MANDARINE FUNDS

Prospectus

FEBRUARY 2022

SICAV incorporated under Luxembourg law with multiple sub-funds

Subscriptions may only be made on the basis of the Mandarine Funds Prospectus (the "SICAV") including the fact sheets of each of the SICAV's sub-funds attached as Annex 1 to this prospectus (the "Prospectus") together with the Articles of Association of the SICAV and the key investor information document relating to the sub-fund or share class of the SICAV concerned (or the “DICI” or “KIID”).

This Prospectus must be accompanied by the most recent annual report and the latest half-yearly report, if it is more recent than the annual report.

Subscription, conversion and redemption forms are available on request from:
the registered office of the SICAV: 60 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg;
from the central administration: BNP PARIBAS SECURITIES SERVICES, Luxembourg Branch, 60 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

I. PREAMBLE

The SICAV is registered in the official list of undertakings for collective investment ***("UCI")*** in accordance with the Law of 17 December 2010 regarding UCIs as amended (the "**Law of 2010**"). This registration shall under no circumstances and in no way whatsoever be considered as a positive assessment made by the Commission de Surveillance du Secteur Financier ("**CSSF**") as to the quality of the securities being sold.

The Board of Directors of the SICAV (the "**Board of Directors**") has taken all possible precautions to ensure that the facts given in this Prospectus are accurate and precise and that no important fact has been omitted, where such an omission would make any of the statements herein erroneous. The Board of Directors assumes responsibility regarding the accuracy of the information contained in the Prospectus at its date of publication. Consequently, no information other than that contained in the present Prospectus and in the documents mentioned herein should be used. The French document shall be legally binding, unless otherwise stated in the current legislation of authorities under whose jurisdiction the SICAV may be registered.

Neither the submission of this Prospectus or the related KIID(s), nor the offer, issuance or sale of shares in the SICAV shall constitute an assertion that the information given in this Prospectus will at all times be accurate subsequent to the date of the Prospectus. In order to take account of significant changes, including the opening of a new sub-fund of the SICAV (a "**Sub-Fund**") or a new Share Class, this Prospectus shall be updated as required. It is therefore recommended that subscribers consult the SICAV to find out whether a more recent Prospectus or KIID has been published.

Shares in the SICAV may, if so decided by the Board of Directors, be listed on the Luxembourg stock exchange.

If you have any concerns relating to the content of this Prospectus (or the documents that it refers to), or if you intend to subscribe to shares in the SICAV, please consult a professional adviser. Nobody is authorised to provide information or make presentations relating to the issuance of shares in the SICAV (the "**Shares**") which are not included or which are not referred to in the Prospectus or in the attached reports. Neither the distribution of the Prospectus or the KIID(s), nor the offer, issuance or sale of Shares shall constitute a presentation that the information contained in this Prospectus is correct at any date subsequent to the date of this Prospectus. Nobody receiving a copy of this Prospectus in any county should treat it as an offer, unless in the country in question such an offer may legally be made without this person needing to comply with registration requirements or other legal conditions. Anybody seeking to purchase Shares shall be responsible for obeying the laws of the relevant country in respect of the acquisition of Shares, including obtaining governmental and other approvals which may be required or complying with any other formalities which must be observed in that country.

Potential investors should conduct such independent research and analyses as they see fit, to assess the advisability and risks of an investment in the Sub-funds. Investors should only invest if they have the financial resources necessary to bear the loss of their entire investment. This information should not be interpreted as investment or tax advice. Potential investors should consult their financial and tax advisers before investing in order to determine whether an investment is suitable to them.

Sales restrictions - The SICAV is authorised as an undertaking for collective investment in transferable securities in the Grand Duchy of Luxembourg, where its Shares may be offered and sold. Distribution of the Prospectus and offering Shares is restricted in certain jurisdictions. The Prospectus does not constitute an offer or invitation in any jurisdiction where it is illegal or if the person making the offer or invitation is not qualified to do so or if the person receiving the offer or invitation cannot legally receive it.

It is the responsibility of any person in possession of this Prospectus and any persons wishing to subscribe Shares to inform themselves on this subject and to comply with all laws and regulations of all relevant jurisdictions. Investors should inform themselves and take appropriate advice on the subject of legal measures, any subsequent taxes, restrictions on the foreign exchange market and/or exchange control requirements that may be applicable under the national laws of the country of their nationality, residence or domicile and which may be relevant to the subscription, purchase, holding, exchange, redemption or transfer of Shares.

European Union and European Economic Area ("**EEA**"): The SICAV has the status of an undertaking for collective investment in transferable securities ("**UCITS**") and has filed an application for recognition under Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions concerning certain undertakings for collective investment in transferable securities as amended, in particular, by Directive 2014/91/EU of 23 July 2014 (the "**UCITS Directive**"), for distribution to the public in certain Member States and in certain countries of the EEA concerning all or some of the Sub-Funds or all or some of the Shares of those Sub-Funds. Further information is available from the Board of Directors.

Other countries: The SICAV may seek authorisation for distribution to the public in certain countries with respect to all or part of the Sub-Funds or all or part of the Shares of such Sub-Funds; additional information is available from the Board of Directors of the SICAV.

United States: The term "US Person" as used in this Prospectus has the meaning attributed to it by *Regulation S*, as amended, of the *Securities Act of 1933* of the United States of America, as amended (the "**1933 Act**") or any other regulation or law that may come into force in the United States of America in the future to replace *Regulation S*, as amended, of the 1933 Act.

No action has been taken to register the SICAV or its Shares with the US Securities and Exchange Commission, as required by the *US Investment Company Act*) of 1940 (as amended). Accordingly, this Prospectus has not been approved by that authority. It may therefore not be introduced, transmitted or distributed in the United States of America (including its territories and possessions), or delivered to US citizens or residents, or to companies, associations or other entities registered in the United States of America or governed by the laws of the United States of America. In addition, the Shares have not been registered under the US Securities Act of 1933 and may not be offered or sold, directly or indirectly, to US Persons in the United States (including its territories and possessions). Any violation of these restrictions may constitute a violation of US securities law. The Board of Directors may demand the immediate redemption of all Shares purchased or held by US Persons, including all investors who become US Persons after buying shares.

Specific restrictions

Notwithstanding the provisions on sales restrictions and possible exceptions at the discretion of the Board of Directors, the Shares may not be offered or sold directly or indirectly for the benefit of "Specified US Persons" within the meaning of the "FATCA" legislation (*US Foreign Account Tax Compliance Act* of 2010). Should this principle be breached, the Board of Directors may, at its sole discretion, require the immediate repayment of Shares purchased or held in particular by "Specified US Persons" within the meaning of the "FATCA" legislation.

The Articles of Association contain clauses designed to prevent Shares being held by US Persons and by Specified US Persons in circumstances that would cause the SICAV to violate laws of the United States of America, and to enable the Board of Directors to make compulsory repurchase of such Shares as the Board
of Directors deems necessary or appropriate to ensure compliance with the laws of the United States of America.

Potential investors are especially encouraged to inquire about the tax consequences, legal requirements and restrictive measures and exchange control requirements to which they may be subject in their country of residence, nationality or residence in relation to the subscription, purchase, possession or sale of Shares.

Potential investors are notified that investing in the SICAV is subject to risks.

Investments in the SICAV are subject to normal investment risks and, in some cases, may be unfavourably hit by political developments and/or changes in local laws, taxation, exchange controls and exchange rates. Investment in the SICAV involves investment risks, such as the potential loss of capital. Potential investors are alerted to the fact that the price of Shares may fall as well as rise.

Protection of personal data

Regulation No. 2016/679 known as the General Data Protection Regulation *(hereafter the "**GDPR**"),* is a European Union regulation that is a reference text on the protection of personal data. It strengthens and unifies the protection of data for individuals within the European Union.

This regulation was transposed into Luxembourg law by the Law of 1 August 2018 on the organisation of the National Data Protection Commission and the implementation of GDPR (the **"Law of 2018").**

The SICAV and Mandarine Gestion (the "**Management Company**") and their agents and delegates shall collect, store and process, electronically or otherwise, the personal data provided by investors when they subscribe and thus act as controllers in accordance with the General Data Protection Law of 2018 and all other applicable laws and regulations.

Data controllers hold these data on their computer systems and the data may be processed or forwarded to third parties (including service providers, statutory auditor(s) and the legal board(s)) and their agents or delegates who are made responsible for processing certain data in the course of their duties and can therefore act as data processors.

This personal data may therefore be stored, processed, transferred and disclosed by the data controllers or data processors as part of their activities or services provided and under the conditions provided for by the law. These services include, but are not restricted to, processing investor subscriptions, maintaining the SICAV's register of Shareholders and providing information for investors. In addition, the data may also be used in the context of compliance with international rules and Luxembourg laws and regulations relating to obligations on combating money laundering and the financing of terrorism.

In the context of the above paragraphs, investors are alerted to the fact that their data may be processed in countries which do not have data protection rules equivalent to those of the EEA. The SICAV and Mandarine Gestion undertake to apply reasonable measures to ensure the confidentiality of personal data processed in such countries.

This data will only be used for the purpose for which it was collected, except if the investor in question expressly agrees to it being used for other purposes.

Investors may request access to, correction or deletion of the data they have provided in accordance with applicable law.

Dissemination of portfolios (Solvency II)

The Management Company may be required to transmit all or part of the information concerning the composition of the portfolio of the SICAV to enable some of its investors, in particular institutional investors, to comply with their obligations derived notably from Directive 2009/138/EC ("**Solvency II**") with respect to transparency (SCR - Solvency Capital Requirement).

The Management Company will ensure that each investor who is a recipient of this information has established procedures for managing sensitive information prior to the transmission of the composition of the portfolio so that such information be used only for calculating prudential requirements. These procedures must also prevent *market timing* and *late trading practices.*

SFTR Regulation

The SICAV will not engage in any securities financing or other transactions (including, but not limited to, repurchase transactions, lending / borrowing of securities, purchase-resale or sale-purchase transactions, margin-based lending transactions and *Total Return Swaps* (*TRS*) as set out in Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (**the SFTR Regulation**). If this changes, the prospectus will be updated in accordance with the SFTR Regulation.

THE SICAV AND PARTIES CONCERNED

Name of the SICAV	MANDARINE FUNDS
Registered office of the SICAV	60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg
Luxembourg Register of Companies No.	B 151691
Legal form	An Open-Ended Investment Company (**SICAV**) with multiple sub-funds under Luxembourg law, subject to Part I of the Law of 2010.
Date of incorporation	03/03/2010
Date of amendment of the coordinated Articles of Association	25/01/2016
Date of publication of the statutes in Mémorial, Recueil des Sociétés et Associations	22/03/2010
Date of publication of the latest version of the coordinated statutes in Mémorial, Recueil des Sociétés et Associations	12/04/2016
Minimum capital	EUR 1,250,000
SICAV reference currency	EUR
Close of financial year	31 December of each year
Board of Directors	**Rémi LESERVOISIER** Chairman MANDARINE GESTION 40, Avenue George V 75008 Paris - France Chairman and Managing Director **Arthur CLOUARD** the Administrator MANDARINE GESTION 40, Avenue George V 75008 Paris - France **Guillaume BRICKA** Country Head LFFS Luxembourg Branch 60 Grand-Rue, L-1660 Luxembourg the Administrator

Management Company	**MANDARINE GESTION SA** Public Limited Company 40, Avenue George V 75008 Paris - FRANCE
Board of Directors of the Management Company on the date of the Prospectus	**Marc RENAUD** 40, Avenue George V, F-75008 Paris – France **Rémi LESERVOISIER** 40, Avenue George V, F-75008 Paris – France **José HOUIS** 6, avenue de Friedland 75008 Paris **MG PARTICIPATIONS** Permanent representative: François Barbier Joint stock company 40, Avenue George V, F-75008 Paris – France **Marc LEBRETON** 165 Grande Avenue 60260 Lamorlaye **LA BANQUE POSTALE ASSET MANAGEMENT HOLDING** Permanent representative: Vincent Cornet Public Limited Company 34 rue de la Federation F-75015 Paris - FRANCE **FEDERAL FINANCE** Permanent representative: Sébastien Barbe Public Limited Company 1 allée Louis Lichou F-29480 Le Relecq Kerhuon
Custodian Bank and Paying Agent	**BNP Paribas Securities Services - Luxembourg Branch.** 60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg
Central administration	**BNP Paribas Securities Services - Luxembourg Branch** 60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg
Entities authorised to receive subscription, reimbursement and conversion orders	**BNP Paribas Securities Services - Luxembourg Branch** 60, Avenue J.F. Kennedy, L-1855 Luxembourg – Grand Duchy of Luxembourg
Statutory Auditor	**Deloitte AUDIT** Limited Liability Company 560 rue de Neudorf, L-2220 Luxembourg, Grand Duchy of Luxembourg

II. DESCRIPTION OF THE SICAV

MANDARINE FUNDSis an open-ended investment company (SICAV) with multiple sub-funds governed by Luxembourg law, subject to Part I of the Law of 2010 incorporating the provisions of the UCITS Directive as amended.

The fact that the SICAV is included on the official list drawn up by the controlling authority shall under no circumstances be construed as a positive assessment on the part of the supervisory authority of the quality of the securities offered for sale.

The fact sheets of the Sub-Funds in existence on the date of this Prospectus, describing their investment policies and their main characteristics, are available in Annex 1 to this Prospectus.

The Board of Directors is responsible for the overall management of the SICAV. The Board of Directors may create new Sub-Funds or Share classes at any time, decide on their actual launch date and at its sole discretion set the price at which each Share class will be launched.

A SICAV with multiple sub-funds is a legal entity in its own right. The individual Sub-Funds are not, however, legal entities separate from the SICAV. The capital of the SICAV is equal to the total net assets of the various Sub-Funds. With regard to third parties, the assets of a given sub-fund shall be liable only for the debts, liabilities and obligations relating to that sub-fund.

III. OBJECTIVE OF THE SICAV

The objective of the SICAV is to offer its shareholders (the "**Shareholders**") access to a selection of markets and a variety of investment techniques through a range of specialist sub-funds gathered around a single structure, enabling them to participate in the professional management of portfolios of transferable securities and/or other liquid financial assets, as defined in the investment policy of each Sub-Fund (see Sub-Fund data sheets).

The SICAV may, at its own discretion, modify the objectives and investment policies of each Sub-Fund, as long as the Shareholders are informed of any important amendment to the objectives and investment policies at least one month prior to them entering into force, so that they can request redemption of their Shares free of charge, if they so wish, and so that this Prospectus may be updated as a consequence.

Diversification of the portfolios making up the Sub-Funds ensures that the risk inherent to any investment is limited, without however being excluded altogether. The SICAV therefore cannot guarantee that its objective will be realized in full.

The SICAV will invest under the control and responsibility of the Board of Directors.

