promotion of environmental or social characteristics and of sustainable investments section.

**Significant events during the year**

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On 12 June 2023, Credit Suisse Group AG was merged into UBS Group AG and the combined entity now operates as a consolidated banking group (the "Merger"). The Fund receives various services and has banking relationships with consolidated subsidiaries of Credit Suisse Group AG, and as such these relationships and service providers may change in the future as a result of the Merger

**Subsequent events**

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No significant event occurred after the year end.

## responsAbility Impact UCITS (Lux) - Transition to Net Zero Fund

### responsAbility

responsAbility Investments AG is a leading impact asset manager specializing in private market investments across three investment themes to directly contribute to the United Nations Sustainable Development Goals (SDGs): Financial Inclusion, to finance the growth of Micro & SMEs; Climate Finance, to contribute to a net zero pathway; and Sustainable Food, to sustainably feed an ever-growing population.

Since its inception in 2003, responsAbility has deployed over USD 15.4 billion in impact investments. With 277 employees collaborating across offices, the company currently manages USD 4.82 billion in assets across 319 portfolio companies in 68 countries.

### Investment policy of responsAbility Impact – Transition to Net Zero

The responsAbility's Transition to Net Zero Strategy fund aims to invest in companies that lead the decarbonization effort in their respective industries. The Fund is actively managed with reference to the ICE BofA Global Corporate & High Yield Index USD Hedged seeking to invest primarily in fixed and variable interest securities. The Fund is classified under Article 9 of Regulation (EU) 2019/2088 of the European Parliament on sustainability-related disclosures in the financial services sector ("SFDR") and primarily targets the UN Sustainable Development Goals 13 (Climate Action) and 7 (Affordable and Clean Energy). The Investment Manager will use its discretion to significantly deviate the weighting of certain components of the benchmark and to significantly invest in companies or sectors not included in the benchmark in order to take advantage of specific investment opportunities. It is thus expected that the performance of the Fund will significantly deviate from the benchmark. The Fund invests (directly or indirectly) in non-investment grade (max. 45% of assets rated below BBB-) debt securities, bonds, notes and similar fixed and variable interest securities which target substantial greenhouse gas (GHG) emissions reductions or where the issuers are committed or intend to commit to a net-zero emissions pathway. Up to one third of the Fund's assets may be invested in money market instruments. The Fund may also use financial derivative instruments for hedging purposes, investment purposes and/or efficient portfolio management. The Fund invests without being limited to a specific currency, geographic scope, market capitalization or industrial sector

### Review of categories relevant to the Fund

2023 was a volatile but ultimately quite positive year for investment grade credit. Spreads were wider at the first half of the year as the market digested a series of banking crises in March and worried about a recession, yet spreads ended the year about 35bp tighter in the US and 28bp in Europe driven by confidence in the scenario of a soft landing and disinflation in the last two months of the year. BBB rated bonds have outperformed the higher rating spectrum in Europe and the US. Best performing sectors were Aviation, Diversified Media and Automotive Manufacturing. Similarly, the total return for investment grade credit was negative year to date up till end of October, however finished the year up 5.7% for US (ICE BofA US Corporate / COAO) and +8% for Europe (ICE BofA Euro Corporates / ER00). However, this comes after double digit negative returns in 2022.

As the US economy easily avoided a recession and with the end of the most aggressive Fed hiking cycle, the high-yield asset class posted its third strongest performance in 11 years supported by elevated yields, robust technicals, improving capital market access and strong balance sheets. Overall, High Yield Bonds provided about a 11% total return for US (ICE BofA US High Yield / H0A0) and 12% for Europe (ICE BofA European High Yield / HE00).

Single B rated bonds returned 11.3% during 2023, compared with BB-rated and CCC- rated returns of 8.8% and 17.5%, respectively in US High Yield (H0A0). Regarding sector performance, Autos, Gaming/Leisure and Housing were the year's best performer. Meanwhile, the underperforming industries were Telecom, Metals and Media.

### Fund Performance review

The Fund, inaugurated on June 17, 2022, concluded the year 2023 with assets under management (AuM) totaling USD 125 million. Demonstrating a robust performance, the fund achieved a net return of 6.9% in EUR, slightly trailing the 7% benchmark (ICE BofA Global Corporate & High Yield Index USD hedged in EUR). The gross performance, excluding fees, stood at 7.5% in EUR.

The positive absolute performance was underpinned by contributions from both rates and spreads returns. The relative performance exceeded the benchmark gross of fees by approximately 50 basis points (Bps). Notably, the fund strategically overweighted European credit markets, capitalizing on stronger returns in Europe compared to the United States, primarily driven by declining rates.

The fund's adept selection of rising stars, including Lufthansa, Ford and Autostrade per L'Italia S.p.a., significantly contributed to the positive outcome. Sector-wise, an overweight position in Telecommunications, Technology and "hard to abate" sectors such as Automotives and Transportation proved favorable, while underperforming sectors included Utilities, Media, and Leisure. The Fund does exclude the energy sector and invests in Utilities mainly via green bonds. The fund held green bonds from EDP Energias De Portugal, Engie and Iberdrola among others.

From a rating perspective, the fund strategically underweighted higher-rated segments such as AA and A in favor of BBB and BB, resulting in positive contributions. The overweight in the BB rating bucket added approximately 1% of alpha. However, the underweight position in the single-B rating bucket detracted from overall performance.

The fund tactically managed its duration positioning throughout the year. Q1 and Q2 saw a generally longer duration, which was strategically reduced in Q3 to capitalize on rising rates driven by unexpectedly robust growth in the US. Towards the end of October, as 10-year US government bond yields surpassed 5%, duration was extended. The decision to maintain a long duration during November and December proved advantageous as rates declined towards the year-end, reversing the peak levels observed in October 2023.

Average rating of the Fund amounted to BBB with overweights in BBB and BB rated bonds and underweights in B rated bonds by year end.

### Outlook

After a year of positive returns and central banks hiking cycles having peaked, fixed income markets are expected to deliver another year of positive performance in 2024. Of course, uncertainty about the Fed and ECB rate path and high US government deficits mean we should expect continued volatility in rates markets. Yields won't fall in a straight line. But overall, we think investment grade bonds offer an attractive risk-return proposition across the "soft-landing" and "hard-landing" macro scenarios.

## responsAbility Impact UCITS (Lux) - Transition to Net Zero Fund

**Technical Data and Notes****Technical Data**

		Valoren	ISIN	Management Fee*	Total Expense Ratio
IH - III EUR – Capitalisation	EUR	116604728	LU2443757740	0.45%	0.82%
IH - IV EUR – Capitalisation	EUR	116604721	LU2443760025	0.35%	0.81%
IH - IV CHF – Capitalisation	CHF	116604729	LU2443760298	0.35%	0.80%
RH - I CHF – Capitalisation	CHF	116604732	LU2443759100	0.95%	1.44%
R - I USD – Capitalisation	USD	116604750	LU2443759365	0.95%	1.36%

\* The Investment Adviser Fee is included as well.