IV. ELIGIBLE INVESTMENTS

1. The investments of the SICAV exclusively comprise:

a. transferable securities and money market instruments listed or traded on a regulated market;

b. transferable securities and money market instruments listed or traded on another market of a European Union member state that is regulated, operates regularly, is recognised and open to the public;

c. transferable securities and money-market instruments admitted to official listing on a stock exchange of a non-European Union Member State or traded on another regulated market of a non-European Union Member State, and which operates regularly and is recognised and open to the public, provided that provision has been made in the Articles of Association for the choice of stock exchange or market. According to the Articles of Association, investments can be made on any stock exchange or regulated market which operates regularly, is recognised and open to the public and is based in Europe, Africa, the Americas, Asia or Oceania;

d. Newly issued transferable securities and money market instruments, provided that:

- the issue conditions include a commitment to apply to be admitted to official listing on a stock exchange or other regulated market which operates regularly, is recognised and open to the public;
- the listing is achieved at the latest within a year of issue;

e. units of UCITS approved in accordance with the UCITS Directive and/or of other UCIs within the meaning of Article 1(2), (a) and (b) of the UCITS Directive, whether or not located in a member state of the European Union **("other UCIs"),** provided that:

- these other UCIs are approved in accordance with legislation stipulating that these undertakings are subject to supervision which the CSSF considers equivalent to that stipulated by community legislation, and that cooperation between the authorities is adequately guaranteed;
- the level of protection guaranteed to unitholders in these other UCIs is equivalent to that stipulated for unitholders in a UCITS and, in particular, that the rules relating to the division of assets, borrowings, loans and the short selling of transferable securities and money-market instruments are equivalent to the requirements of the UCITS Directive;
- the business of these other UCIs is reported in half-yearly and annual reports enabling an assessment to be made of assets and liabilities, profits and transactions in the reporting period;
- the proportion of assets of the UCITS or of these other UCIs that are being considered for purchasing, which, in accordance with their constitutive documents, may be invested globally in units of other UCITS or other UCIs shall not exceed 10%;

f. deposits with credit institutions which are repayable on demand or can be withdrawn, and maturing in 12 months or less, provided that the credit institution has its registered office in a Member State of the European Union or, if the registered office of the credit institution is situated in a third country, is subject to prudential rules considered by the CSSF as equivalent to those laid down in European Community law;

g. derivative instruments, including similar instruments that give rise to a cash settlement, which are traded on a regulated market of the type referred to under a), b) and c) above; and/or OTC derivative financial instruments (**"OTC derivative instruments"**), provided that:

- the underlying assets consist of instruments covered by this point 1, in financial indices, interest rates, exchange rates or currencies, in which the SICAV may invest in accordance with its investment objectives, as stated in the Articles of Association of the SICAV and in this Prospectus;
- the counterparties to OTC derivative transactions are establishments which are subject to prudential monitoring and which belong to the categories authorised by the CSSF;
- the OTC derivative instruments are subject to reliable and verifiable valuation on a daily basis and may, on the SICAV's initiative, be sold, liquidated or closed by means of a symmetrical transaction at any time and at their fair value;

h. money-market instruments other than those traded on a regulated market, on condition that the issue or issuer of such instruments are themselves subject to regulations intended to protect investors and their savings, and that such instruments are:

- issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
- issued by an undertaking whose securities are traded on the regulated markets listed in points (a), (b) or (c) above, or
- issued or guaranteed by an establishment that is subject to prudential monitoring in accordance with criteria defined by Community law, or by an establishment which is subject to and which complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by Community legislation, or
- issued by other bodies belonging to categories approved by the CSSF, on condition that investments in such instruments are subject to rules for the protection of investors which are equivalent to those referred to in the first, second or third indents above and on condition that the issuer is a company whose capital and reserves amount to a minimum of ten million euros (EUR 10,000,000) and which submits and publishes its annual accounts in accordance with the fourth Directive 78/660/EEC, or a body which, as part of a group of companies that includes one or more listed companies, is dedicated to financing the group or a body that is dedicated to financing securitisation vehicles benefiting from a line of banking finance.

2. However, the SICAV:

a. may invest up to 10% of its assets in transferable securities and money market instruments other than those referred to in point 1 of this section;

b. may acquire movable and immovable property which is essential for the direct pursuit of its business;

c. may not acquire precious metals or certificates representing precious metals.

3. The SICAV may hold ancillary liquid assets.

V. INVESTMENT RESTRICTIONS

The following criteria and restrictions must be observed by each of the sub-funds of the SICAV, with the exception of point 5 a) and b), which applies to all of the sub-funds together.

Restrictions relating to transferable securities and money-market instruments

1. a. The SICAV may invest no more than 10% of its assets in transferable securities or money-market instruments issued by the same body. The SICAV may invest no more than 20% of its assets in deposits placed with the same entity. The counterparty risk of the SICAV in a transaction involving OTC derivative instruments may not exceed 10% of its assets where the counterparty is one of the credit institutions referred to in section 3, point 1.f), or 5% of its assets in other cases.

b. The total value of the transferable securities and money-market instruments held by the SICAV in issuers in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This limit does not apply to deposits with financial institutions which are subject to prudential supervision and to OTC transactions on derivative instruments with these institutions.

c. Notwithstanding the individual limits laid down in 1.a., the SICAV may not combine:

- investments in transferable securities or money market instruments issued by a single body,
- deposits made with a single body, and/or
- exposure arising from OTC derivative transactions undertaken with a single body,

which amount to more than 20% of its net assets.

d. The limit provided for in point 1.a., first sentence, is raised to a maximum of 35% if the transferable securities or money-market instruments are issued or guaranteed by a Member State of the European Union, its local authorities, a non-Member State or public international bodies of which one or more Member States are members.

e. The limit stipulated in point 1.a., first sentence, is raised to a maximum of 25% for certain bonds issued by a credit institution which has its registered office in a European Union Member State and which is subject by law to special public supervision designed to protect bond-holders. In particular, the amounts raised from the issue of such bonds must be invested, in accordance with the law, in assets that adequately cover the liabilities arising from the bonds throughout the term of the bond, and which are preferentially charged with the repayment of capital and payment of accrued interest in the event of non-payment by the issuer.
When the SICAV invests more than 5% of its assets in the bonds referred to in the first indent issued by a single issuer, the total value of such investments may not exceed 80% of the value of the SICAV's assets.

f. The transferable securities and money market instruments referred to in 1.d and 1.e. shall not be taken into account for the purpose of applying the limit of 40% referred to in 1.b.

The limits provided for in 1.a., 1.b., 1.c., 1.d. and 1.e. may not be combined, and thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with 1.a., 1.b., 1.c., 1.d. and 1.e. shall under no circumstances exceed in total 35% of the assets of the SICAV.

Companies included in the same group for the purposes of consolidated accounts, within the meaning of Directive 83/349/EEC or in accordance with recognised international accounting rules, are regarded as a single body for the purpose of calculating the limits set down in this paragraph.
The SICAV may cumulatively invest up to 20% of its assets in transferable securities and money-market instruments of the same group.

2. a. Without prejudice to the limits laid down in point 5, the limits laid down in point 1 are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when, according to the Articles of Association, the aim of the SICAV's investment policy is to replicate the composition of a certain stock or bond index which is recognized by the CSSF, on the following bases:

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

b. The limit referred to in 2.a. is 35% where this proves to be justified by exceptional market conditions, particularly in regulated markets where certain transferable securities or money-market instruments are broadly dominant. The investment up to this limit is only permitted for a single issuer.

3. In accordance with the principle of risk-spreading, the SICAV may invest up to 100% of its net assets in various issues of transferable securities and money-market instruments issued or guaranteed by an EU Member State, its local authorities, an OECD Member State or public international bodies of which one or more European Union Member States are members, provided it holds securities belonging to at least six different issues, but securities from any one issue may not account for more than 30% of the total.

Restrictions relating to UCITS and other UCIs

4. a. The SICAV may acquire units in UCITS and/or other UCIs referred to in section 3 (1)(e), provided it does not invest more than 20% of its assets in the same UCITS or another UCI.
For the purposes of applying this investment limit, each sub-fund of the SICAV is to be regarded as a separate issuer, provided the principle of segregation of the commitments of the different sub-funds with respect to third parties is assured.

b. Investments in units of UCIs other than UCITS may not exceed, in total, 30% of the assets of the SICAV.
Where the SICAV has acquired units in UCITS and/or other UCIs, the assets of such UCITS or other UCIs are not combined for the purposes of the limits referred to in point 1.

c. Where the SICAV invests in the units of other UCITS and/or other UCIs which are managed, either directly or by delegation, by the same management company or by any other company to which the management company is linked by common management or control, or by a substantial direct or indirect holding, the said management company or other company may not levy subscription or redemption charges in respect of the investment of the SICAV in the units of other UCITS and/or other UCIs.

d. Where the SICAV invests a significant proportion of its assets in other UCITS and/or other UCIs, the fact sheets of the sub-funds concerned or the KIID will indicate the maximum level of management charges that may be charged both to the SICAV itself and to the other UCITS and/or other UCIs in which the SICAV intends to invest. In its annual report, the SICAV must indicate the maximum percentage of management charges involved, both with regard to the SICAV and to the UCITS and/or other UCIs in which it invests.

Restrictions relating to takeovers

5. a. The SICAV may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuer.

b. The SICAV may not acquire more than:
- 10% of the non-voting shares of the same issuer;
- 10% of the bonds of a given issuer;

- 25% of the units of the same UCITS and/or other UCIs;
- 10% of the money market instruments issued by any single issuer.

The limits laid down in the second, third and fourth indents may be disregarded at the time of acquisition if, at that time, the gross amount of the bonds or money-market instruments or the net amount of the securities in issue cannot be calculated.

c. points a) and b) do not apply with regard to:

- transferable securities and money market instruments issued or guaranteed by a Member State of the European Union or its local authorities;
- transferable securities and money market instruments issued or guaranteed by a non-Member State of the European Union;
- transferable securities and money-market instruments issued by public international bodies of which one or more EU Member States are members;
- shares held by the SICAV in the capital of a company incorporated in a non-EU State investing its assets mainly in the securities of issuers from that State, where under the legislation of that State such a holding represents the only way in which the SICAV can invest in securities of issuers of that State. This derogation, however, shall apply only if in its investment policy the company from the non-member State complies with the limits laid down in points 1, 4, 5(a). and 5(b). If the limits stated in points 1 and 4 are exceeded, point 6 shall apply mutatis mutandis;
- shares held by one or more investment companies in the capital of subsidiary companies carrying on the business of management, advice or marketing of the latter exclusively on their behalf in the country in which the subsidiary is located, with respect to the repurchase of units at the holders' request.

Derogations

6. a. The SICAV need not necessarily comply with the limits laid down in this section when exercising subscription rights attaching to transferable securities or money-market instruments which form part of their assets. While ensuring observance of the principle of risk-spreading, a recently authorised SICAV may derogate from points 1, 2, 3 and 4 for six months following the date of its authorisation.

b. If the limits referred to in point 6.a. are exceeded for reasons beyond the control of the SICAV or as a result of the exercise of subscription rights, that SICAV must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unit holders.

c. If an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved for investors in that sub-fund and for those creditors whose claim arose when that sub-fund was launched, operated or liquidated, each sub-fund is to be considered as a separate issuer when applying the risk-spreading rules set out in points 1, 2 and 4.

Restrictions relating to borrowings, loans and short sales

7. The SICAV may not borrow, with the exception of:

a. the acquisition of foreign currency by means of a **back-to-back loan**;

b. loans up to 10% of its net assets, provided the borrowing is on a temporary basis;

c. loans up to 10% of its net assets, provided that the borrowing is to make possible the acquisition of immovable property essential for the direct pursuit of its business; in this case the borrowing and those referred to in point 7.b. may not in any case jointly exceed 15% of the SICAV’s net assets.

8. Without prejudice to the SICAV's investment powers laid down in section 3, the SICAV may not grant loans or act as a guarantor on behalf of third parties. This restriction shall not prevent the SICAV from acquiring transferable securities, money-market instruments or other financial instruments referred to in section 3, points 1.e., 1.g. and 1.h., which are not fully paid up.

9. The SICAV may not carry out short selling of transferable securities, money market instruments or other financial instruments as referred to in section 3, points 1.e., 1.g. and 1.h., which are not fully paid up.

Restrictions relating to derivative techniques and instruments

10. a. **General Provisions** Furthermore, the SICAV is authorised to employ techniques and instruments relating to transferable securities and money-market instruments under the conditions and within the limits laid down by the CSSF, provided that such techniques and instruments are used for the purpose of efficient portfolio management and/or in order to protect its assets and liabilities.
If these operations concern the use of derivative instruments, these conditions and limits must conform to the provisions of the Law of 2010 and the provisions of CSSF Circular 14/592 aimed at transposing into Luxembourg law applicable to UCITS subject part I of the Law of 2010 the "*Guidelines for competent authorities and UCITS management companies – Guidelines on ETFs and other UCITS issues (Ref. ESMA/2014/937)"* published on 18 December 2012 by the European Securities and Markets Authority **("AEMF")** or **("ESMA")** (the **"ESMA Guidelines"**).

To this end, each Sub-Fund or class is specifically authorised to carry out transactions involving the sale or purchase of foreign exchange futures and currency futures as well as the sale of call options and the purchase of put options on currencies, in order to protect its assets against fluctuations in exchange rates or optimise its performance for the purpose of efficient portfolio management. The SICAV may also make use of securities lending and repurchase agreement transactions in accordance with the requirements of CSSF Circular 08/356.
If a Sub-Fund uses techniques and instruments, its description will mention this fact and include a detailed description of the risks associated with these activities, including counterparty risk and potential conflicts of interest (to the extent that the risk factors listed in this general part of the Prospectus do not cover this) and a description of their impact on the performance of this Sub-Fund. The use of these techniques and instruments must be consistent with the best interests of the Sub-Fund.

The description of the relevant Sub-Fund refers to the policy on direct and indirect costs/operational expenses arising from efficient portfolio management techniques and that may be deducted from income provided to the Sub-Fund. These costs and fees do not include hidden income. The Sub-Fund shall enter the identity of the entity(-ies) to which the direct and indirect costs and expenses are paid and indicate whether this/these entity(-ies) is/are related to the Management Company or the Custodian Bank.
Techniques and instruments for the purpose of efficient portfolio management and/or in order to protect its assets and commitments must meet the following criteria:

(a) they are economically appropriate in that their implementation is cost effective;
they are used to achieve one or more of the following:
risk reduction;
cost reduction;
creation of additional capital or income for the Sub-Fund concerned with a level of risk consistent with the risk profile of the Sub-Fund concerned and the risk diversification rules as provided for under the Law of 2010;
the risks generated by these activities are taken into account appropriately by the risk management process of the SICAV.

Techniques and instruments relating to money market instruments and which fulfil the above criteria are considered techniques and instruments relating to money market instruments for the purposes of efficient portfolio management as provided for under the Law of 2010.

In its use of techniques and instruments for efficient portfolio management and/or in order to protect its assets and liabilities, the SICAV will at all times comply with the provisions of CSSF Circular 14/592 and the ESMA Guidelines.

In particular, the use of techniques and instruments relating to transferable securities and other money market instruments must not:
cause the Sub-Fund concerned to deviate from the stated investment objective, or
(b) add significant additional risks relative to the risk policy initially described in this Prospectus, including the relevant Sub-Fund description.

All income from efficient portfolio management techniques, net of direct and indirect operating costs, will be returned to the Sub-Fund concerned.

By using the efficient portfolio management techniques, the SICAV must take into consideration these transactions during the development of its liquidity risk management process to ensure that it is able to meet its redemption obligations at all times.

When these transactions involve derivatives, the conditions and limits established by the Law of 2010, the related regulations and the ESMA Guidelines must be followed. The annual report of the SICAV contains detailed information on:
a)the exposure obtained through the efficient portfolio management techniques;
b)the identity of the counterparty(-ies) to these efficient portfolio management techniques;
c)the type and amount of financial security (or collateral) received by the SICAV to reduce counterparty risk; and
d) the revenues generated by efficient portfolio management techniques throughout the period under consideration, as well as direct and indirect operational costs and fees incurred.