**Fund Performance**

		YTD	Since Inception
IH - III EUR – Capitalisation	EUR	6.89%	4.01%
IH - IV EUR – Capitalisation	EUR	6.91%	4.57%
IH - IV CHF – Capitalisation	CHF	4.78%	4.98%
RH - I CHF – Capitalisation	CHF	4.12%	7.36%
R - I USD – Capitalisation	USD	8.57%	11.27%

**Notes****Financial futures contracts**

Description	Currency	Quantity	Engagement	Valuation In USD
Counterparty				
US TREASURY NOTES 30 YEARS -100000- 19/03/2024	USD	15	1,874,062.50	33,750.00
<b>Net unrealised gain on financial futures contracts</b>				<b>33,750.00</b>

Counterparty: Credit Suisse (Luxembourg) S.A.

**Forward foreign exchange contracts**

Purchases	Sales		Maturity	Valuation (In USD)
Counterparty				
CHF 8,204	USD	-9,751	04.01.2024	3.18
Credit Suisse (Luxembourg) S.A.				
USD 9,319	CHF	-7,900	10.01.2024	-79.56
Credit Suisse (Luxembourg) S.A.				
USD 40,671	EUR	-36,900	10.01.2024	-109.61
Credit Suisse (Luxembourg) S.A.				
USD 9,752	CHF	-8,200	10.01.2024	-3.18
Credit Suisse (Luxembourg) S.A.				
USD 13,887	EUR	-12,500	10.01.2024	72.67
Credit Suisse (Luxembourg) S.A.				
USD 1,778	EUR	-1,600	10.01.2024	9.64
Credit Suisse (Luxembourg) S.A.				
EUR 1,540,500	USD	-1,694,413	10.01.2024	8,115.35
Credit Suisse (Luxembourg) S.A.				
EUR 520,000	USD	-571,954	10.01.2024	2,739.36
Credit Suisse (Luxembourg) S.A.				
CHF 32,700	USD	-38,024	10.01.2024	878.13
Credit Suisse (Luxembourg) S.A.				
CHF 103,600	USD	-120,467	10.01.2024	2,782.07
Credit Suisse (Luxembourg) S.A.				
EUR 11,394,400	USD	-12,316,264	10.01.2024	276,587.67
Credit Suisse (Luxembourg) S.A.				
CHF 72,400	USD	-84,639	10.01.2024	1,492.59
Credit Suisse (Luxembourg) S.A.				
CHF 244,300	USD	-285,599	10.01.2024	5,036.44
Credit Suisse (Luxembourg) S.A.				
CHF 1,600	USD	-1,862	10.01.2024	41.61
Credit Suisse (Luxembourg) S.A.				

**Technical Data and Notes (Continued)****Forward foreign exchange contracts**

<b>Purchases</b>		<b>Sales</b>		<b>Maturity</b>	<b>Valuation</b> (In USD)
<i>Counterparty</i>					
USD	20,310	EUR	-18,500	10.01.2024	-135.40
<i>Credit Suisse (Luxembourg) S.A.</i>					
EUR	113,200	USD	-124,146	10.01.2024	960.05
<i>Credit Suisse (Luxembourg) S.A.</i>					
EUR	687,700	USD	-754,199	10.01.2024	5,832.39
<i>Credit Suisse (Luxembourg) S.A.</i>					
USD	7,363	EUR	-6,700	10.01.2024	-41.49
<i>Credit Suisse (Luxembourg) S.A.</i>					
CHF	1,663,600	USD	-1,908,072	10.01.2024	71,055.01
<i>Credit Suisse (Luxembourg) S.A.</i>					
CHF	5,574,100	USD	-6,393,233	10.01.2024	238,078.71
<i>Credit Suisse (Luxembourg) S.A.</i>					
EUR	32,879,200	USD	-35,539,292	10.01.2024	798,109.70
<i>Credit Suisse (Luxembourg) S.A.</i>					
EUR	33,566,900	USD	-36,833,530	24.01.2024	285,184.38
<i>Credit Suisse (Luxembourg) S.A.</i>					
EUR	11,501,000	USD	-12,620,243	24.01.2024	97,712.49
<i>Credit Suisse (Luxembourg) S.A.</i>					
CHF	1,696,400	USD	-1,975,443	24.01.2024	45,639.27
<i>Credit Suisse (Luxembourg) S.A.</i>					
CHF	5,677,700	USD	-6,611,633	24.01.2024	152,750.59
<i>Credit Suisse (Luxembourg) S.A.</i>					
USD	759,973	GBP	-600,000	15.03.2024	-5,178.41
<i>Credit Suisse (Luxembourg) S.A.</i>					
USD	37,726,554	EUR	-34,850,000	15.03.2024	-890,944.41
<i>Credit Suisse (Luxembourg) S.A.</i>					
USD	5,259,286	GBP	-4,200,000	15.03.2024	-96,751.94
<i>Credit Suisse (Luxembourg) S.A.</i>					
<b>Net unrealised gain on forward foreign exchange contracts</b>					<b>999,837.30</b>

The Net unrealised gain on forward foreign exchange contracts is made of Unrealised gain on forward foreign exchange contracts and Unrealised loss on forward foreign exchange contracts amounting to USD 1,993,081.30 and USD 993,244.00 respectively.

**Statement of Net Assets (in USD) and Fund Evolution**

		<b>31.12.2023</b>			
<b>Assets</b>					
Investments in securities at market value		117,889,664.98			
Cash at banks and at brokers		4,845,096.45			
Income receivable		1,778,894.18			
Formation expenses		36,610.99			
Net unrealised gain on financial futures contracts		33,750.00			
Net unrealised gain on forward foreign exchange contracts		999,837.30			
		<b>125,583,853.90</b>			
<b>Liabilities</b>					
Due to banks and to brokers		6,691.76			
Provisions for accrued expenses		119,752.90			
Other liabilities		76.07			
		<b>126,520.73</b>			
<b>Net assets</b>		<b>125,457,333.17</b>			
<b>Fund Evolution</b>					
		<b>31.12.2023</b>	<b>31.12.2022</b>		
<b>Total net assets</b>	<b>USD</b>	<b>125,457,333.17</b>	<b>82,942,320.65</b>		
<b>Net asset value per share</b>					
IH - III EUR – Capitalisation	EUR	104.01	97.31		
IH - IV EUR – Capitalisation	EUR	104.57	97.81		
IH - IV CHF – Capitalisation	CHF	104.98	100.19		
RH - I CHF – Capitalisation	CHF	107.36	103.11		
R - I USD – Capitalisation	USD	111.27	102.49		
<b>Number of shares outstanding</b>					
		<b>At the end of the year</b>	<b>At the beginning of the year</b>	<b>Number of shares issued</b>	<b>Number of shares redeemed</b>
IH - III EUR – Capitalisation	EUR	661,220.000	409,820.000	251,400.000	0.000
IH - IV EUR – Capitalisation	EUR	224,619.000	228,503.000	27,915.000	31,799.000
IH - IV CHF – Capitalisation	CHF	110,529.000	102,281.000	15,023.000	6,775.000
RH - I CHF – Capitalisation	CHF	32,299.163	30,605.604	1,981.823	288.264
R - I USD – Capitalisation	USD	50,584.710	19,910.403	50,584.710	19,910.403