In no event must such transactions lead the SICAV to diverge from its investment objectives.

b. In accordance with the Law of 2010 and the applicable texts, and especially by virtue of the CSSF Circular 11/512, the SICAV has implemented a risk management policy *(Risk Management Process)* in order to assess the market risks (including the global risk), liquidity and counterparty risks and any other risks (including operational risk) likely to be significant for the SICAV, given the objectives and investment strategies, management styles and methods used to manage the sub-funds.

In the framework of this global risk management policy, the SICAV identifies and measures the global risk either using the commitment approach or using the value-at-risk method (“VaR”), as indicated in the respective descriptions for each of the Sub-Funds listed in Appendix 1.

In financial and mathematical financial risk management, the VaR is a widely used measure of the risk of loss on a specific portfolio of financial assets. For an investment portfolio with a given probability and time horizon, the VaR measures the loss that may be incurred during a determined period under normal market conditions with a defined confidence interval. The VaR is calculated on the basis of a unilateral confidence interval of 99% and a holding period of 20 days. The exposure of the Sub-Funds is subject to periodic resistance tests.

The exposure of a Sub-Fund may also be increased by temporary loans, within the limit of 10% of the assets of the Sub-Fund in question.

The method used to calculate global exposure and the expected level of leverage effect, as determined for each Sub-Fund in accordance with the applicable regulations, are indicated in the respective descriptions.

The SICAV will ensure that its global exposure to derivative instruments does not exceed the total Net Asset Value **(“NAV”)** of its portfolio.

Risks are calculated taking due account of the current value of the underlying assets, the counterparty risk, foreseeable market development and the time available to liquidate positions.

In the context of its investment policy and within the limits laid down in point 1.g. above, the SICAV may invest in financial derivative instruments provided that the exposure to the underlying assets does not exceed the investment limits laid down in point 1. When the SICAV invests in derivative financial instruments based on an index, these investments shall not be combined with the limits set in point 1.
When a transferable security or money-market instrument involves a derivative, the latter must be taken into account when applying the provisions in this point.

Restrictions relating to securities lending

11. The SICAV may engage in securities lending within the framework of a standardised lending system organised by a recognised securities clearing institution or by a first-rate financial institution which specialises in this type of transaction, subject to the following rules:

- in principle, the SICAV must receive a guarantee, the value of which, at the time of the loan agreement being concluded and for the entire duration of the loan, is at least equal to the total value of the securities lent.

  This guarantee must be given in the form of liquid assets and/or securities issued or guaranteed by Member States of the OECD or by their local authorities or by supranational institutions and organisations of a Community, regional or global character. The funds/securities must be blocked in the SICAV's name until the lending contract expires.

- lending operations may not affect more than 50% of the total valuation of the securities held in the portfolio if the SICAV is not entitled to have the contract rescinded and the securities loaned returned at any time.

- transactions may not extend beyond a period of thirty days.

Restrictions relating to repurchase agreements

12. The SICAV may enter into repurchase agreements consisting in the purchase and sale of securities, the clauses of which reserve the seller the right to repurchase the securities sold from the buyer at a price and date stipulated between the two parties on entering into the agreement, provided that the counterparties are first-class financial institutions which specialise in this type of transaction.

During the term of a repurchase agreement the SICAV may not sell the securities forming the object of the agreement before the counterparty has exercised its right to redeem the securities or before the repurchase period expires; the SICAV must ensure that repurchase transactions are performed on a scale such that it is able at all times to meet its obligation to repurchase its own Shares.

Restrictions relating to repurchase and reverse repurchase agreement transactions

13. The SICAV may enter into repurchase or reverse repurchase agreements, the terms of which give the seller the right or obligation to repurchase from the purchaser the securities sold at a price and under the conditions agreed between the two parties at the time the agreement, provided that the counterparties are first class financial institutions and specialised in this type of transaction.

During the term of a reverse repurchase agreement the SICAV may not sell the securities forming the object of the agreement; the SICAV must ensure that reverse repurchase transactions are performed on a scale such that it is able at all times to meet its obligation to repurchase its own Shares. On maturity of a repurchase agreement the SICAV must have sufficient liquid assets to enable it to fulfil its obligation to repurchase the securities.

Restrictions relating to *repurchase* or repo transactions.

14. The SICAV may enter into *repurchase* repo transactions whereby one party – the “seller” – agrees to sell to the other party – the “buyer” – securities against payment of the purchase price by the seller to the buyer with a firm undertaking on the part of the buyer to sell equivalent securities to the seller on a specified date or on request in exchange for payment of the purchase price by the seller to the buyer.

The SICAV may act either as buyer or seller in “repo” transactions.
The counterparties must be first-class financial institutions which specialise in this type of transaction.

During the term of a “repo” agreement where the SICAV is acting as the buyer, it may not sell the securities covered by the agreement until either the counterparty repurchases the securities or the repurchase period expires.
The SICAV must ensure that repo transactions are performed on a scale such that it is able at all times to meet its obligation to repurchase its own Shares. On maturity of a “repo” agreement where the SICAV acts as the seller the SICAV must have sufficient liquid assets to enable it to meet its obligation to repurchase the securities.

Restrictions relating to *“buy/sell” transactions*

15. The SICAV may enter into *buy/sell* “buy/sell” transactions for which the buyer agrees to sell the bond in cash before subsequently repurchasing it. The selling price of the bond includes the interest accrued on the coupon on the date of sale, while the repurchase price includes this initial amount and the “repo” interest.
Buy/sell transactions are subject to the same conditions as those applicable to repo transactions.

16. The Management Company shall employ a risk management method enabling it to verify and measure the risk associated with its positions and the contribution of said positions to the general risk profile of the portfolio at any time, and which enables an accurate valuation independent of the value of over-the-counter derivative instruments. The risk management method used shall be dependent on the specific investment policy for each sub-fund. Unless otherwise stated in the fact sheet of a particular Sub-Fund, the commitment approach will be used to measure the overall risk.

VI. CROSS INVESTMENTS

A Sub-Fund may subscribe, purchase and / or hold securities issued or to be issued by one or more other Sub-Funds (the "**Target Sub-Fund(s)**"), provided that:

- the Target Sub-Fund does not, in turn, invest in the Sub-Fund that has invested in the Target Sub-Fund;
- the proportion of assets that the Target Sub-Fund being purchased may invest overall in units of other UCITS or UCIs does not exceed 10%;
- any voting rights attached to the securities in question will be suspended for as long as they are held by the Sub-Fund in question, notwithstanding suitable treatment in the accounts and periodic reports;
- in all cases, and as long as these securities are held by the SICAV, their value will not be taken into account in the calculation of the SICAV's net assets for the purposes of verifying the minimum threshold of the net assets imposed by the Law of 2010;
- subscription, redemption and conversion fees may only be taken into account at the level of the Sub-Fund investing in the Target Sub-Fund or at the level of the Target Sub-Fund;
- there must be no duplication of management fees on the fraction of assets held by a Sub-Fund in a Target Sub-Fund.

VII. MASTER / FEEDER STRUCTURES

Under the terms laid down by the laws and regulations applicable in the Grand Duchy of Luxembourg, the Board of Directors is fully authorised by the laws and regulations of the Grand Ducal territory, and at any time deemed appropriate, to:

- create a Sub-Fund qualifying as a feeder UCITS (the "Feeder **Fund**") or master UCITS (the "**Master Fund**");
- convert an existing Sub-Fund into a Sub-Fund qualifying as a Feeder Fund or change the Master Fund of any Sub-Fund qualifying as a Feeder Fund.

The Master Fund must not itself be a feeder fund and must not hold shares / units in a feeder fund.

Notwithstanding Article 2(2), first indent, in Articles 41, 43, 46 and Article 48(2), third indent of the Law of 2010, Sub-Funds qualifying as Feeder Funds must invest at least 85% of their assets in shares or units of a Master Fund or a Sub-Fund thereof.

A Sub-Fund acting as a Feeder Fund may also invest up to 15% of its assets in one or more of the following:

- ancillary liquidities in accordance with Article 41(2),second paragraph of the Law of 2010;
- derivatives, which may be used solely for hedging purposes, in accordance with Article 41(1) (g) and Article 42(2) and (3) of the Law of 2010;
- movable property and real estate essential to the operational activity of the SICAV.

The Master Fund must provide the Feeder Fund with all the documents and information necessary for it to comply with the requirements of the Law of 2010. To this end, the Feeder Fund concludes an agreement with the Master Fund. A summary of this agreement put in place for each master/feeder structure will be available at the Management Company's registered office.

When the Master Fund and the Feeder Fund are both managed by the Management Company, this agreement may be replaced by the Management Company's internal rules of conduct.

If a Feeder Fund invests in the shares / units of a Master Fund managed directly or by delegation by the Management Company or by a company with which the Management Company is linked by joint management or control or a significant direct or indirect interest, the Management Company or the other company cannot invoice any subscription or redemption fees in connection with the investments of the Feeder Fund in the shares / units of the Master Fund.

The maximum level of management fees invoiced to the Feeder Fund and the Master Fund is indicated in the fact sheet of each of the sub-funds concerned. The SICAV's annual report indicates the maximum proportion of the total fees of each Feeder Fund and its Master Fund. The Master Fund will not charge any subscription or redemption fees on the investments or sales of the Feeder Fund in shares / units of the Master Fund.

Under the above master-feeder structures, if the custodian of the Master Fund is different from the custodian of the Feeder Fund, the custodians of the two entities shall put in place an information sharing agreement in accordance with the provisions of Article 80 of the Law of 2010. Likewise, if the statutory auditor or certified auditor of the Master Fund differs from that of the Feeder Fund, they shall put in place an information sharing agreement in accordance with the provisions of Article 81 of the Law of 2010.

VIII. EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

The revenue generated by securities lending and efficient portfolio management techniques comes back to the relevant Sub-Fund. The operational costs, deducted from the gross revenue generated by the securities lending transactions, are in principle expressed as a fixed percentage of the gross revenue and come back to the counterparty of the SICAV. The SICAV's annual report includes the identity of the counterparty, indicates whether or not this counterparty is a party linked to the Management Company or the Custodian Bank and the breakdown of the revenue generated by securities lending transactions and the costs linked to these transactions.

The SICAV guarantees that it will always be in a position to recall any security having been loaned or to put an end to any securities lending transaction that it has contracted.

A Sub-Fund performing a *reverse repurchase agreement* transaction shall ensure that it is, at all times, capable of recalling the total cash amount or putting an end to the reverse repurchase agreement transaction either on a pro-rata temporis basis or on a *mark-to-market* basis. Where the cash can be recalled at any time on a *mark-to-market* basis, the *mark-to-market* value of the reverse repurchase agreement transaction must be used to calculate the net asset value of the UCITS.

Where the SICAV concludes transactions on over-the-counter financial instruments and/or uses *efficient portfolio management techniques*, all financial collateral serving to reduce the counterparty's exposure to risk must respect the following criteria at all times:

a) Liquidity: all financial collateral received other than cash must be very liquid and be traded on a regulated market or in a multilateral trading system at transparent prices so that they may be sold quickly at a price close to the valuation prior to the sale. Financial collateral received must also comply with the provisions of Article 56 of the UCITS Directive.

b) Volatility: financial collateral received must be subject to valuation at least daily, and assets displaying high price volatility must not be accepted as financial collateral, unless sufficiently prudent discounts are applied.
Regarding assets received as collateral which would represent a significant risk of volatility, the sub-fund shall apply a prudent discount. In general, a discount of 20% will be applied to convertible shares and bonds pledged as a guarantee deposit and a 15% discount will be applied to bonds and debt instruments issued by *investment-grade*-rated issuers, by a recognised agency.

c) Issuer credit quality: financial collateral received must be of excellent quality.

d) Correlation: financial collateral received by the SICAV must be issued by an entity independent of the counterparty and shall be deemed not to be highly correlated with the performance of the counterparty.

e) Diversification of financial collateral (concentration of assets): financial collateral must be sufficiently diversified in terms of countries, markets and issuers. The criterion of sufficient diversification in terms of the concentration of issuers shall be deemed to be respected if the SICAV receives a counterparty as per the efficient portfolio management techniques and over-the-counter financial instrument transactions. A basket of financial collateral shall present the exposure of a given issuer up to a maximum of 20% of its net asset value. If the SICAV is exposed to different counterparties, the different baskets of financial collateral should be aggregated to calculate the 20% exposure limit to a single issuer.

g) Financial collateral received as a title transfer must be held by the SICAV's custodian. With regard to other types of financial collateral arrangements, financial collateral can be held by a third party custodian subject to prudential supervision and which has no connection to the supplier of the financial collateral.

h) Financial collateral received must be able to give rise to full enforcement by the SICAV at all times, without consulting the counterparty or gaining their approval.

j) Collateral received in the form of liquid assets *(cash deposits)* in a currency other than that of the Sub-Fund shall be subject to a discount of 10%.

k) Financial collateral received in cash must only be:
- placed as a deposit with the entities detailed in article 50 (1) (f) of the UCITS Directive;
- invested in high quality government bonds;

- used for the purposes of reverse repurchase agreement transactions, as long as these transactions are undertaken with credit institutions that are subject to prudential supervision and on the condition that the SICAV may recall the full amount of the liquid assets at any time, taking into account interest accrued;
- invested in short-term monetary UCITS.

l) Financial collateral in cash reinvested should be diversified in accordance with the requirements applicable to financial collateral other than cash.

m) When the SICAV receives financial guarantees of at least 30% of assets, it must have a crisis simulation policy that ensures that appropriate stress tests are regularly carried out under conditions of both normal than exceptional liquidity to enable the SICAV to assess the liquidity risk associated with the financial guarantees. The crisis policy must at a minimum prescribe:

- The design of an analysis model for scenario stress testing focused on, among other factors, calibration, certification and sensitivity;
- An empirical approach to impact analysis, including post-audit estimates of liquidity risk;
- The frequency of notifications and limit/loss thresholds; and
- Mitigation measures to reduce losses, including a discount policy and protection against a sudden change in valuation ("**gap risk**").

n) The SICAV shall establish a clear discount policy adapted to each class of asset received under financial guarantees. When developing the discount policy, the SICAV must take into account the characteristics of the assets, such as credit quality or price volatility, and the results of stress tests carried out in accordance with paragraph (m) above. This policy must be documented and it shall justify each decision to apply a special discount or not to apply a discount to a certain asset class.

o) The Prospectus (including the description of any Sub-Fund concerned) shall also inform investors clearly about the policy of the Sub-Fund with respect to financial guarantees. Types of financial guarantees authorised, the level of financial guarantees required and the discount policy shall be included, as well as the reinvestment policy (including associated risks) regarding financial guarantees in cash. Before implementation of the above provisions, the Prospectus (including the description of any Sub-Fund concerned) must be updated.

IX. RISK FACTORS

General Information

The following elements are intended to inform investors of the uncertainties and risks associated with investments and transactions in transferable securities and other financial instruments. Although the greatest care has been taken in the understanding and management of these risks, Sub-Funds and their respective Shareholders shall ultimately bear the risks associated with investments in the relevant Sub-Funds.

The list of risk factors as detailed below is not intended to provide a full and exhaustive explanation of the risks linked to investment in Sub-Fund Shares. Similarly, and on a case-by-case basis, each Sub-Fund may be exposed to one or more risks simultaneously or successively.

Discretionary management

The management style applied to the various Sub-Funds is discretionary and conviction-led, based on the anticipation of the management teams on the growth of the various different equity markets, interest and exchange rate markets and/or different classes of assets.
There is a risk that at any given time, the Sub-Funds may not be invested and/or exposed to the best-performing markets or asset classes.