**Statement of Operations / Changes in Net Assets (in USD)**For the period from  
01.01.2023 to 31.12.2023

<b>Net assets at the beginning of the year</b>	<b>82,942,320.65</b>
<b>Income</b>	
Interest on investments in securities (net)	4,230,023.66
Bank Interest	145,557.48
Other income	5,256.22
	<b>4,380,837.36</b>
<b>Expenses</b>	
Management fee	396,544.84
Management Company fees	43,179.74
Depository fee	41,593.56
Administration expenses	37,782.23
Printing and publication expenses	4,027.25
Interest and bank charges	4,486.03
Audit, control, legal, representative bank and other expenses	294,327.85
"Taxe d'abonnement"	14,461.99
Amortisation of formation expenses	9,538.08
	<b>845,941.57</b>
<b>Net income (loss)</b>	<b>3,534,895.79</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	1,298,295.50
Net realised gain (loss) on financial futures contracts	-321,485.62
Net realised gain (loss) on forward foreign exchange contracts	1,974,651.77
Net realised gain (loss) on foreign exchange	-389,280.33
	<b>2,562,181.32</b>
<b>Net realised gain (loss)</b>	<b>6,097,077.11</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	5,805,224.97
Change in net unrealised appreciation (depreciation) on financial futures contracts	-35,208.36
Change in net unrealised appreciation (depreciation) on forward foreign exchange contracts	174,795.67
	<b>5,944,812.28</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>12,041,889.39</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	36,818,573.84
Redemptions	-6,345,450.71
	<b>30,473,123.13</b>
<b>Net assets at the end of the year</b>	<b>125,457,333.17</b>



## Statement of Investments in Securities

### Breakdown by Country

USA	39.57
Netherlands	11.78
France	7.43
United Kingdom	7.21
Japan	3.78
Italy	3.76
Finland	2.78
Germany	2.54
Luxembourg	2.12
Spain	2.12
Ireland	1.76
Switzerland	1.41
Australia	1.31
Cayman Islands	1.05
Denmark	0.93
Portugal	0.91
Sweden	0.87
Mexico	0.81
Austria	0.53
Chile	0.42
Belgium	0.36
Norway	0.28
Canada	0.23
<b>Total</b>	<b>93.97</b>

### Breakdown by Economic Sector

Banks and other credit institutions	19.95
Financial, investment and other div. companies	18.93
Telecommunication	10.13
Pharmaceuticals, cosmetics and medical products	5.89
Computer hardware and networking	5.73
Insurance companies	5.09
Energy and water supply	4.90
Traffic and transportation	4.33
Food and soft drinks	3.39
Real estate	2.43
Retailing, department stores	2.19
Electronics and semiconductors	1.73
Miscellaneous consumer goods	1.43
Building materials and building industry	1.41
Environmental services and recycling	0.96
Mechanical engineering and industrial equipment	0.92
Vehicles	0.85
Lodging and catering industry, leisure facilities	0.82
Packaging industries	0.68
Aeronautic and astronautic industry	0.55
Miscellaneous services	0.47
Chemicals	0.42
Healthcare and social services	0.41
Internet, software and IT services	0.20
Biotechnology	0.18
<b>Total</b>	<b>93.97</b>