Past performance

Information on the past performance of each Sub-Fund is set out in the relevant KIID.

Past performance should not be considered an indication of the future performance of the Sub-Fund, and can under no circumstances guarantee future results.

Value fluctuations - Risk of capital loss

Investments made in the SICAV are subject to the fluctuations of the financial markets and to other risks inherent to investments in transferable securities and other financial instruments. They can be no assurance that an increase in the value of investments and the capital value of your initial investment is guaranteed. The value of investments and the revenue arising from investment may fall or increase, and the amounts originally invested may not be recovered.

There is no assurance that the investment objectives of each Sub-Fund shall be achieved.

Shares

For Sub-Funds investing in shares, the value of these shares may vary, sometimes significantly, based on the activities and results of companies or depending on the general conditions prevailing on the market, the economic situation or other events. Fluctuations in the exchange rate shall also affect value variations if the investment currency differs from the benchmark currency of the Sub-Fund holding this investment.

Investments in small & mid cap companies

The prices of small and medium-sized company securities are potentially more volatile than those of larger companies. The securities are often less liquid and these companies may be subject to more significant fluctuations of market prices than larger, more well-established companies. Investments in transferable securities of small cap companies are sometimes considered as offering a greater capacity for appreciation, but may also involve more significant risks than those generally associated with more established companies, as they are generally more inclined to be affected by less favourable market or economic conditions. These companies can have limited product lines, markets or financial resources, or they may depend on a limited management grouping. Aside from their higher volatility, shares in small and medium-sized companies may fluctuate, to a certain extent, independently of the shares of bigger companies (for example, shares in small and medium sized companies may experience a fall in price, while those of larger companies may increase, and vice versa). For Sub-Funds specialising in these companies, it is highly likely that transactions - especially those relating to a significant volume - have a stronger effect on the inherent costs of operating a Sub-Fund than when similar transactions are carried out in bigger companies, owing to the relatively illiquid nature of shares in small- and medium-sized companies.

Emerging markets

A number of Sub-Funds are liable to be invested or exposed wholly or partially to emerging markets. Emerging markets are at a less advanced stage of development than developed markets and therefore entail greater risks. Investors should take into account the higher volatility of securities issued on these markets in relation to developed markets. The risk of fluctuations in prices or of the suspension of redemptions is therefore greater for these Sub-Funds than for those operating on more developed markets. This volatility can come as a result of political and economic factors. It can be reinforced by factors linked to legal issues, the liquidity of the market, payments, delivery of securities and exchange. Some emerging markets are relatively prosperous economies, but are sensitive to global prices of raw materials and/or to the volatility of inflation rates. Others are especially exposed to the economic situation prevailing in other countries.

Although the greatest care has been taken in the understanding and management of these risks, the relevant Sub-Funds and their respective Shareholders shall ultimately bear the risks associated with investments on these markets.

Bonds, debt instruments and fixed income securities (including high-yield securities) - Interest rate risk

For Sub-Funds investing in bonds and other debt securities, the value of these investments will depend on the market interest rate, the financial solidity of the issuer and the liquidity.

The NAV of a Sub-Fund investing in debt securities will vary based on fluctuations in the interest rate, the perceived financial solidity of the issuer, the liquidity of the market and the exchange rates (where the currency of an investment differs from the benchmark currency of the Sub-Fund holding this investment).

High yield risk

Some Sub-Funds may invest in high-yield debt securities for which the level of income may be relatively high (compared to "**investment grade**" quality debt securities). However, the risk of depreciation and capital loss relating to these securities will be substantially greater than that for lower-yield debt securities.

Risk relating to *investment grade* quality securities

Some Sub-Funds may invest in investment-grade quality debt securities. Generally speaking, *investment grade* quality fixed-income securities are awarded a rating of BBB-/Baa3 or higher by Standard & Poor's or an equivalent rating from an internationally recognised rating agency or an equivalent assessment based on an internal analysis that does not rely mechanically on the work of rating agencies. *Investment grade* quality debt securities, like other types of debt securities, involve a credit risk and may be exposed to the downgrading of their credit quality or of their rating by ratings agencies within the period between their issuance and maturity. This downgrading may occur over the course of the period during which the Sub-Fund invests in these securities. In the event of one or more downgrades below *investment grade* quality, or other, the Sub-Funds may continue to hold these securities.

Securities awarded a lower rating/unrated securities

The credit quality of debt securities is often assessed by ratings agencies. Securities having obtained an average or lower rating and unrated securities of a comparable quality may be subject to higher yield fluctuations, more significant spreads between the buy and sell prices, a bigger liquidity premium and heightened market expectations, and consequently more significant value fluctuations than securities awarded a higher rating. Variations in these ratings or forecast variations will be liable to cause yield and value fluctuations which are sometimes significant.

The manager of each Sub-Fund carries out their own credit analysis when selecting securities acquisitions and before maturity. They do not rely exclusively on the ratings provided by ratings agencies and implement an in-depth credit risk analysis and the necessary procedures to make decisions on the acquisition or, in the case of downgrading of these securities, to decide whether to sell them or to keep them. The manager of each Sub-Fund does not automatically rely on these ratings, but gives preference to their own credit analysis to evaluate the credit quality of these assets and decide upon the potential downgrading of the rating.

Exchange rate risk

The total yield and balance of a Sub-Fund may be significantly affected by exchange rate fluctuations if the assets and revenue of the Sub-Fund are expressed in currencies other than the benchmark currency of the Sub-Fund. This also means that exchange fluctuations may significantly affect the price value of the Shares in a Sub-Fund. The three main areas for exchange rate risk relate to repercussions of exchange rate fluctuations on the value of investments, differences in the short-term schedule or perceived income. A Sub-Fund may cover or not cover these risks, using forward foreign exchange or spot transactions. The risks relating to this are presented below in the section covering derivatives.

Exchange rate risk linked to Share Classes denominated in a currency other than the reference currency of the fund.

For Share Classes whose reference currency differs from the reference currency of the Sub-Fund and which are not hedged, the value of these Share Classes will be subject to exchange rate risk.

Credit risk

Insolvency or other financial difficulties (defaulting) experienced by one of the institutions with which capital is deposited may be prejudicial to investments. Credit risk may also arise from uncertainties regarding the final repayment of the principal and of interest on investments made in bonds or other debt securities. In both cases, the entirety of the deposit or of the purchasing price of the debt instrument is exposed to a risk of loss in the event of the absence of recovery following defaulting. The risk of default is generally increased with “sub-investment grade” quality debt securities and bonds.

Concentration of investments

Some Sub-Funds may invest in a relatively reduced number of investments or be centred around a specific sector or business segment, or even on a type of asset class, and the Sub-Fund NAV may be more volatile and its risk of loss may be greater owing to this concentration of holdings compared to a Sub-Fund diversified through a wider range of investments or sectors or asset classes.

Legal and tax risks

In some countries, the interpretation and application of legislation and regulations, along with the implementation of Shareholders' rights by virtue of this legislation and these regulations, may create significant uncertainty.
Furthermore, differences may arise between accounting and auditing standards, practices concerning the drafting of reports, and communications obligations as opposed to those generally used internationally. Some Sub-Funds may be subject to withholding tax and other taxes. The tax legislation and regulations in all countries are constantly changing, and these changes may be applied retroactively. The interpretation and application of tax legislation and regulations by the tax authorities in some countries are not as consistent and transparent as those in more developed countries, and are likely to vary from one region to another.

Geopolitical risks

Investors' attention is drawn to the fact that companies operating in developed economies as well as in emerging markets face a complex and often volatile if not flexible context and environment in terms of political and geopolitical risks, including different components, taken individually or together, that may have negative effects on the value of the assets of the different Sub-Funds.

Some of the Sub-Funds may invest in the securities of issuers from different countries which may be subject to particular risks. Investing in securities of issuers from different countries offers potential rewards that do not arise from investing exclusively in securities of issuers from a single country, but also involves certain significant risks which are generally not associated with investment in the securities of issuers located in a single country. Issuers are generally subject to different accounting, auditing and financial reporting standards, practices and requirements in different countries around the world. The volume of trade, price volatility and the liquidity of securities may vary in the markets of different countries. Additionally, the level of government oversight and regulation of stock exchanges, securities dealers, and listed and unlisted companies is different around the world.

The transition to a multipolar world order, the obstacles to multilateralism and free trade, geopolitical tensions, rising tensions on world trade, financial or economic imbalances are all events which, individually or jointly, in particular due to their unforeseeable consequences, are all events which may have a substantial and negative impact on the Sub-Funds and may prevent them from achieving the investment objective.

This is any risk associated with a political situation, a decision or a lack of decision by the political authorities or national, transnational or supranational administrative authorities: nationalisation without sufficient compensation, embargoes, protectionist measures, exclusion of certain markets, discriminatory taxation, resulting in, for example, lasting damage to public order, economic stability, the integrity of the national territory of the French Republic or on the currency that is legal tender in the territory, revolution, civil war, change of constitutional regime not involving free and democratic elections etc. If such inherently unpredictable events occur, there can be very significant financial consequences.

Market risk

The performance of one or more Sub-Funds may be adversely affected by the deterioration of financial markets or the deterioration of the economic environment which may exacerbate the risk factors described herein and may have other negative effects.

Deteriorating market conditions or uncertainty regarding economic or market indicators may cause portfolio securities to decline or increase illiquidity. Such declines or illiquidity could result in losses and reduce investment opportunities, which could prevent the Sub-Funds from achieving their investment objectives or could force them to dispose of investments at a loss when such unfavourable market conditions prevail.

In addition, as global economies and financial markets are increasingly interconnected, political, economic and other conditions and events in one country, region or financial market can negatively impact issuers in a different country, region or financial market. In addition, the occurrence, among other things, of natural or man-made disasters, extreme weather or extreme geological events, fires, floods, earthquakes, disease outbreaks (such as COVID-19, bird flu or H1N1/09), epidemics, pandemics, malicious acts, cyber attacks, terrorism or climate change may also have a negative impact on the performance of a Sub-Fund. Such events can lead, among other things, to border closures, stock market closures, delays in health services, quarantines, cancellations, supply chain disruptions, lower consumer demand, market volatility and general uncertainty. Such events could have negative effects on issuers, markets and economies in the short and long term, including unforeseeable impacts. The Sub-Funds could be adversely affected if the value of the issuers and portfolio securities are affected by these political or economic conditions or events. Additionally, these negative political and economic conditions and events could disrupt the processes necessary for portfolio transactions.

Liquidity risk

Under normal market conditions, the assets in a Sub-Fund are mainly made up of feasible investments likely to be sold easily. A Sub-Fund's main obligation is to redeem the shares that investors wish to sell. In general, the Sub-Fund manages their investments, including liquid assets, so as to honour its obligations. Investments held may need to be sold if the liquid assets are not sufficient to finance these redemption requests. If the size of these redemptions is not sufficient or if the market is illiquid, there is a risk that investments cannot be sold or that the price at which they are sold is prejudicial to the Sub-Fund's NAV.

Risks associated with taking account of extra-financial criteria

The definition of standards, a rating system and terminology, as well as the quality and disclosure of extra-financial data, particularly ESG data, remain major challenges. In the absence of global standardisation, it can be difficult for investors to compare ESG offers. The absence of a shared vision on the definition of a sustainable activity, the absence of harmonisation of the methods used for the ESG activities of companies, the absence of a framework or list of universally accepted factors to guarantee the sustainability of investments, the current absence of common standards lead to divergent approaches to the setting and achievement of extra-financial objectives, in particular environmental, social and governance or “ESG” objectives.

As the European legal and regulatory framework governing sustainable finance is still under development, extra-financial approaches, ESG criteria may vary depending in terms of investment themes, asset classes, investment philosophy and the subjective use of the various ESG indicators governing the construction of the portfolio. The selection and applied weightings may to some extent be subjective or based on metrics that may share the same name but have different underlying meanings. Extra-financial information, in particular ESG information, whether it comes from an external and/or internal source, is, by nature and in many cases, based on a qualitative and critical assessment, in particular in the absence of well-defined market standards and due to the existence of multiple investment approaches. An element of subjectivity and discretion is therefore inherent and, so to speak, integral to the interpretation and use of ESG data. The SRI approach, which involves selecting or weighting issuers within the portfolios based on their extra-financial rating, can be implemented through a selection based on different methodologies: Best in Class, Best in Universe, Best Effort. Each of these methodologies has its own biases that may favour one type of issuer over another. The selection methodology is specified in the fact sheet of the relevant sub-funds.

Investors' attention is drawn to the fact that it can therefore be difficult to compare strategies incorporating ESG criteria. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ considerably from the value used within the approach of one or more of the Sub-Funds of the SICAV.

Risks related to the measurement of extra-financial criteria as part of the impact measurement:

Investors' attention is drawn to the fact that the Management Company, although it has internal resources, bases its extra-financial analyses on the data provided by the issuers themselves, by suppliers of extra-financial information or by external sources (study reports, NGOs, suppliers of extra-financial data, etc.). Methodologies and approaches may vary between the issuers and various suppliers of extra-financial data (skills and experience profile of the staff assigned to the analysis, methodologies for collecting, processing, analysing and consolidating this information, evaluation criteria and their weighting, rigour of the analysis, etc.). For example, GHG emissions, most often expressed in CO2 equivalent, are data which comes either from companies, in particular via statements made to the Carbon Disclosure Project, or from data estimated by a service provider or the Management Company. The carbon impact methodology presented is the weighted average of emissions most often corresponding to scopes 1 and 2 as defined in Section XXI "Consideration of non-financial criteria". These emissions do not generally take into account the emissions induced by the company, in particular those caused downstream by the use of the products and services marketed, in particular those of scope 3.

Sustainability risk:
An environmental, social or governance event or situation which, if it occurs, could have a major adverse effect, actual or potential, on the value of the investment.

Risks associated with consideration of sustainability risk:

Currently, there is no universally recognised framework or list of factors that must be considered for ensuring that investments are sustainable, and the legal and regulatory framework governing sustainable finance is still under development.

The application of ESG criteria to the investment process as part of the inclusion of sustainability risks may exclude securities of certain issuers for non-financial reasons, which may involve giving up certain market opportunities available to other funds that do not use ESG or sustainability criteria.
The ESG information available, whether it comes from third-party data providers or the issuers themselves, may be incomplete, inaccurate, patchy, or unavailable, which can have a negative impact on a portfolio that relies on this data for assessing whether it is appropriate to include or exclude of a security.
The sustainable finance approach will have to evolve and develop over time, due to the refinement of investment decision-making processes aimed at taking ESG factors and risks into consideration, but also due to legal and regulatory developments.

Derivatives
The SICAV may use various derivatives to reduce risks or costs, or even to generate additional capital or income, as well as for the purposes of arbitration, so as to fulfil the Sub-Fund's investment objectives. Sub-Funds may use a large number of derivatives and/or in view of more complex strategies (i.e.: broader powers in terms of derivatives) than those detailed in their investment policies and objectives. In this Section - and other sections relating to derivatives, derivatives traded over-the-counter or outside a stock market are given as “over-the-counter” or “OTC” derivatives. Investors are encouraged to consult their own financial adviser as to the suitability of a given Sub-Fund in relation to their specific needs, while keeping in mind their powers as to the usage of derivatives.