### Statement of Investments in Securities

Description	Quantity / Nominal	Valuation (in USD)	% of net assets
<b>Securities listed on a stock exchange or other organised markets</b>			
<b>Bonds</b>			
EUR ABB FINANCE BV 3.25%/23-160127	200,000	223,665.11	0.18
EUR ABN AMRO BANK NV FF 17-PERPET	700,000	707,605.65	0.56
USD ABN AMRO BANK NV FF FRN/23-131026	800,000	813,600.00	0.65
EUR ACEA SPA 3.875%/23-240131	800,000	908,260.90	0.72
EUR AIB GROUP PLC SUB FF FRN/19-191129	650,000	698,377.40	0.56
USD ALCOA NEDERLAND 144A 6.125%/18-150528	800,000	803,472.00	0.64
USD ALLIANZ SE SUB FF 144A FRN/23-060953	400,000	414,008.00	0.33
EUR ALLIANZ SE SUB FF FRN/22-050752	1,100,000	1,205,661.41	0.96
USD AMERICA MOVIL SAB 5.375%/22-040432	800,000	744,528.00	0.59
USD AMERICAN AIRLINES 144A 5.75%/21-200429	700,000	684,614.00	0.55
USD AMERICAN EXPRESS CO FF FRN/23-280727	600,000	607,386.00	0.48
USD AMERICAN EXPRESS CO SUB FF FRN/23-280734	500,000	517,875.00	0.41
EUR AMERICAN TOWER 4.125%/23-160527	1,000,000	1,129,824.97	0.90
USD AMERICAN TOWER CORP 5.9%/23-151133	1,500,000	1,593,060.00	1.27
USD AMERICAN WATER C 4.45%/22-010632	800,000	795,136.00	0.63
USD AMGEN INC 5.25%/23-020330	750,000	771,607.50	0.62
EUR AMS-OSRAM AG 10.5%/23-300329	550,000	660,815.99	0.53
USD APPLE 3.25%/16-23.02.2025	600,000	614,328.00	0.49
EUR ASSICURAZIONI GENER SUB 5.399%/23-200433	900,000	1,059,662.61	0.84
USD AT&T 4.5%/15-15.05.2035	800,000	759,582.00	0.61
USD AT&T INC 6.15%/04-15.09.2034	600,000	644,226.00	0.51
EUR AUTOSTRADE PER L'ITALIA 5.125%/23-140633	1,000,000	1,158,755.76	0.92
USD AVANGRID INC 3.2%/20-15.04.2025	1,400,000	1,362,508.00	1.09
EUR AXA SA SUB FF FRN/23-110743	1,200,000	1,422,440.13	1.13
EUR BANCO SANTANDER FF 4.75%/17-PERPET	600,000	615,347.49	0.49
EUR BANCO SANTANDER SA 4.875%/23-181031	700,000	824,181.57	0.66
USD BANCO SANTANDER SA S114 FF FRN/21-140927	600,000	543,408.00	0.43
USD BANK OF NY MELLON S J FF FRN/22-130633	500,000	478,115.00	0.38
USD BARCLAYS PLC SUB FF FRN/23-PERPET	600,000	588,584.00	0.47
USD BNP PARIBAS REG S 4.375%/16-120526	700,000	683,865.00	0.55
USD BNP PARIBAS SUB FF FRN/21-PERPET	500,000	404,335.00	0.32
USD BOUYGUES SA 3.875%/23-170731	1,300,000	1,500,063.89	1.20
USD BRISTOL-MYERS SQUIBB CO 3.7%/22-150352	1,400,000	1,102,556.00	0.88
GBP BRITISH TELECOM REG S 6.375%/07-230637	800,000	1,119,715.21	0.89
USD CANADIAN RAILWAY 3.1%/21-021251	400,000	290,196.00	0.23
EUR CARREFOUR BANQUE 4.079%/23-050527	200,000	224,610.69	0.18
EUR CARREFOUR SA 3.75%/23-101030	300,000	338,652.55	0.27
EUR CELLNEX TELECOM SA CV 2.125%/23-110830	600,000	662,680.33	0.54
USD CEMEX SAB DE CV 3.875%/21-110731	300,000	268,296.00	0.21
USD CISCO SYSTEMS 5.5%/09-15.01.2040	1,500,000	1,600,755.00	1.28
USD CLOVERIE PLC FF 5.625%/16-240646	400,000	397,004.00	0.32
USD CNH INDUSTRIAL CAP LLC 1.45%/21-150726	800,000	735,160.00	0.59
USD CNH INDUSTRIAL CAP LLC 4.55%/23-100428	500,000	493,695.00	0.39
EUR COCA-COLA CO/THE 0.95%/21-060536	800,000	690,220.67	0.55
USD COLGATE-PALMOLIVE CO S H 4.5%/15-150845	600,000	555,528.00	0.44
USD CONAGRA BRANDS INC 5.3%/23-011026	500,000	506,575.00	0.40
USD COOPERATIVE RABO 144A FRN/22-060428	1,300,000	1,240,616.00	0.99
USD COOPERATIVE RABOBK UA FF FRN/23-280229	800,000	812,496.00	0.65
USD COTY/HFC PRESTIGE/IN US 6.625%/23-150730	250,000	257,815.00	0.21
USD CREDIT AGRICOLE S.A. FF FRN/20-160626	1,000,000	949,390.00	0.76
USD CVS HEALTH CORP 5%/23-200226	800,000	803,840.00	0.64
USD CVS HEALTH CORP 5.25%/23-210233	1,000,000	1,023,070.00	0.82
USD DAIMLER TRUCKS 144A 2.375%/21-141228	1,300,000	1,157,767.00	0.92
EUR DANA FIN LUX R.L. 8.5%/23-150731	300,000	363,735.84	0.29
USD DAVITA INC -144A- 4.625%/20-01.06.2030	850,000	745,832.50	0.59
USD DELTA AIR LINES/SKYMILES -144A- 4.5%/20-10.2025	887,719	876,578.13	0.70
USD DELTA AIR LINES/SKYMILES 4.5%/20-201025	600,000	444,352.50	0.35
EUR DEUTSCHE LUFTHANSA AG 2%/21-140724	300,000	326,878.09	0.26
EUR DIGITAL EURO FINCO 2.5%/19-16.01.2026	600,000	645,822.58	0.51
USD DIGITAL REALTY TRUST LP 3.6%/19-01.07.2029	500,000	470,915.00	0.38
USD DOLYA HOLDCO 18 DAC 144A 5%/20-150728	500,000	471,290.00	0.38
EUR EAST JAPAN RAILWAY 4.389%/23-050943	1,500,000	1,804,793.74	1.44
EUR ELM FF 3.375%/17-290947	900,000	950,709.29	0.76
EUR ENERGIAS DE PORTUGAL 3.875%/23-260628	1,000,000	1,136,530.20	0.91
EUR ENGIE SA 4.5%/23-060942	800,000	953,472.02	0.76
USD EQUINIX INC 3.9%/22-150432	350,000	325,664.50	0.26
USD ESTEE LAUDER CO INC 4.375%/23-150528	1,000,000	999,880.00	0.80
EUR FAURECIA 3.75%/20-150628	100,000	108,539.60	0.09
USD FMG RESOURCES AUG 2006 4.5%/19-150927	800,000	771,200.00	0.61
USD FORD MOTOR CREDIT 7.35%/22-041127	1,500,000	1,582,020.00	1.26
EUR FORD MOTOR CREDIT CO LLC 2.33%/19-25.11.2025	500,000	537,031.12	0.43
USD GAP INC/THE 144A 3.625%/21-011029	625,000	534,637.50	0.43
USD GENERAL MILLS INC 5.5%/23-171028	750,000	777,930.00	0.62
GBP GENERAL MOTORS FINL CO 5.15%/23-150826	200,000	256,399.14	0.20
USD GENERAL MOTORS FINL CO 6.4%/23-090133	1,000,000	1,065,580.00	0.85
USD GILEAD SCIENCES INC 2.6%/20-011040	300,000	221,430.00	0.18
EUR HOLCIM FINANCE LUX SA 0.5%/20-23.04.2031	300,000	270,355.36	0.22
USD HP INC 4%/22-150429	800,000	777,648.00	0.62
USD HSBC FF 4.041%/17-130328	400,000	386,752.00	0.31
USD HSBC HOLDINGS PLC FF FRN/22-100326	1,300,000	1,261,455.00	1.01
USD HYATT HOTELS CORP 5.75%/23-300127	1,000,000	1,023,400.00	0.82
USD HYUNDAI CAPITAL AMERICA 6.2%/23-210930	1,500,000	1,580,805.00	1.26
USD IBM CORP 4.9%/22-270752	1,600,000	1,543,328.00	1.23
EUR ING BANK NV 4.125%/23-021026	1,000,000	1,132,686.02	0.90
EUR ING GROEP NV SUB FF FRN/22-240833	700,000	777,283.66	0.62
USD ING GROUP NV 1.4%/20-01.07.2026	600,000	564,834.00	0.45
USD INTESA SANPAOLO 144A 5.71%/16-150126	1,100,000	1,093,114.00	0.87
USD IRON MOUNTAIN INC -144A- 4.875%/17-15.09.2027	600,000	585,618.00	0.47
USD JM SMUCKER CO 6.5%/23-151153	500,000	578,285.00	0.46

The notes are an integral part of the financial statements.  
Any differences in the percentage of Net Assets are the result of roundings.

## responsAbility Impact UCITS (Lux) - Transition to Net Zero Fund

## Statement of Investments in Securities (Continued)

Description	Quantity / Nominal	Valuation (in USD)	% of net assets
USD JOHN DEERE CAPITAL 5.15%/23-080926	1,000,000	1,018,880.00	0.81
USD JOHNSON CONTROLS INTL PL 6%/16-150136	600,000	643,548.00	0.51
EUR KBC GROUP SA/NV FF FRN/22-231127	400,000	452,773.84	0.36
USD KELLOGG CO 4.3%/18-150528	1,000,000	990,930.00	0.79
EUR KERING 3.875%/23-050935	1,400,000	1,624,562.36	1.29
EUR LUFTHANSA AG 2.875%/21-16.05.2027	500,000	532,391.59	0.42
USD MACQUARIE BANK LTD (SUBORDINATED) S. -B- 3.624%/20-03.06.2030	1,000,000	872,390.00	0.70
USD MCKESSON CORP 5.1%/23-150733	1,000,000	1,029,670.00	0.82
GBP MERCEDES-BENZ INT FINCE 5.625%/23-170826	1,000,000	1,312,845.07	1.05
EUR MERCK KGAA SUB FF FRN/19-250679	700,000	711,278.61	0.57
USD MIZUHO FINANCIAL FF FRN/23-060734	1,000,000	1,038,280.00	0.83
USD MONDELEZ 2.825%/22-170327	750,000	707,872.50	0.56
EUR NESTLE FINANCE INTL LTD 3.75%/23-130333	250,000	296,888.50	0.24
USD NISSAN MOTOR CO 144A 4.345%/20-170927	1,000,000	957,939.50	0.76
EUR NN GROUP FF 4.5%/14-PERPET	800,000	853,065.05	0.70
EUR NN GROUP NV SUB FF FRN/23-031143	250,000	295,449.69	0.24
USD NOKIA OYJ 4.375%/17-120627	1,000,000	971,750.00	0.77
EUR NOKIA OYJ 4.375%/23-210831	1,200,000	1,335,786.97	1.06
USD NORDEA BANK ABP 144A 1.5%/21-300926	1,300,000	1,185,717.00	0.95
USD NOVARTIS CAPITAL CORP 2%/20-140227	700,000	656,138.00	0.52
USD NOVARTIS CAPITAL CORP 2.2%/20-140830	600,000	528,894.00	0.42
USD NXP BV/NXP FDG/NXP USA 4.4%/22-010627	1,100,000	1,087,647.00	0.87
USD ORACLE CORP 5.65%/23-060253	250,000	250,702.50	0.20
EUR ORANGE SA SUB FF FRN/23-PERPET	400,000	463,838.12	0.37
EUR PROLOGIS INTL FUND II 4.625%/23-210235	1,500,000	1,728,440.33	1.38
GBP RUDENTIAL PLC FF 5.7%/13-191263	900,000	1,101,582.91	0.88
GBP RABOBANK NL REG S 4.625%/14-230529	650,000	804,263.09	0.64
EUR RCI BANQUE SA SUB FF FRN/19-180230	600,000	643,416.65	0.51
GBP ROYAL BANK OF SCOTLAND FF 18-190926	1,300,000	1,588,126.07	1.27
USD SEALD AIR CORP 144A 4%/19-011227	900,000	850,032.00	0.68
EUR SIMON GLOBAL DEV BV CV 3.5%/23-141126	600,000	694,789.50	0.55
EUR SKANDINAVISKA ENSKILDA 4%/22-091126	800,000	899,892.08	0.72
USD SOCIEDAD QUIMICA Y 6.5%/23-071133	500,000	530,515.00	0.42
USD STANDARD CHARTERED FF 144A FRN/21- 140127	500,000	458,605.00	0.37
USD STANDARD CHARTERED FF FRN/23-060734	200,000	209,068.00	0.17
USD STANDARD CHARTERED PLC FRN/23-090129	200,000	205,328.00	0.16
USD SWEDBANK AB SUB FF FRN/23-PERPET	200,000	195,526.00	0.16
USD TAKEDA PHARMACEUTICAL CO LTD 2.05%/20- 31.03.2030	1,100,000	944,108.00	0.75
EUR TDC NET AS 6.5%/23-010631	1,000,000	1,172,508.65	0.93
EUR TELECOM ITALIA SPA 7.875%/23-310728	400,000	492,351.34	0.39
EUR TELEFONICA EUROPE FF FRN/22-PERPET	200,000	238,968.93	0.19
EUR TELENOR ASA 4%/23-031030	300,000	350,543.00	0.28
EUR TEVA PHARM FNC NL II 6%/20-31.01.2025	750,000	838,495.63	0.67
USD THERMO FISHER 5.085%/23-100833	800,000	833,944.00	0.66
USD THERMO FISHER SCIENTIFIC 2%/21-151031	800,000	674,864.00	0.54
USD T-MOBILE USA INC 5.75%/23-150154	1,000,000	1,062,640.00	0.85
USD UBS AG LONDON BRANCH 5.65%/23-110928	500,000	519,040.00	0.41
USD UBS GROUP AG FF 144A FRN/23-221227	750,000	773,917.50	0.62
USD UBS GROUP AG FF FRN/22-050833	600,000	579,450.00	0.46
USD UBS GROUP INC. 5.959%/23-120134	400,000	413,940.00	0.33
USD UNILEVER CAPITAL CORP 1.375%/20-140930	700,000	581,231.00	0.46
USD UNITEDHEALTH 5.25%/22-150228	500,000	517,475.00	0.41
USD VERIZON COMM 3.875%/22-010352	300,000	244,140.00	0.19
EUR VERIZON COMMUNICATIONS 3.7%/21-220361	1,200,000	919,164.00	0.73
EUR VIRGIN MEDIA FINANCE PLC 3.75%/20-150730	100,000	101,908.38	0.08
USD VODAFONE GROUP PLC 4.25%/19-17.09.2050	700,000	583,576.00	0.47
USD VODAFONE GROUP PLC SUB S NC-5 FRN/040681	1,000,000	927,310.00	0.74
USD WALMART INC 4.5%/22-090952	250,000	243,907.50	0.19
USD WASTE MANAGEMENT INC 4.625%/23-150233	1,200,000	1,205,376.00	0.96
USD WESTERN DIGITAL CORP 4.75%/18-15.02.2026	1,100,000	1,079,463.00	0.86
USD XEROX HOLDINGS CORP 144A 5.5%/20-150828	1,745,000	1,576,555.15	1.26
EUR ZIGGO BV 2.875%/19-150130	600,000	591,977.52	0.47
EUR ZIMMER BIOMET 2.425%/16-131226	500,000	542,521.23	0.43
<b>Total Bonds</b>		<b>116,904,464.98</b>	<b>93.18</b>
<b>Total securities listed on a stock exchange or other organised markets</b>		<b>116,904,464.98</b>	<b>93.18</b>
<b>Securities not listed on a stock exchange</b>			
<b>Bonds</b>			
USD ONCOR ELECTRIC 4.95%/23-150952	1,000,000	985,200.00	0.79
<b>Total Bonds</b>		<b>985,200.00</b>	<b>0.79</b>
<b>Total securities not listed on a stock exchange</b>		<b>985,200.00</b>	<b>0.79</b>
<b>Total of Portfolio</b>		<b>117,889,664.98</b>	<b>93.97</b>
Cash at banks and at brokers		4,845,096.45	3.86
Due to banks and to brokers		-6,691.76	-0.01
Other net assets		2,729,263.50	2.18
<b>Total net assets</b>		<b>125,457,333.17</b>	<b>100.00</b>