While the careful use of derivatives by experienced investment advisers, such as the Management Company or the manager of each Sub-Fund, may be beneficial, derivative instruments also involve different risks which, in some cases, may be greater than those associated with more traditional investments. The use of derivatives may give rise to a certain leverage effect causing more pronounced volatility and/or greater variations in the NAVs of these Sub-Funds than in the absence of a leverage effect.
This leverage effect tends to cause more disproportionate effects in any rise or fall in the value of securities and other instruments in the relevant Sub-Funds. The following information gives a general presentation of the main risk factors linked to the use of derivatives. These factors should be taken into account by the investor prior to any investment in the Sub-Funds in question.

- **Market risk** - means the general risk applied to all investments, i.e.: the value of an investment may fluctuate. Where the value of an underlying asset (a security or a benchmark index) of a derivative varies, the value of the instrument will be positive or negative, depending on the performance of the underlying asset. With derivatives without an option, the absolute scale of the fluctuation in the value of a derivative instrument will be very similar to the fluctuation of the underlying security value or benchmark index. In the case of these options, the absolute variation of the value of an option will not necessarily be similar to the variation of the underlying security because, as explained in more detail below, changes in the values of options depend on a certain number of other variables.

- **Liquidity risk** - a liquidity risk exists when a given instrument is difficult to purchase or sell. If a transaction on a derivative is particularly sizeable or if the relevant market is illiquid (as is the case with many over-the-counter derivative instruments), it may be impossible to initiate a transaction or to liquidate a position at an advantageous price.

- **Counterparty risk** – means the risk of loss that a Sub-Fund may suffer if the other party to a derivative instrument (generally called **the counterparty)** cannot honour the terms of the derivative agreement. The credit risk and counterparty risk for a market traded derivative instrument is generally lower than an over-the-counter derivative instrument, as the clearing house acting as the issuer or the counterparty for each market traded derivative instrument gives a clearing guarantee. This guarantee is sustained by a daily payment system (meaning obligatory margins) managed by the clearing house in order to reduce the overall credit and counterparty risk. Assets deposited as a guarantee with brokers and/or stock exchanges cannot be held in separate accounts by these counterparties, and may therefore be available for creditors on these counterparties in the event of the defaulting of these latter. With regard to over-the-counter derivative instruments, no similar guarantee from clearing houses is offered. Accordingly, the Management Company or the manager of each Sub-Fund adopts a counterparty risk management framework that measures, monitors and manages the counterparty risk taking account of the current and potential future exposure to each counterparty. Over-the-counter derivative instruments are not standardised. This is an agreement between two parties which may be adapted based on the needs of the parties involved. The information risk is reduced through adherence to the standard ISDA documentation. The exposure of a Sub-Fund to a single counterparty may not exceed 10% of its net assets. The counterparty risk can then be minimised through guarantee agreements. However, guarantee agreements are always subject to insolvency risk and credit risk among issuers or the custodian of the guarantee. As well as this, guarantee thresholds are in place below which a guarantee is not called, and time differences between the calculation of the guarantee requirements and its reception by the Sub-Fund from the counterparty will mean that the current exposure will not be fully guaranteed.

- **Settlement risk** – a settlement risk exists when standardised futures contracts, futures contracts, CFD, options and swaps (of all types) are not settled in good time, thereby increasing the credit risk before settlement. This may lead to financing costs which would not otherwise arise. If settlement does not take place, the loss borne by the Sub-Fund will be the same as for any other situation involving a security, i.e.: the difference between the original contract price and the replacement contract price or, if the contract is not replaced, the absolute value of the contract at the time of its cancellation.

- **Portfolio management risk** – derivatives are highly specialised instruments which require different investment techniques and risk analyses than those associated with shares and bonds. The use of derivatives involves an understanding not only of the underlying asset, but also of the derivative itself, without necessarily having the possibility of observing the performance of the derivative under all possible market conditions. Aside from this, the price of an over-the-counter derivative cannot be aligned to the price of the underlying instrument under certain market conditions.

- **Other risks** – other risks associated with the use of derivatives include the risk of valuation error or incorrect valuation of the price. It is impossible to observe the price of many derivative instruments, especially those traded over-the-counter, on a stock exchange, which therefore involves the use of formulae, with the price of underlying securities or benchmark indices obtained from other market price data sources. Over-the-counter options involve the use of models, with hypotheses, which increase the risk of a price error. An incorrect valuation of this type of instrument may lead to increased cash payment demands among counterparties, or a loss of securities for the Sub-Funds. The correlation between these derivative instruments and the assets, rates or indices they are supposed to follow is often imperfect, and sometimes even relative. Consequently, the use of derivative instruments by Sub-Funds may not be an effective resource in terms of pursuing their investment objectives and may be seen to be counter productive.

- **Short-sale exposure** - Sub-Funds use synthetic short positions via the use of derivatives settled in cash, such as swaps, standardised futures contracts and over-the-counter futures contracts in order to improve the overall performance of the Sub-Funds. A synthetic short position reproduces the economic effect of a transaction through which a Sub-Fund sells a security which it does not own but which it has borrowed, in anticipation of the fall in the market value of the security in question. Where a Sub-Fund acquires a synthetic short position on a transferable security which it does not hold, it sets up a derivative transaction with a counterparty or a brokerage company, and closes this transaction prior to its maturity date through the reception or payment of all profits and losses arising from the transaction. The Sub-Fund may be required to pay a commission on its synthetic short positions, and is often required to return any amount received on the securities in question. If the rate of the security on which the synthetic short position is applied increases between the time of taking up the position in question and its closure, the Sub-Fund will suffer a loss. Conversely, if the rate falls, the Sub-Fund will make a short-term gain. Any gain will be reduced and any loss will be increased by the transaction fees detailed above. Although the gain for a Sub-Fund is limited to the price at which it initiates the synthetic short position, the potential loss is theoretically unlimited.

- **Leverage effect** - the portfolio of a Sub-Fund can benefit from a leverage effect through the use of derivatives, i.e.: by transactions on futures and options markets. A weak margin deposit is required for standardised futures contracts trading which, taken alongside the low cost of spot positions, offers a certain leverage effect, which can translate to a significant gain or loss for the investor. Relatively limited fluctuations in the rates on forward positions or underlying instruments may lead to significant losses for the Sub-Fund, culminating in a fall in the NAV per share. Option sellers are subject to the risk of loss arising from the difference between the premium received for the option and the futures contract price or the underlying security price of the option which the seller must buy or provide when exercising the option.

- **Risks linked to specific derivatives**

For Sub-Funds which use one or a combination of the following financial instruments, the following risks may be considered as relevant:

  - Standardised forward contracts on share indices, on shares, on interest rates and bonds: the risk incumbent on the buyer or the seller of a futures contract traded on the stock exchange is the variation of the value of the underlying index/security/contract/bond. Standardised futures contracts are futures contracts, which means that they constitute a commitment to perform an economic transfer at a future date. Exchanging the value occurs on the date specified in the agreement. Most agreements must be settled in cash, and if a physical delivery is an option, the underlying instrument is in reality rarely exchanged. Standardised futures contracts are distinguished from generic futures contracts because they include standardised conditions, whether they are traded on an official market or if they are settled by supervisory bodies, and are guaranteed by clearing houses. Similarly, to ensure that payments are honoured, standardised futures contracts are subject to an initial and a daily margin obligation which changes according to the market value of the underlying asset.

- Options traded on the stock exchange and over-the-counter: options are complex instruments whose value depends on many variables including, especially, the strike price for the underlying (against the spot price at the time when the option is traded and subsequently), the time of the maturity of the option, the type of option (European, American or other) and the volatility. The most significant market risk factor associated with options is the underlying market risk where the option has an intrinsic value ("**in the money**") or where the strike price is close to the underlying ("**near the money**"). In these circumstances, the change in value in the underlying will have a significant impact on the change in the option value. Other variables will also have an influence. This influence will probably be greater the more the strike price differs from the underlying price. Unlike options agreements traded on a market (which are regulated via a clearing house), over-the-counter options agreements are traded outside the stock exchange, between two parties, and are not standardised. Furthermore, each party must bear the credit risk of the other. Hedging is used to minimise this risk. The liquidity of an option traded over-the-counter can be less than that for an option traded on a market, and this situation can have a negative impact on the ability to settle the position of an option, or on the price at which the settlement is performed.
- Interest rate swaps: an interest rate swap usually involves the exchange of a fixed amount set by period of payment, with a payment based on a variable rate benchmark index. The notional principal of an interest rate swap is never traded. Only fixed and variable amounts are. Where the payment dates for the two interest amounts coincide, there is usually a net settlement. The market risk for this type of instrument is linked to changes in the benchmark indices used for the fixed and variable parts. An interest rate swap is an over-the-counter agreement between two parties which may be adapted based on the needs of the parties involved. Consequently, each party must bear the credit risk of the other. Hedging is used to minimise this risk.
- Exchange contracts: these involve the exchange of an amount in a currency against an amount in a different currency at a given date. Once the contract has been signed, its value will change based on exchange rate fluctuations and, in the case of futures contracts, interest rate differentials. Where these contracts are used to hedge exposure to exchange risk for currencies other than the benchmark currency compared to the benchmark currency of the Sub-Fund, there is a risk that the hedging will not be comprehensive and that fluctuations in its value will not compensate precisely for the change in value of the hedged exchange exposure. Given that the gross amounts of the contract are exchanged at a given date, there is a risk that the counterparty with which the contract has been passed has a default between the time of payment by the Sub-Fund, before this latter has received the amount due by the counterparty. The Sub-Fund is therefore exposed to credit and counterparty risk for the amount not received and the full principal of a transaction could be lost.
- Credit default swaps ("**CDS**"): these contracts constitute a credit derivative, the market value of which will evolve according to the perceived credit quality of the underlying security or basket of securities. Where protection has been transferred, the Sub-Fund has credit exposure similar to the underlying security or basket of securities as if it had actually made a purchase. Where protection is bought, the Sub-Fund will receive payment from the counterparty to the swap if the underlying security (or basket of securities) encounters a default, based on the difference between the notional swap principal and the expected residual value, as determined by the market at the time of the default. The swap contract is an agreement between two parties, each of whom must bear the credit risk of the other. Hedging is used to minimise this risk. The information risk for CDS is reduced through adherence to the standard ISDA documentation. The liquidity of a CDS can be less than that for an underlying security or basket of securities, and this situation can have a negative impact on the ability to settle the position of a CDS, or on the price at which the settlement is performed.
- Total return swaps ("**TRS**"): these contracts represent a derivative combining market risk and credit risk which is affected by interest rate fluctuations, as well as events and credit prospects. A TRS, which involves the receipt of a total return by the Sub-Fund, is similar in terms of risk profile because it genuinely holds the underlying benchmark security. Furthermore, these transactions can be less liquid than interest rate swaps, as there is no standardisation of the underlying benchmark index and this situation can have a negative impact on the ability to settle the TRS position, or on the price at which the settlement is performed. The swap contract is an agreement between two parties, each of whom must bear the credit risk of the other. Hedging is used to minimise this risk. The information risk for TRS is reduced through adherence to the standard ISDA documentation.
- Swaps indexed to inflation: the market risk for this type of instrument is caused by the change in the benchmark indices used for the two parts of the transaction, one being a benchmark index indexed to inflation. This is an agreement between two parties which may be adapted based on the needs of the parties involved. Consequently, each party must bear the credit risk of the other. Hedging is used to minimise this risk. A swap indexed to inflation usually involves the exchange of a final fixed amount for a payment which is not fixed (the variable part of the swap will usually be linked to an inflation index in one of the main

currencies).
- Futures contracts and Contracts for differences ("**CFD**"): the risk for the buyer or seller of these types of contracts is the variation in the value of the underlying security. Where the value of the underlying asset is modified, the value of the contract becomes positive or negative. Contrary to standardised futures contracts (which are concluded via a clearing house), futures contracts and CFD are traded over-the-counter between two parties and are not standardised. Each party has to bear the credit risk of the other, which is not the case with a standardised futures contract and a guarantee is negotiated to mitigate this risk.

- **Settlement risk and counterparty risk**

All investments in transferable securities are carried out through brokers who are accredited by the Management Company or the manager of each Sub-Fund as being an acceptable counterparty. The list of accredited brokers is reviewed regularly. There is a risk of loss if one counterparty fails to fulfil their financial or other obligations vis-à-vis the Sub-Funds. For example, the possibility that one counterparty defaults, so that it is unable to make payments owed or to make them in a timely fashion. If the settlement never occurs, the loss suffered by the Sub-Fund will correspond to the difference between the price of the initial contract and the price of the replacement contract or, if the contract is not replaced, the absolute value of the contract at the time of its cancellation. Furthermore, the "Delivery against payment" may not be possible on certain markets. In this case, the absolute value of the contract is exposed to a risk if the Sub-Fund honours its settlement obligations but the counterparty defaults before fulfilling its obligations.

- **Bonds covered with shares (structured bonds) - Convertible bonds**

Bonds covered with shares and similar structured bonds involve structuring by a counterparty of a bond whose value is expected to grow based on the underlying security detailed in the bond. Unlike derivatives, liquid assets are transferred from the buyer to the seller of the bond. If the counterparty (the party from which the bond originates) defaults, the risk weighing on the Sub-Fund is that weighing on the counterparty, regardless of the value of the underlying security of the bond. These types of instruments present additional risks in that their structure tends to be broadly individual.

The liquidity of a bond covered by shares or similar bonds can be less than that for the underlying security, an ordinary bond or security, and this may harm the ability to sell the position or the price at which such a sale is performed.

- **Securitised debt securities or structured debt instruments**

Sub-Funds may invest in securitised debt securities or structured debt instruments (together understood as structured debt products). These instruments can include securities benefiting from actual guarantees, securities covered by mortgage debts, guaranteed debt instruments and CLOs *(collateralised loan obligations).*
The products of structured debt represent an exposure, synthetic or otherwise, of the underlying assets and the risk/return profile is determined by cash flows arising from these assets. Some of these products involve more than one instrument profile and cash flow, making it impossible to accurately foresee the outcome of all market scenarios.
As well as this, the price of such an investment may depend on variations in the underlying components of the structured debt product, or be highly sensitive to this. The underlying assets can take many different forms, including effects receivable on credit cards, residential mortgage loans, corporate loans, property loans or all other types of receivable products for a company or a structured investment vehicle which regularly receives cash flows from its clients. Some structured debt products may use a leverage effect likely to encounter greater volatility in the rates of the relevant instruments than in the absence of such a leverage effect. Furthermore, investments in structured debt products may be less liquid than those made in other securities. This lack of liquidity can cause a decoupling of the current asset market price compared to the value of the underlying assets. Consequently, Sub-Funds investing in securitised securities will be susceptible to suffering a liquidity risk. The liquidity of a structured debt product can be less than that for an ordinary bond or debt instrument, and this may harm the ability to sell the position or the price at which such a sale is performed.

Mortgage securities

In general, interest rate rises tend to extend the duration of fixed rate mortgage securities thus increasing their sensitivity to interest rate variations. Consequently, in periods of interest rate rises, any Sub-Fund holding mortgage securities can show an additional degree of volatility (extended risk).
Furthermore, fixed and variable rate mortgage securities are subject to early payment risk. Where interest rates are lowered, borrowers can repay their mortgage loans earlier than planned. This leads to a drop in returns for the Sub-Fund, as it can be obliged to reinvest these sums at a lower interest rate that in force. Furthermore, investments in securitised products may be less liquid than those made in other securities. This lack of liquidity can cause a decoupling of the current asset market price compared to the value of the underlying assets. Consequently, Sub-Funds investing in securitised securities will be susceptible to suffering a liquidity risk. The liquidity of a securitised product can be less than that for an ordinary bond or debt instrument, and this may harm the ability to sell the position or the price at which such a sale is performed.