The notes are an integral part of the financial statements.  
Any differences in the percentage of Net Assets are the result of roundings.

## Additional information (unaudited)

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### Risk management

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The global exposure of the Subfund is calculated on the basis of the commitment approach.

### Remuneration

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Information on remuneration will be disclosed as set out in articles 111bis and 111ter of the law of 17 December 2010 on undertakings for collective investment, as amended, once an entire financial year is completed.

The total remuneration disclosed is related to the activities of MultiConcept Fund Management S.A. (The "Management Company") regarding its monitoring of delegated functions and risk management activities and does not include any remuneration for delegated investment managers.

The remuneration information represents a proportion of the total remuneration to staff of the Management Company function as attributable to all the funds it manages taking into consideration non-UCITS and UCITS alike, in relation to the total net assets of the Company.

The Management Company has implemented a series of safeguards that refrain staff from taking undue risks compared to the activity profile.

The aggregate remuneration for these individuals in relation to responsAbility Impact UCITS (Lux) was 6,210.93 CHF out of which 5,000.33 CHF are fixed and 1,210.60 CHF are variable for the financial period.

Under the methodology the number of staff considered is 9, and 5 persons with function of Conducting Officer.

### Securities Financing Transaction Regulation

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Securities Financing Transaction Regulation ("SFTR") introduces reporting requirements for securities financing transactions ("SFTs") and total return swaps.

A Security Financing Transaction ("SFT") is defined as per Article 3 (11) of the SFTR as:

- a repurchase/reverse repurchase agreement,
- securities or commodities lending and securities or commodities borrowing,
- a buy-sell back transaction or sell-buy back transaction, or
- a margin lending transaction.

During the year ended 31.12.2023, the Company neither engaged in Securities Lending activities nor held any total return swaps or entered into other security financing transactions.

### Transparency of the promotion of environmental or social characteristics and of sustainable investments

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As requested in Art. 11(1) of Regulation (EU) 2019/2088 (SFDR), Subfunds as referred to in Art. 8 of that Regulation, shall describe the extent to which environmental or social characteristics are met. Products as referred to in SFDR Art. 9 shall describe the overall sustainability-related impact of the Subfund by means of relevant sustainability indicators.

For Subfunds falling under Art. 8 or 9 of SFDR the respective information are disclosed on Subfund level below.

Subfunds not falling under Art. 8 or 9 of SFDR are not listed below. The investments underlying those Subfunds do not take into account the EU criteria for environmentally sustainable economic activities.

ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: responsAbility UCITS Impact (Lux) – Transition to Net Zero Fund

Legal entity identifier: 5493007LGXVKV9Z9OC

## Sustainable investment objective

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

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<p><input checked="" type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> <u>94%</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> __%</p>	<p><input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of __% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p>

**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 was the sustainable investment objective of this financial product met?

The responsAbility UCITS Impact (Lux) - Transition to Net Zero Fund (the “Subfund”) has an objective of carbon emission reductions, in line with Article 9(3) of the Sustainable Finance Disclosure Regulation. To this end, the Subfund invested in issuers committing to substantial reductions in greenhouse gas (GHG) emissions via SBTi-verified or other documented commitments. These issuers demonstrated efforts to achieve the long-term

global warming objectives of article 2 of the Paris Agreement of limiting global warming to well below 2 degrees Celsius above pre-industrial levels.

The majority of the Subfund's assets were invested worldwide in securities of issuers, who targeted substantial GHG emission reductions or where the issuers are committed or intend to commit to a net-zero emissions pathway following eligibility criteria defined for the Subfund (the "Eligibility Criteria").

To select eligible issuers, the Eligibility Criteria included a ranking of issuers as sustainable investments, according to the following criteria:

- Expected future GHG emission reduction or technological relevance to limit global warming to well below 2 degrees Celsius, in particular for corporates in hard-to-abate carbon sectors (e.g. emission intensive sectors, for which either there is lack of technology to decarbonize or the cost of such technology is extremely high, such as heavy industry and heavy duty transportation, including for example cement, iron and steel, chemicals, shipping, etc).
- Reputational risks on environmental, social and governance (ESG)-related aspects
- Level of public disclosure of GHG emissions and climate-related data, including coverage and quality of such disclosures.
- Establishment of net-zero science-based targets in line with the Paris Agreement and intermediate targets showing clear commitment to decarbonize their activities.
- Performance, in carbon intensity, relative to peers in the same sector.

These criteria served as quantitative inputs for the Investment Adviser's proprietary Climate Transition Scoring (CTS, formerly named Climate Transition Rating) methodology. The CTS aims at quantifying the expected contribution of an investment or a company to a successful global transition to a net-zero emissions pathway. Climate Transition Scores were based on a broad range of available data, including from public and private initiatives to ensure climate data disclosure and strict science-based target setting such as CDP, the Science Based Targets Initiative and the Climate Bonds Initiative among others.

In this methodology, a weighting was allocated to each of the criteria, where the level of public disclosure of GHG emissions, as well as establishment of net-zero science-based targets in line with the Paris Agreement had the highest weighting.

Eligible issuers were those that rank above the minimum threshold set by the Investment Adviser. Issuers were assessed for inclusion in (or exclusion from) the investable universe whenever necessary and if a material change occurred in any of the above-mentioned criteria. A material change comprised among other things substantial changes in coverage and quality of the disclosure of GHG emissions, a substantial increase in reputational issues, deviation from interim targets, as well as a decrease in ambition of decarbonization targets.

All investments of the Subfund were assessed as sustainable according to Article 2(17) of the SFDR except for cash retained for liquidity purposes, money market instruments and derivative financial instruments used, inter alia, to manage various risks such as currency risk, market risk, interest rate risk (duration) and credit risk.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

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

Absolute GHG emissions reduced annually – 47.7 Million t CO<sub>2</sub>e  
Average GHG reduction rate of the portfolio (realized) – 5.9%  
Average GHG reduction rate of the portfolio (expected) – 3.2%<sup>1</sup>

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

Absolute GHG emissions reduced annually – 79.6 Million t CO<sub>2</sub>e  
Average GHG reduction rate of the portfolio (realized) – 6.6%  
Average GHG reduction rate of the portfolio (expected) – 2.4%

The decrease in absolute reduction from the previous reporting period can be mainly attributed to:

(a) in the previous reporting period, a substantially higher sensitivity to individual portfolio companies' weighted contribution, given the short reference time frame of 6 months (launch of the Subfund in June 2022 until 31<sup>st</sup> Dec 2022);

(b) refinements in the methodology for the calculation of the sustainability indicators and improved coverage by third-party data;

(c) rebound of business activity from portfolio companies in the transportation sector gradually approaching pre-pandemic capacities.

● ***How did the sustainable investments not cause significant harm to any sustainable investment objective?***

Prior to investing, all investments were screened against a list of ESG criteria aligned with sector-specific frameworks, including the UN Global Compact Principles (UNGC Principles). Companies in violation with the UN Global Compact Principles will be excluded from investments.

In the investment process, ESG criteria at various levels were taken into account to ensure that there was no significant harm to the sustainable investment objective. This was ensured and supported by research of available information, as well as by making use of credible external data providers.

Based on an ESG analysis, individual securities were excluded in accordance with predefined negative criteria. For example, securities issued by companies that were characterized by having a very low ESG score or involved in one or more very severe controversies.

The following issuers were excluded:

- Companies in violation with the UN Global Compact Principles
- Companies with involvement in controversial weapons
- Exclusion of all activities related to fossil fuels, including: Exploration, extraction and refining (when consolidated turnover from these activities

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<sup>1</sup> To allow a comprehensive view of the sustainability performance, given the liquidity of the assets in the fund, the sustainability indicators are based on aggregated monthly portfolios since inception of the fund in June 2022 until 31<sup>st</sup> of December, 2023.

is above 1%). Companies involved in transportation, shipping and storage of fossil fuels must not exceed 20% of their consolidated turnover from these activities

- Due to their relevance to the climate transition, utility companies with exposure to fossil fuels were only invested in via Green Bonds
- Companies producing alcohol, tobacco and companies involved in gambling (above 5% revenues)

For more information see the Investment Advisor's [Principal Adverse Impact Statement.pdf \(ctfassets.net\)](#).

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

All of the PAIs were obtained and considered ex ante. However, the extent to which they actively influenced our CTS and investment process varied according to the materiality of the indicator for the underlying sector and/or the indicator's relevance for the Subfund's overall sustainability thesis. The most relevant PAIs for the product were as follows - all data was acquired via third party data providers who used data reported by the underlying issuers.

PAI	Application
1. GHG emissions	Analysis of emissions, carbon footprint and GHG intensity is core to the scoring model used by the Subfund. Investments that do not achieve a minimum score of 2.6 out of 5 in our model were not considered eligible.
2. Carbon footprint	
3. GHG intensity	
4. Exposure to companies active in fossil fuel sector	Exposure to fossil fuels was excluded.
5. Share of non-renewable energy consumption and production	The energy mix applied and used by investee companies would typically form part of our analysis of a company's transition plans. However, this would be included in overall analysis of emissions and is thus not subject to a specific threshold per se.
10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	All investments were checked for major ESG issues and reputational risk, ex ante and ex post. Serious violations would be excluded from the Subfund's investment universe.
14. Exposure to controversial weapons	Exposure to controversial weapons was excluded.
Additional PAI 4. Investments in companies without carbon emission reduction initiatives	Companies that do not have meaningful carbon emission initiatives would typically not achieve the minimum score required to be eligible for investment.

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

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

All issuers were screened against a list of ESG criteria aligned with sector-specific frameworks, including the UN Global Compact Principles (UNGC Principles), the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. All data was acquired via third party data providers who used data reported by the underlying issuers.



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

Performance of the indicators guided the investment team as to which environmental and social aspects the Subfund should focus on to decrease potential adverse sustainability impacts caused by the activities of the investee companies. If irremediable impacts were identified, the Investment Manager evaluated and decided that divestments were needed. One such divestment occurred when a class-action lawsuit was announced against an investee around emissions to water (PAI 8). A deterioration in the Climate Transition Score, which includes elements relevant to greenhouse gases emissions (PAIs 1-3), also triggered divestments. Furthermore, all issuers were checked for major ESG issues and reputational risk, ex ante and ex post. Serious violations of UN Global Compact Principles and OECD Guidelines for Multinational Enterprises were excluded from the Subfund's investment universe (PAI 10). Companies with involvement in controversial weapons were also excluded (PAI 14), and utility companies active in fossil fuel sector were only invested in via Green Bonds (PAI 4).



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

Largest investments	Sector name	% Assets	Issuer country
EAST JAPAN RAILWAY 4.389%/23-050943	H - Transportation and Storage	1.44	Japan
PROLOGIS INTL FUND II 4.625%/23-210235	L - Real Estate Activities	1.38	Luxembourg
KERING 3.875%/23-050935	G - Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	1.29	France
CISCO SYSTEMS 5.5%/09-150140	C - Manufacturing	1.28	USA
AMERICAN TOWER CORP 5.9%/23-151133	L - Real Estate Activities	1.27	USA
ROYAL BANK OF SCOTLAND ff 18-190926	K - Financial and Insurance Activities	1.27	UK
FORD MOTOR CREDIT 7.35%/22-041127	C - Manufacturing	1.26	USA
HYUNDAI CAPITAL AMERICA 6.2%/23-210930	C - Manufacturing	1.26	USA
XEROX HOLDINGS CORP 144a 5.5%/20-150828	C - Manufacturing	1.26	USA
IBM CORP 4.9%/22-270752	J - Information and Communication	1.23	USA
BOUYGUES SA 3.875%/23-170731	F - Construction	1.20	France
AXA SA sub ff frn/23-110743	K - Financial and Insurance Activities	1.13	France
AVANGRID INC 3.2%/20-150425	D - Electricity, gas, steam and air conditioning supply	1.09	USA
NOKIA OYJ 4.375%/23-210831	C - Manufacturing	1.06	Finland
MERCEDES-BENZ INT FINCE 5.625%/23-170826	C - Manufacturing	1.05	Netherlands