Loan of transferable securities

Loans of transferable securities involve risk in that (a) if the borrower of transferable securities loaned by a Sub-Fund fails to return them, there is a risk that the guarantee received releases a value lower than that of the transferable securities being loaned owing to a poor valuation, unfavourable market fluctuations, a downgrading of the credit rating of guarantee issuers or a lack of liquidity on the market in which the guarantee is traded, and (b) delays in returning the transferable securities loaned may limit the ability of a Sub-Fund to honour its delivering obligations in terms of the sale of transferable securities.

Repurchase transactions

Repurchase transactions involve risks in that (a) a default of the counterparty with which the liquid assets of a Sub-Fund have been invested entails a risk that the guarantee received releases an amount lower than the amounts invested, owing to the poor valuation of the guarantee, unfavourable market fluctuations, a downgrading in the credit rating from guarantee issuers or a lack of liquidity in the market on which the guarantee is traded; that (b) (i) the holding of liquid assets in excessively long or voluminous transactions, (ii) delays in recovering liquid assets invested or (iii) difficulties enforcing the guarantee may limit the ability of the Sub-fund to meet redemption requests, to purchase securities or, more generally, make reinvestments and (c) repurchase transactions may, as the case may be, further expose a Sub-fund to risks similar to those associated with derivatives such as options or futures.

Price assessment and valuation risk

A Sub-Fund's assets mainly include investments listed where the rate can be obtained from a stock exchange or an equally verifiable source. However, the Sub-Fund will also invest in unlisted and/or illiquid securities, which will increase the risk of a price valuation error.

Furthermore, the Sub-Fund will calculate the NAVs when markets are closed for public holidays or other reasons. In this and other similar cases, no objective and verifiable source of price will be available and the Management Company or the manager of the Sub-Fund, as the case may be, will use the Fair Value method to determine a fair value for the investments concerned. This Far Value method involves hypotheses and certain subjectivity.

Conflicts of interest

It may arise that the Management Company, the Distributor(s), the Manager and/or the Investment Adviser of each Sub-Fund, the Custodian bank and the Administrative agent, during the course of their activity, have conflicts of interest with the SICAV. The Management Company, the Distributor(s), the Manager and/or the Investment Adviser of each Sub-Fund, the Custodian bank and the Administrative agent shall take into account their respective obligations towards the SICAV and other people during transactions which could give rise to such conflicts of interest. In the event of any such conflicts, each person shall be committed or requested by the SICAV to make every reasonable effort necessary to resolve these conflicts of interest fairly (given their own obligations and attributions) and ensure that the SICAV and the Shareholders are dealt with fairly.

The Management Company, the Distributor(s), the Manager and/or the Investment Adviser of each Sub-Fund, the Custodian bank and the Administrative agent as well as their subsidiaries, affiliates, associates, agents, administrators, directors, employees or delegates (collectively the "**Interested Parties**" and individually an "**Interested Party**") may:

- sign contracts or any financial, banking or other transaction with each other or with the SICAV, including but not limited to an investment by the SICAV, in the securities of a company or an entity whereby an investment or any obligation whatsoever forms an integral part of the assets of the SICAV or of a Sub-Fund, or hold an interest in such contracts or transactions;
- invest and trade in shares, securities, assets or any property of a type included in the assets of the SICAV, either on their own behalf or that of a third party; and
- act in the capacity of principal or agent in the purchase or sale of securities and other investments from/to the SICAV through the Manager of each Sub-Fund or the Custodian Bank or one of their subsidiaries or affiliate companies or of one of their associates, agents or delegates. All SICAV assets taking the form of liquid assets may be invested in certificates of deposit or banking investments issued by any Interested Party. Banking or similar transactions may also be performed with or through an Interested Party (on condition that it is authorised to perform this type of transaction).

No Interested Party shall be bound to demonstrate any advantage whatsoever to Shareholders arising from such a transaction and may, if applicable, keep such an advantage as of right, as long as the transaction is carried out under normal market conditions.

Risk Factors of the Sub-funds Qualified as Feeder Funds

The risk factors applicable to a Sub-Fund having the status of Feeder Fund (which are linked to its investment policy of investing at least 85% of its assets in units of a Master Fund) are, for the most part, the risk factors applicable to the relevant Master Fund.

The investment performance of a Feeder Fund will depend on the performance of its Master Fund.

Investments by the Feeder Fund in units of a Master Fund may result in duplication of certain expenses for Shareholders in the Feeder Fund.

Shareholders' are alerted to the fact that a Feeder Fund will be liquidated:

a) when the Master Fund is liquidated, unless the Board of Directors requests authorisation from the CSSF to authorise the Feeder Fund (i) to invest at least 85% of the assets in the shares of another Master Fund or (ii) to change its investment policy for conversion into a Sub-Fund that no longer qualifies as a Feeder Fund.

b) where the Master Fund merges with another UCITS or is divided into several UCITS, unless the CSSF authorises the Feeder Fund (i) to maintain the status of a Feeder Fund of the same Master Fund or another UCITS resulting from the merger or division of the Master Fund; (ii) to invest at least 85% of its assets in units or shares of another Master Fund that does not result from the merger or division or (iii) to change its investment policy for the purpose of conversion into a Sub-Fund that no longer qualifies as a Feeder Fund.

The risk factors applicable to each Feeder Fund will be set out in the relevant Sub-Fund fact sheet and further described in the relevant Master Fund's prospectus.

Risks associated with Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect

Certain Sub-Funds may invest in and have direct access to certain eligible class A Chinese equities via Shanghai-Hong Kong Stock Connect and Shenzhen - Hong Kong Stock Connect (together referred to as “Stock Connect”). Stock Connect is a securities trading and clearing programme developed by the Stock Exchange of Hong Kong Limited (“SEHK”), the Hong Kong Securities Clearing Company Limited (“HKSCC”), the China Securities Depository and Clearing 40 Corporation Limited (“ChinaClear”), the Shanghai Stock Exchange (“SSE”) and the Shenzhen Stock Exchange (“SZSE”), respectively, to provide mutual access to financial markets between the PRC (not including Hong Kong, Macao and Taiwan) (“Mainland China”) and Hong Kong. In a joint press release issued by the Securities and Futures Commission and the China Securities Regulatory Commission (“CSRC”) on 10 November 2014, trading on Stock Connect began on 17 November 2014.

Stock Connect includes a Northbound Trading Link (for investments in class A Chinese equities) whereby investors, through their Hong Kong brokers and a securities services firm to be established by SEHK, may be able to place orders to trade qualifying shares listed and traded on the SSE or SZSE, respectively, by routing orders to the SSE or SZSE, respectively.

As part of Stock Connect, foreign investors (including the Sub-Funds) may be permitted, subject to rules and regulations issued / amended from time to time, to trade in certain qualifying securities (including Chinese class A shares) listed and traded on the SSE or SZSE, respectively (collectively referred to as “Chinese securities”) via the Northbound Trading Link.

Chinese stocks listed on the SSE which are available through Shanghai - Hong Kong Stock Connect include all stocks that from time to time make up the SSE 180 index and the SSE 380 index, as well as all Chinese class A stocks listed on the SSE which are not part of the securities making up the indices in question but whose corresponding class H Chinese equities are listed on the SSE, except (i) those which are not quoted in Renminbi (RMB) and (ii) those which are included in the “risk alert board”. The list of eligible securities may be changed subject to the review and approval of the relevant Chinese regulatory authorities from time to time.

Chinese stocks listed on the SZSE which are available through Shenzhen - Hong Kong Stock Connect include all stocks comprising the SZSE Index and the SZSE Small/Mid Cap Innovation Index which has a market capitalisation of at least RMB 6 billion, and all SZSE-listed Class A Chinese shares which are not included as constituent shares of the relevant indices but have corresponding Class H Chinese shares listed on the SEHK, except (i) SZSE-listed shares which are not traded in renminbi (RMB) and (ii) shares listed on the SZSE which are included in the “risk alert board”. The list of eligible securities may be changed subject to the review and approval of the relevant Chinese regulatory authorities from time to time. Further information on Stock Connect is available online at the website:
http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm

Internal market rules

A fundamental principle of trading in securities through Stock Connect is that the laws, rules and regulations of the applicable national securities market apply to investors in these securities. For Chinese securities, Mainland China is the home market and the Funds must therefore comply with the laws, rules and regulations of Mainland China. In the event of a violation of those laws, rules or regulations, the relevant exchange (SSE or SZSE, respectively) has the power to investigate and may require participants in the SEHK exchange to provide information about the Sub-Funds and provide their assistance for inquiries. However, certain Hong Kong legal and regulatory requirements will also continue to apply to trading in Chinese securities.

Liquidity and volatility risk

The existence of a liquid trading market for Chinese Class A stocks may depend on the existence of supply and demand for these stocks. The price at which securities can be bought or sold by the Sub-Funds and the net asset value of the Sub-Funds may be adversely affected if the trading markets for Chinese Class A shares are limited or absent. The Chinese Class A equity market in China may be more volatile and unstable (for example, due to the risk of a stock suspension or a particular government intervention). Market volatility and settlement difficulties in Chinese Class A Chinese equity markets may also cause significant fluctuations in the prices of the securities traded on these markets and may therefore affect the value of the Sub-Funds.

Quota limitation risk

There is a daily quota which limits the maximum value of all buy transactions that can be performed on each trading day (“daily quota”). The daily quota is subject to change from time to time without notice. SEHK, SSE and SZSE, respectively, may also set prices and place other restrictions on buy orders in order to prevent the use or artificial filling of the daily quota. These quotas and other restrictions may limit the ability of the Sub-Funds to invest in Chinese securities in a timely manner, and the Sub-Funds may not be able to effectively pursue its investment policy.

The Sub-Funds may sell their Chinese securities whether or not the daily quota has been exceeded.

Risk of suspension

SEHK, SSE and SZSE reserve the right to suspend trading if necessary to ensure an orderly and fair market and prudent management of risks which could adversely affect the ability of the Sub-Funds to access the Chinese market.

Differences in the trading day

Stock Connect operates on days when the Mainland China and Hong Kong markets are open for trading and the banks in the relevant markets are open on the corresponding settlement days. There may, therefore, be occasions when this is a normal trading day for the Mainland China market, but Hong Kong investors (such as the Sub-Fund) cannot perform any transactions through Stock Connect. The Sub-Funds may be subject to a risk of fluctuation in the price of Chinese securities during the period when Stock Connect is not traded accordingly.

No trading day

Same-day trading in the Chinese Mainland Class A equity markets is prohibited. If the Sub-Funds buy Chinese securities on day T, they cannot sell Chinese securities until or after liquidation (normally on day T + 1).

No over-the-counter transactions and transfers

With a few exceptions, Chinese securities cannot be traded or transferred other than through Stock Connect.

No manual trade or bulk trade

There will be no possibility of manual trading or bulk trading under Stock Connect.

Order placement

Only limited orders with a specified price are allowed under the rules of Stock Connect, where buy orders can be performed at the current best price or lower and sell orders can be performed at the specified price or higher. Market orders will not be accepted.

Price limits

Chinese securities are subject to a general price limit of ± 10% based on the previous trading day's closing price. In addition, Chinese securities that are on the risk alert board are subject to a price limit of ± 5% based on the previous trading day’s closing price. The price limit may change from time to time. All orders for Chinese securities must be within the price limit.

Withdrawal from the listing of the SSE and companies listed on the SZSE

According to the rules of the SSE and SZSE, if a listed company is being delisted or if its operation is unstable for financial or other reasons, in that it risks being delisted or exposed interests of investors in undue damages, the listed company will be designated and transferred to the risk alert committee. Any change to the risk alert table may occur without notice. If a Chinese security initially eligible for trading on Stock Connect is later transferred to the risk alert board, the Sub-Funds will only be authorised to sell the relevant Chinese security and will not be able to buy any more.

Special Chinese securities

SEHK will accept or designate securities that cease to meet the eligibility criteria for Chinese securities as special Chinese securities (provided that they remain listed on the SSE or SZSE, respectively). Additionally, all securities or options (which are not eligible for trading on Stock Connect) received by the Sub-Funds following a distribution of rights, a conversion, a takeover, other transactions securities or abnormal trading activities will be accepted or designated by SEHK as Special Chinese Securities. The Sub-Funds may only sell, and not buy, “Special Chinese Securities”.

Sale restrictions imposed by “front-end”supervision

Chinese regulations require that before an investor sells stock, there must be enough stock in the account; otherwise, the SSE and SZSE, respectively, will reject the relevant sell order. SEHK will perform a pre-trade check of sell orders for Chinese securities of its participants (i.e. stock brokers) to ensure there is no overselling. Accordingly, a broker through which the Sub-Funds place a sell order may reject a sell order if the Sub-Fund does not have a sufficient number of Chinese securities available in its account at the applicable cut-off time specified by the broker or if there has been a delay or default in the transfer of the relevant Chinese securities to a broker's clearing account.

Risk of ChinaClear default

HKSCC and ChinaClear establish the clearing links and each is a participant of the other for facilitation of the clearing and settlement of cross-border transactions. As the national central counterparty of the Chinese securities market, ChinaClear operates a comprehensive network of securities clearing, settlement and holding infrastructure. ChinaClear has established a risk management framework and measures which are approved and overseen by the CSRC. The risks of default of ChinaClear are considered to be low.

If there is a remote default of ChinaClear and ChinaClear is declared to be in default, HKSCC has stated that it can (but is not required to) take legal action or legal proceedings to make ChinaClear recover the securities and Chinese funds in circulation through the available legal channels or through the liquidation of ChinaClear (if applicable).

As ChinaClear does not contribute to the HKSCC Guarantee Fund, HKSCC will not use the HKSCC Guarantee Fund to cover any residual loss resulting from the liquidation of ChinaClear positions. HKSCC will in turn distribute the Chinese securities and/or the recovered sums to the participants in the compensation on a pro rata basis. The relevant broker through which the Sub-Funds trade will, in turn, distribute Chinese securities and/or money to the extent that they are collected directly or indirectly from HKSCC.

Although the likelihood of default by ChinaClear is considered low, if such an event occurs, the Sub-Fund may experience delays in the recovery process or may not be able to fully recover its losses from ChinaClear.

Chinese Class A Shares traded through Stock Connect are issued in cashless form, so investors such as the Sub-Funds will not hold physical Chinese Class A Shares. Hong Kong and foreign investors, such as the Sub-Funds, that have acquired Chinese securities through Northbound trading must keep the Chinese securities in the securities accounts of their brokers or custodians with the central clearing and settlement system managed by HKSCC for clearing securities registered or processed on SEHK. Further information on the custody arrangements relating to Stock Connect is available on request at the SICAV's registered office.

Risk of default of HKSCC

Any action or inaction by HKSCC or any failure or delay by HKSCC meetings its obligations may result in failure to settle Chinese securities and / or the attached sums of money and the ability of the Sub-Funds to access the market of Mainland China will be adversely affected and the Sub-Funds may suffer losses as a result.

Operational risk

Stock Connect offers Hong Kong and overseas investors, such as the Sub-Funds, a new channel for direct access to the Chinese stock exchange. Stock Connect is based on the functioning of the operational systems of the players in the market concerned. Market participants may take part in this programme provided that they meet certain information technology, risk management and other requirements which may be specified by the relevant exchange or clearing house.

It should be noted that the securities regimes and legal systems of the two markets differ considerably, and in order for the trial programme to work, market participants may need to continuously address the issues arising from these differences.

Furthermore, the “connectivity” of the Stock Connect programmes requires the cross-border routing of orders. This requires the development of new IT systems by the SEHK and stock market participants (i.e. a new order routing system (“China Stock Connect System”) that SEHK must implement and to which the stock exchange participants must connect). There can be no assurance that the systems of the SEHK and the market participants will run smoothly or continue to be responsive to changes and developments in both markets. In the event that the relevant systems fail to function properly, operations in both markets under the programme could be disrupted. The ability of the Sub-Funds to access the Chinese Class A equity market (and therefore to pursue its investment strategy) will be adversely affected.

Nominee agreements for the holding of Chinese class A shares

Chinese securities purchased by the Sub-Funds will be held by the relevant sub-custodian in Hong Kong Central Clearing and Settlement System (“CCASS”) accounts managed by the HKSCC. HKSCC in turn holds the Chinese securities as a “designated holder”, through a securities account in its name, registered with ChinaClear.

It would appear that the Sub-Funds would be the beneficial owners of Chinese securities under the laws of Mainland China.
However, it should be noted that the exact nature and manner of application of the rights and interests of the Sub-Funds under the law of mainland Chinese are not certain and that there have been few cases involving a registered account structure before the courts of mainland China.

It should also be noted that, as with other clearing systems or central securities depositories, HKSCC is not required to enforce the rights of the Sub-Funds in the courts of Mainland China. If the Sub-Funds wish to assert their rights as beneficial owners in the courts of mainland China, they will need to address legal and procedural issues at the appropriate time.

Segregation

The securities account opened with ChinaClear in the name of HKSCC is an omnibus account, in which Chinese securities of more than one end-owner are mixed. Chinese securities will only be segregated in accounts opened with HKSCC by clearing participants, and in accounts opened at the sub-custodians in question by their clients (including the Sub-Funds).

Investor compensation

Investments of the Sub-Funds through the Northbound Trading Service on Stock Connect will not be covered by the*Investor Compensation Fund* of Hong Kong. The *Hong Kong’s Investor Compensation Fund* was established to compensate investors of any nationality suffering pecuniary loss due to the failure of an authorised intermediary or authorised financial institution in connection with products traded on a Hong Kong exchange. Since defaults on the Trading Service on via Stock Connect do not relate to products listed or traded on SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the*Investor Compensation Fund.*

On the other hand, since the Sub-Funds perform Northbound trades through stockbrokers in Hong Kong, but not in the PRC, they are not protected by the China Securities Investor Protection Fund in the PRC.

Trading fees

In addition to the payment of trading fees and stamp duties in connection with trading in Chinese Class A shares, the Sub-Funds may be subject to new portfolio fees, dividend tax and tax on income from share transfers which have yet to be determined by the competent authorities.

Regulatory risk

Stock Connect rules are departmental regulations with legal effect in the PRC. However, the application of these rules has not been tested and there is no guarantee that the Chinese courts will recognise these rules, for example in the liquidation proceedings of Chinese companies.

Stock Connect is a new initiative and is subject to regulations enacted by the regulatory authorities and the implementing rules established by stock exchanges in the PRC and Hong Kong. Furthermore, new regulations may be enacted from time to time by regulators governing cross-border transactions and law enforcement in relation to cross-border transactions related to Stock Connect.

The regulations have not yet been tested and there is no certainty as to how they will be applied. Additionally, current regulations are subject to change. There can be no assurance that Stock Connect will not be terminated. The Sub-Funds may be adversely affected by these changes.

Taxation

On 14 November 2014, the Ministry of Finance, State Tax Administration and CSRC jointly issued a notice relating to the tax rule on Shanghai - Hong Kong Stock Connect under Caishui 2014 No.81 (“Notice No. 81”). Under Notice No. 81, gains made by Hong Kong or foreign investors (including the Sub-Funds) on Chinese Class A Shares trading through Shanghai - Hong Kong Stock Connect, will be temporarily exempt from personal income tax and corporation tax, from 17 November 2014. However, Hong Kong and foreign investors are required to pay tax on dividends and/or free shares at the rate of 10%, to be withheld and paid to the authority by listed companies.

However, the exemption may be changed, cancelled or revoked in the future. In such a case, retroactive prospective tax liability could apply. There is also a risk of the mainland Chinese tax authorities seeking to collect the tax retrospectively, without prior warning. If such a tax were to be levied, the tax liability would be borne by the Sub-Funds. However, this liability may be mitigated under the terms of an applicable tax treaty.

X. MANAGEMENT COMPANY

In a service agreement dated 11 October 2019, the SICAV appointed MANDARINE GESTION to provide management, administration and marketing services. MANDARINE GESTION is authorised by the Autorité des Marchés Financiers (French Financial Markets Authority) under number GP-08000008 as a portfolio management company under French law. The rights and duties of the Management Company are governed by Directive 2009/65/EC, as amended by Directive 2014/91/EU (known as the "UCITS 5 Directive") and the regulations in force.

This latter has delegated, under its responsibility and control, Central Administration to BNP PARIBAS SECURITIES SERVICES, Luxembourg branch.

Moreover, the Management Company may delegate, under its responsibility and control, its management for one or more Sub-Funds to managers, whose name is provided in the Sub-Fund data sheets (hereafter "**Manager(s) of the Sub-Fund(s)**").

The amount of the fees payable to the Management Company and/or the manager of each Sub-Fund and, if applicable, the outperformance fees, are set out in the Sub-Fund fact sheets.

Under his own responsibility and at his own expense, the manager of a Sub-Fund may, subject to the Luxembourg laws and regulations in force and as long as no increase in management costs is incurred, be assisted by one or more investment sub-advisers whose business consists of advising the manager in their investment policy.

The Management Company may be assisted by one or more Investment Advisers, as detailed in Article 10 below.

The Management Company can, under its own responsibility and control, appoint one or more distributors and *nominees* in order to invest the Shares from one or more Sub-Funds of the SICAV.

The Management Company may sign distribution agreements with any professional intermediaries, including banks, insurance companies, wealth managers, "Internet Supermarkets", independent managers, brokerage agents, management companies or any other institution whose main or ancillary activity is the distribution of investment funds and customer monitoring.

In accordance with the UCITS Directive, and any future amendments thereto, the Management Company applies the principles of remuneration to all its employees and in particular the identified personnel (managers, control and compliance officers, commercial staff, General Management). The Management Company intends to promote sound and effective risk management and avoid excessive risk taking. The remuneration paid by the Management Company includes a fixed component and a variable component that is neither guaranteed nor calculated based on a pre-established quantitative formula. The Management Company thus intends to establish an appropriate balance between the fixed and variable components of overall remuneration.
The Management Company has a remuneration committee that reviews the policies followed in the area of employee pay.
The updated remuneration policy of the Management Company is reviewed annually. It is available on the website of the Management Company.

Anyone wishing to obtain further information or make a complaint about the Management Company or the SICAV must contact the Management Company.

As part of the management of the Sub-Funds, the SICAV may use providers of research and analysis services to supplement the work of the managers and analysts in the best interest of the SICAV. Costs related to financial research are borne by the SICAV.

XI. INVESTMENT ADVISERS – INVESTMENT SUB-ADVISORS – FINANCIAL MANAGERS - SUB-MANAGERS

The SICAV and the Management Company may be assisted by one or more Investment Advisers, Investment Sub-Advisors, Financial Managers or Sub-Managers, whose activity consists of advising the SICAV, respectively the Management Company, regarding the investment policy and the management of investments made by the SICAV.

Control and ultimate responsibility for the activities of the investment adviser(s) and/or sub-advisers and/or financial manager(s) and/or sub-manager(s) shall be assumed by the Board of Directors of the Management Company.

The names and a description of the Investment Advisers, Investment Sub-Advisers, Financial Managers or Sub-Managers directly remunerated by the SICAV, along with their remuneration, are set out in the Sub-Fund fact sheets.

XII. CUSTODIAN BANK AND PAYING AGENT

BNP PARIBAS SECURITIES SERVICES, Luxembourg Branch, with registered office at 60, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, has been established in Luxembourg since June 2002.

As the Custodian Bank and Paying Agent, the Bank fulfils its obligations and duties, as provided for under Directive 2009/65/EC, as amended by Directive 2014/91/EU, the so-called "UCITS 5 Directive", the Law of 2010 and the regulations in force.

Description of the responsibilities of the Custodian Bank and potential conflicts of interest

The Custodian Bank has three types of responsibilities: monitoring the compliance of the decisions of the Management Company (as defined in Article 34(1) of the Law of 2010), monitoring the cash flows of the SICAV (as defined in Article 34(2) of the Law of 2010), and custody of the SICAV's assets (as defined in Article 34(3) of the Law of 2010). All of these responsibilities are set out in a written contract between the Management Company, the SICAV and the Custodian Bank, BNP Paribas Securities Services, Luxembourg Branch.

The primary objective of the Custodian Bank is to protect the interests of Shareholders in the UCITS, which always prevail over commercial interests.

Potential conflicts of interest may be identified, in particular if the Management Company or the SICAV also maintains commercial relations with BNP Paribas Securities Services - Luxembourg Branch in parallel with its appointment as Custodian Bank (which may be the case if BNP Paribas Securities Services - Luxembourg Branch calculates, by delegation of the Management Company, the NAV of the UCITS for which BNP Paribas Securities Services - Luxembourg Branch is the Custodian Bank, or when a group relationship exists between the Management Company and the Custodian Bank).

To manage these situations, the Custodian Bank has implemented and maintains a management policy for conflicts of interest with the following objectives:

- Identifying and analysing situations involving potential conflicts of interest;
- Recording, managing and monitoring situations involving potential conflicts of interest:
  - based on permanent measures in place to manage conflicts of interest, such as segregation of duties, separation of hierarchical and functional lines, monitoring of internal insider lists, and dedicated IT environments;
  - by implementing on a case-by-case basis:
    - preventive and appropriate measures such as the creation of ad hoc watchlists, new Chinese walls (in particular by ensuring the operational and hierarchical separation of the duties of the custodian bank from its other activities) or by verifying that transactions are properly processed and/or informing affected customers; or
    - by refusing to manage activities that may give rise to conflicts of interest;
- Implementation of an ethical policy;
- Registration of a conflict of interest map to create an inventory of permanent measures put in place to protect the interests of the SICAV; or
- The establishment of internal procedures relating, for example, to (i) the appointment of service providers that could generate conflicts of interest, (ii) new products or new activities of the custodian bank to assess any situation leading to a conflict of interest.

Description of any custodial functions delegated by the Custodian Bank, list of delegates and sub-delegates and identification of conflicts of interest likely to arise from such delegation

The custodian bank of the SICAV, BNP Paribas Securities Services, Luxembourg Branch , is responsible for custody of the assets (as defined in Article 34(3) of the Law of 2010). In order to provide services related to the safekeeping of assets in a large number of countries, enabling the UCITS to achieve their investment objectives, BNP Paribas Securities Services – Luxembourg Branch has appointed sub-custodians in countries where BNP Paribas Securities services – Luxembourg Branch would have no local presence. These entities are listed on the following website: http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits_delegates_EN.pdf.

The process of appointment and supervision of the sub-custodians is carried out in accordance with the highest quality standards, including the management of potential conflicts of interest that may arise in connection with these appointments.
Up-to-date information on the duties of the custodian bank, the conflict of interest management policy and the list of delegates and sub-delegates, may be obtained free of charge upon request from the custodian bank of the SICAV.

XIII. DESCRIPTION OF SHARES, SHAREHOLDER RIGHTS AND DISTRIBUTION POLICY

The net assets constituting the assets of each Sub-Fund are represented by Shares, which may be from different Share classes (the "**Class" or "Classes**"). All of these share Classes together represent the assets of a Sub-Fund.

The SICAV issues MG Class Shares at the rate of at least one MG Class Share per Sub-Fund. MG Class Shares are issued to Mandarine Gestion and its group companies and are registered.

The share Classes issued or scheduled at the date of publication of this Prospectus, along with the additional information, are indicated in the descriptions in Annex 1 of the Prospectus. Investors are encouraged to seek information from their advisers in order to learn about the list of Classes issued.

In accordance with article 6 of the articles of association of the SICAV, the Board of Directors may at any time decide to create different share Classes within a single Sub-Fund, which can be separated, inter alia, by specific subscription and/or redemption fee structures, by specific exchange risk hedging policies, by specific distribution policies and/or by specific management or advisory fees or by other specific details applicable to each class. In the event of the issuance of new share Classes, the relevant information will be given in the Sub-Fund descriptions in Annex 1 to this Prospectus.

In each Sub-Fund, Shares issued in currencies other than the base currency of the Sub-Fund may be created. These Shares may be *"hedged"* or *"unhedged". "Hedged" Shares: hedged Shares will aim to largely hedge the exchange rate risk of these Shares with respect to a given currency.* However, due to the volatility of the underlying portfolio, the Management Company cannot guarantee that the hedged Shares will be fully hedged against currency risk. A residual exchange rate risk cannot be excluded.

The Shares may, if so decided by the Board of Directors, be listed on the Luxembourg Stock Exchange and the Board of Directors may decide which Share Classes will be listed.

The Classes may be divided into capitalisation Shares and distribution Shares (indicated in Annex I by the reference "(d)").

Where a dividend is distributed to distribution Shares, the asset attributable to Shares in this Class will be deducted from the overall amount of the dividend, while the net asset attributable to capitalisation Shares will remain unchanged.

Dividends are paid in the respective currency of the corresponding share Class.

At its own discretion, the Board of Directors reserves the right to accept subscriptions for an amount less than any initial required amount, as detailed in each Sub-Fund fact sheet.

If the redemption requests received for a given Valuation Day represent more than 10% of the net assets of a Sub-Fund, the Board of Directors may decide to reduce all pending redemption requests on a pro rata basis up to this limit of 10% (and to fulfil these reduced orders) and to postpone the excess part of the redemption requests until the following Valuation Day (the day on which the Board of Directors can apply the same power). In this case, the redemption requests pending fulfilment will be reduced proportionally; on that date, the redemption requests which are subject to delayed processing will be given priority over subsequent requests.

At any time and if it deems necessary, the Board of Directors may temporarily suspend, definitively halt or limit the issue of Shares from one or more Sub-Funds to natural or legal persons residing or domiciled in certain countries or territories, or exclude them from the acquisition of Shares, if such a measure is necessary to protect the integrity of all Shareholders and the SICAV.

Furthermore, the sub-fund shall have the right to:

a) refuse a request for the acquisition of Shares, at its discretion,
b) redeem Shares which have been acquired in contravention of an exclusion measure, at any time.

XIV. ENTITIES AUTHORIZED TO RECEIVE SUBSCRIPTION, REDEMPTION AND CONVERSION ORDERS IN LUXEMBOURG

The following bodies are authorised to receive subscription, redemption and conversion orders on behalf of the SICAV:

BNP PARIBAS SECURITIES SERVICES - Luxembourg Branch,
BNP PARIBAS SECURITIES SERVICES SA, Paris

The attention of investors is drawn to the fact that the SICAV does not authorise “Market Timing” practices. The SICAV reserves the right to reject any subscription and conversion order issued by an investor that the SICAV suspects of employing such practices and to take the necessary measures to protect the other SICAV investors, where necessary. Subscriptions, redemptions and conversions are at unknown or super-unknown NAVs, based on the terms and conditions of the Sub-Funds.