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 1<sup>st</sup> January 2023 – 31<sup>st</sup> December 2023

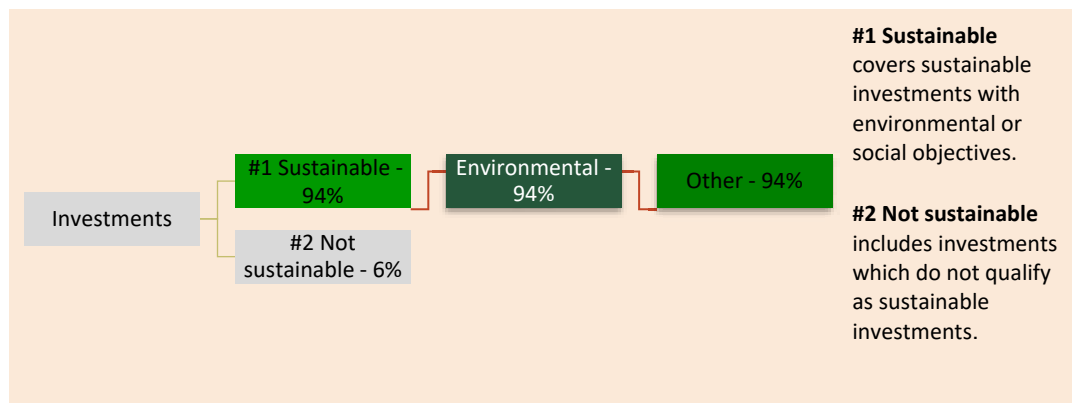




## What was the proportion of sustainability-related investments?

### ● What was the asset allocation?

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



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.

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

NACE code	NACE sector	% of TNA
B	Mining and Quarrying	0.6%
C	Manufacturing	32.4%
D	Electricity, gas, steam and air conditioning supply	4.3%
E	Water Supply; Sewerage, Waste Management and Remediation Activities	1.6%
F	Construction	2.1%
G	Wholesale and retail trade; Repair of Motor Vehicles and Motorcycles	4.6%
H	Transportation and Storage	4.0%
I	Accommodation and Food Service Activities	0.8%
J	Information and Communication	11.8%
K	Financial and Insurance Activities	26.6%
L	Real Estate Activities	4.6%
Q	Human Health and Social Work activities	0.6%



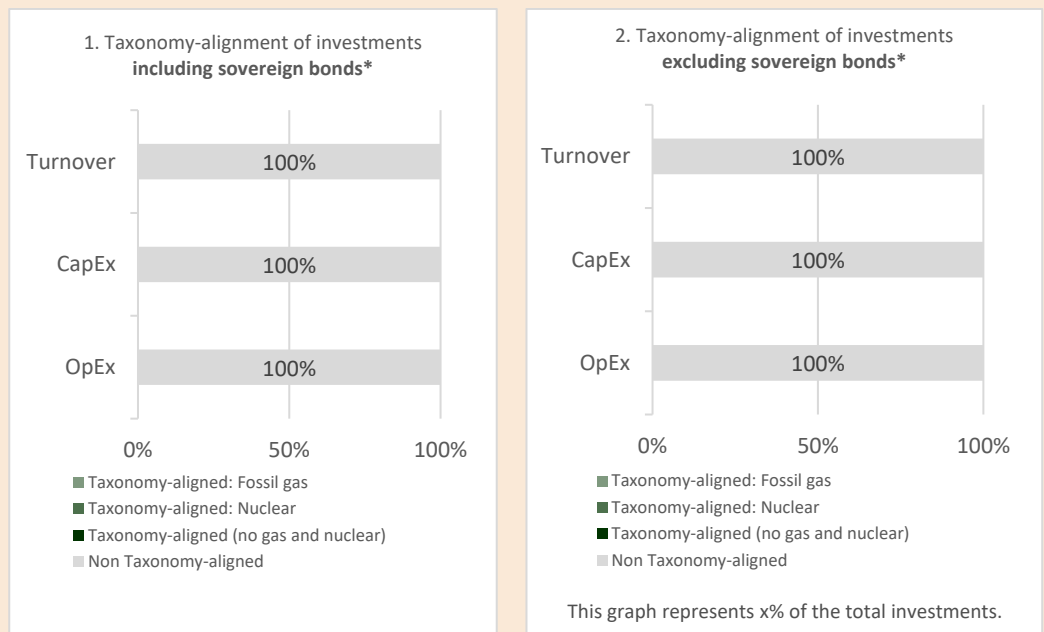
### To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund did not make sustainable investments with an environmental objective aligned with the EU Taxonomy (0%).

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>2</sup>?**

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

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



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

The Subfund did not make investments in transitional and enabling economic activities (0%).

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

The percentage of investments that were aligned with the EU Taxonomy remained the same, 0%.

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to 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.



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



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

The share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy was 94%.



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

The Subfund did not make any socially sustainable investments (0%).



### **What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?**

“Not sustainable” investments were limited only to cash retained for liquidity purposes, money market instruments and derivative financial instruments used, inter alia, to manage various risks such as currency risk, market risk, interest rate risk (duration) and credit risk.

Minimum environmental or social safeguards were applied, where relevant, to make sure that these investments included under “#2 Not sustainable” were in line with the sustainable investments’ objective of the Subfund and the “no significant harm” principle of Article 2(17) of the SFDR. For instance, these safeguards consisted for money market instruments and derivatives to ensure that the issuers or the counterparties (i) have not been subject to international sanctions or comply with international regulations regarding work organisation, notably on the elimination of forced labour and child labour; and (ii) were not located in a fiscally non-cooperative country from a Luxembourg Tax law perspective.



### **What actions have been taken to attain the sustainable investment objective during the reference period?**

The CTS methodology was applied to safeguard the sustainable investment objective. Among others, the model covered:

- the extent to which a potential investment had a credible plan in place for reducing emissions;
- the quality of their reporting in line with this plan; and
- the extent to which this plan was actually meaningful in terms of reaching the goals set out under the Paris agreement.

Failure to perform under one or more of these criteria compromised the eligibility of issues. A quantitative threshold was applied to the overall score, below which investments were ineligible. Examples for divestments linked to a deterioration of the CTS below the eligibility threshold include:

- A US-based financial service provider, who fell short on turning its emission reductions into a mid-to-long term commitment with tangible actions to decarbonize.
- A semiconductor company that did not deliver on its emission reduction targets and saw a deterioration in its ESG performance with regard to environmental risk.



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

No benchmark has been designated by the Subund.

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

N/A

- *How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?*

N/A

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

N/A

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

N/A

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