Money laundering legislation

In order to combat money laundering, subscription orders must be accompanied by a certified true copy by a competent authority (e.g. embassy, consulate, notary or police commissioner) of the subscriber’s identity card in the case of a natural person or of the articles of association and an excerpt from the Register of Companies in the case of a legal entity, in the following cases:

1. in the event of direct subscription to the SICAV;

2. in the event of subscription through a financial sector professional residing in a country that is not subject to an identification obligation equivalent to Luxembourg standards with regard to the combating money laundering and the financing of terrorism;

3. in the event of subscription through a subsidiary or branch whose parent company is subject to an identification obligation equivalent to that demanded under Luxembourg law, if the law applicable to the parent company does not oblige it to ensure compliance with these provisions for its subsidiaries and branches.

Furthermore, the SICAV must identify the source of the funds in the event that the sources are financial establishments that are not subject to an identification obligation equivalent to that required by Luxembourg law. Subscriptions may be blocked temporarily until the source of the funds has been identified.
The SICAV may require additional documentation regarding a new or existing subscription at any time. Any failure to meet this requirement for additional documentation shall lead to the suspension of the new subscription procedure. The same consequence shall arise if this documentation has been requested and not supplied within redemption operations.

It is generally accepted that financial sector professionals resident in countries that have ratified the conclusions of the GAFI (Financial Action Task Force on Money Laundering) report are considered to have an identification obligation equivalent to that required by Luxembourg law, in particular under the applicable European directives and regulations, the Luxembourg Law of 5 April 1993 on the financial sector (as amended), the Luxembourg Law of 12 November 2004 on the fight against money laundering and terrorist financing (as amended), the Law of 27 October 2010 on strengthening the legal framework to combat money laundering and the financing of terrorism, *Luxembourg Financial Regulatory Authority* Regulation No 12-04 of 14 December 2012 on the fight against money laundering and terrorist financing, *Luxembourg Financial Regulatory Authority* circulars (including, but not limited to, Circulars Nos 13/556, 11/529, 11/528, 10/486 and 10/484), as well as other applicable European or Luxembourg laws and regulations.

XV. SUBSCRIPTIONS, REDEMPTIONS AND CONVERSIONS

Subscriptions, redemptions and conversions are carried out in accordance with the Articles of Association of the SICAV as set forth in the Sub-Fund fact sheets.

Depending on the Sub-Funds, subscriptions, redemptions and conversions are made either at an unknown NAV (NAV calculated on D+1) or at a super-unknown NAV (NAV calculated on D+2).

Subscriptions, redemptions and conversions are performed in the currency of the Sub-Funds or asset Classes concerned.

XVI. DEFINITION AND CALCULATION OF THE NET ASSET VALUE

The net assets of each Sub-Fund of the SICAV and the calculation of the Net Asset Value per share are valued on each day ("**Valuation Day**") indicated in the Sub-Fund's fact sheet. The NAV on the Valuation Day shall be determined based on the last closing price available on the Valuation Day and shall actually be calculated on the banking business day in Luxembourg following the Valuation Day.

The NAV of a Share, irrespective of the Sub-Fund and Share Class in which it is issued, shall be determined in the currency of that Share Class.

In the event of significant subscriptions, redemptions and/or conversions to and/or from a Sub-Fund on the same full banking business day in Luxembourg, and to take account of the dilution effect and protect Shareholders' interests, the Management Company reserves the right to apply the *swing pricing* mechanism as part of its daily valuation policy, provided that this possibility is provided for in the relevant Sub-Fund data sheet. This means that if, during a full banking business day in Luxembourg, the total figure for transactions on the Shares of a Sub-Fund exceeds the threshold set by the Management Company, the NAV of the relevant Sub-Fund may be adjusted to an amount not exceeding 2% of the relevant NAV, to reflect both the estimated tax charges and trading costs that may be incurred by the relevant Sub-Fund, as well as the estimated difference in trading of the assets in which the relevant Sub-Fund invests or sells.
In this case, the official (i.e. published) NAV per Share corresponds to the NAV for which the *swing pricing* mechanism has been applied. If a dilution adjustment is performed, it usually increases the NAV per Share in the event of significant net capital inflows in the relevant Sub-Fund and reduces the NAV per Share in the event of significant net capital outflows.

Suspensions of the calculation of Net Asset Value, subscriptions, redemptions and conversions:
Without prejudice to legal reasons, the SICAV may suspend calculation of the NAV of the Shares and the issue, redemption and conversion of its Shares, either generally or in relation to one or more Sub-Funds only, if the following circumstances occur:

- where one or more stock exchanges or markets on which the valuation of a major part of the SICAV's assets is based or one or more currency markets in currencies in which the NAV of the Shares or a major part of the SICAV's assets is denominated are closed on days other than normal holidays, or where trading is suspended or placed under restrictions or temporarily subject to major fluctuations;
- Where the political, economic, military, monetary or corporate climate, or striking, or any case of force majeure beyond the responsibility or control of the SICAV makes it impossible to dispose of its assets in a reasonable and normal way that is not seriously prejudicial to the interests of the Shareholders;
- In the event of a breakdown in the means of communication normally used to determine the price of any SICAV asset or where the value of any SICAV asset cannot be promptly and accurately ascertained, for whatever reason;
- where exchange-rate or capital-movement restrictions prevent the SICAV from carrying out transactions or where buying or selling operations affecting SICAV assets cannot be realised at normal exchange rates;
- upon the occurrence of an event leading to the liquidation of the SICAV;
- in the event of merger, if applicable, of one Sub-Fund with another or another UCITS (or Sub-Fund thereof) provided that such suspension is justified by the need to protect Shareholders; and/or
- when a Sub-Fund is a Feeder Fund of a Master Fund, if the calculation of the net asset value of this Master Fund is suspended.
- when, for any other reason, the value of the assets or liabilities and debts attributable to the Sub-Fund cannot be rapidly or correctly determined;
- during the entire period during which the calculation of the net asset value per Share of the underlying fund of the relevant Share Class is suspended;
- For any other circumstance where the absence of suspension could generate certain commitments, pecuniary disadvantages or any other damage for the Sub-Fund or one of its Share Classes or its Shareholders, that the Sub-Fund or one of its Classes of 'Shares or its Shareholders would not otherwise have suffered.

The SICAV will inform Shareholders wishing to subscribe, redeem or convert Shares in the Sub-Funds affected that calculation of the NAV has been suspended; they may cancel their order. Other Shareholders shall be informed through a notice in the press where required by the applicable laws and regulations. This suspension will have no effect on calculation of the NAV or the issue, redemption or conversion of shares of unaffected Sub-Funds.

XVII. TAX TREATMENT OF THE SICAV AND OF SHAREHOLDERS

General Information

- **Applicable legislation:**

The SICAV is subject to Luxembourg tax legislation.

It is the responsibility of parties acquiring Shares in the MANDARINE FUNDS SICAV to find out, themselves or through their tax advisers, about the legislation and rules applicable to the acquisition, holding and possible sale of shares with regard to their residency or nationality.

- **Uncertain tax positions**:

Potential investors should be aware that tax laws and regulations are constantly changing and that any modification to them may come into retroactive effect. Furthermore, the interpretation and application of tax laws and regulations by certain competent authorities may lack consistency and transparency. Given the uncertainty relating to the potential tax burden to be borne by each Sub-Fund, including any actual or latent added value, as well as any charge arising from investments made by the Portfolios whose value is taken into account over a basis (excl. tax) to be paid, the NAV of the portfolios established for any valuation day may not precisely reflect this charge (including charges applicable retroactively).

Taxation of the SICAV

Under Luxembourg tax laws, the SICAV is not subject to Luxembourg tax on its income, profits or capital gains.

The SICAV is not subject to Luxembourg wealth tax.

No capital duty, stamp duty or tax is due in Luxembourg when the Shares of the SICAV are issued, except for a fixed registration fee of EUR 75 payable when the articles of association of the SICAV are established or amended.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. Nevertheless, a reduced annual rate of 0.01% is applicable to Sub-Funds or Classes reserved for one or more institutional investors. The net assets invested in UCIs that are already subject to the subscription tax described in Article 174 of the Law of 2010 are exempt from subscription tax. Section 175 of the Law of 2010 provides several other options for exemption from the subscription tax.

Interest and dividend income received by the SICAV may be subject to a withholding tax (the rate of which may vary) which cannot be recovered in the country of origin. The SICAV may also be subject to tax on realised and unrealised capital gains on its assets in their country of origin. The SICAV may benefit, in certain circumstances, from double taxation agreements between Luxembourg and other countries, which may provide for an exemption from withholding tax or a reduction of the withholding tax rate.

Distributions made by the SICAV are not subject to withholding tax in Luxembourg.

Finally, the SICAV may also be subject to indirect taxes on its operations and on the services for which it is billed, due to the different legislation in force.

Taxation of Shareholders

Under the legislation in force, Shareholders are not subject to any capital gains tax, income tax, withholding tax, gift tax, inheritance tax or any inheritance rate or other tax in Luxembourg (with the exception of domiciled or resident Shareholders or Shareholders with a permanent establishment in Luxembourg).

Automatic Exchange of Information

The Organization for Economic Cooperation and Development (" **OECD** ") has developed a common reporting standard ("**CRS**") for full and multilateral worldwide Automatic Exchange of Information (AEOI). In this context, on 9 December 2014, Council Directive 2014/107/EU amending Directive 2011/16/EU on the automatic and mandatory exchange of information in the field of taxation (the "**CRS-Euro Directive**") was adopted to implement CRS in Member States.

The CRS-Euro Directive was transposed into Luxembourg law by the Law of 18 December 2015 on the automatic exchange of information relating to financial accounts in tax matters (the "**CRS Law**"). The CRS Law requires Luxembourg financial institutions to identify the holders of financial assets and determine whether or not they are tax residents of countries with which Luxembourg has a tax-sharing agreement. Luxembourg financial institutions will then communicate the information on the financial accounts of the asset holders to the Luxembourg tax authorities, which will then automatically forward the information to the foreign tax authorities on an annual basis.

The SICAV is a Luxembourg financial institution within the meaning of the CRS Law. Accordingly, the SICAV generally requires its investors to provide information related to the identity and tax residence of the financial account holders (including certain controlling entities and persons) in order to determine their CRS status and to disclose information about a Shareholder and their accounts to the Luxembourg tax authorities (Administration des Contributions Directes), if such an account is considered a CRS reportable account under the CRS Law.

The SICAV shall provide the investor with all information stipulating that (i) the SICAV is responsible for the processing of personal data covered by the CRS Law; (ii) personal data will only be used for the purposes of the CRS Law; (iii) personal data may be forwarded to the Luxembourg tax authorities (Administration des Contributions Directes); (iv) responding to CRS-related questions is obligatory, with an indication of the possible consequences of not responding; and (v) the investor has the right to access the data forwarded to the Luxembourg tax authorities (Administration des Contributions Directes) and to have it corrected.

Under the CRS Law, the first exchange of information will take place on 30 September 2017 as information for the 2016 calendar year. In accordance with the CRS-Euro Directive, the first AEOI will take place on 30 September 2017 for the tax authorities of the Member States for data for the 2016 calendar year. In Austria, the CRS-Euro Directive will be applied for the first time on 30 September 2018 for the 2017 calendar year, i.e. the Savings Directive will remain in force for one additional year.

Furthermore, Luxembourg has signed the OECD Multilateral Competent Authority Agreement ("**Multilateral Agreement**") in order to automatically exchange information covered by the CRS. The purpose of the Multilateral Agreement is to implement CRS in non-EU states. It requires the signing of agreements with each country.

The SICAV reserves the right to refuse any Share subscription application if the information provided (or not) fails to meet the requirements of the CRS Law. Investors who do not comply with the SICAV's requests for information may be subject to the taxes and penalties imposed on the SICAV as a result of this failure to provide complete and accurate information.

Investors should consult their professional advisers to find out about any fiscal or other consequences, if any, related to the transposition and application of the CRS.

FATCA

The Foreign Account Tax Compliance Act ("**FATCA**"), an integral part of the 2010 US employment law (Hiring Incentives to Restore Employment Act), was enacted in the United States in 2010.
It requires financial institutions outside the United States ("**foreign financial institutions**" or "**FFI**") to forward information relating to "Financial Accounts" held, directly or indirectly, by "Specified US Persons" to the US Internal Revenue Service ("**IRS**") every year.
A 30% withholding tax is levied on certain FFI revenues of US source that do not meet this requirement.

On 28 March 2014, the Grand Duchy of Luxembourg signed a Model 1 Intergovernmental Agreement ("**IGA**") with the United States of America and a related Memorandum of Understanding. The SICAV is classified as a "Luxembourg Financial Institution" within the meaning of the Luxembourg IGA. It must therefore respect the Luxembourg IGA, as transposed into Luxembourg law by the Law of 24 July 2015 on FATCA (the "FATCA Law"), in order to comply with the FATCA provisions instead of directly complying with the US Treasury regulations applying FATCA.

Pursuant to the FATCA Law and the Luxembourg IGA, the SICAV may be required to collect information with a view to identifying its direct and indirect Shareholders who are US Persons identified for FATCA purposes ("**FATCA Reportable Accounts**"). . All information on FATCA Reportable Accounts provided to the Fund will be forwarded to the Luxembourg tax authorities, which will automatically forward them to the Government of the United States of America, under Article 28 of the Agreement between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg for the avoidance of double taxation and the prevention of tax evasion in respect of income and capital gains taxes, signed in Luxembourg on 3 April 1996.

The SICAV intends to comply with the provisions of the FATCA Law and the Luxembourg IGA in order to be considered compliant with FATCA and will therefore not be subject to the withholding tax of 30% due to its interest in such payments attributable to actual or deemed US investments of the SICAV. The SICAV is registered with the IRS and has received a GIIN (**Global Intermediary Identification Number**). The SICAV will continually evaluate the extent of the measures to which it is subject under FATCA and in particular the FATCA Law.

In order to ensure the SICAV's compliance with FATCA, the FATCA Law and the Luxembourg IGA, the SICAV may, in particular:

- request information or documents, including tax self-certifications, US IRS W-8 or W-9 tax forms, a Global Intermediary Identification Number, if applicable, or other valid proof of Shareholder registration for the purposes of FATCA with the IRS or a corresponding exemption, to determine their FATCA status;
- communicate information concerning a Shareholder (and Persons controlling Shareholders that are Non-Financial passive foreign Entities) and its participation in the SICAV to the Luxembourg Tax Authorities if such participation is considered to be a FATCA Reportable Account under the FATCA Law and the Luxembourg IGA;
- provide information to the Luxembourg tax authorities (Administration des Contributions directes) concerning payments to Shareholders with FATCA status as a non-participating foreign financial institution; and
- deduct any US withholding tax applicable to certain payments, such as "Passthru Payment” type deductions at source, if any, paid to the Shareholder by or on behalf of the SICAV pursuant to FATCA, the FATCA Law and the Luxembourg IGA;
- disclose such personal information to any immediate paying agent of certain income from a US source, which may be required for withholding tax and the reports to be submitted in connection with the payment of such income.

Any data obtained by the SICAV shall be processed in accordance with the Law of 2018 as amended. The SICAV shall provide the investor with all information stipulating that (i) the SICAV is responsible for the processing of personal data covered by the FATCA Law; (ii) personal data will only be used for the purposes of the FATCA Law; (iii) personal data may be forwarded to the Luxembourg tax authorities (Administration des Contributions Directes); (iv) responding to CRS-related questions is obligatory, with an indication of the possible consequences in the event of absence of response; and (v) the investor has the right to access the data forwarded to the Luxembourg tax authorities (Administration des Contributions Directes) and to have it corrected.

The SICAV reserves the right to refuse any Share subscription application if the information provided by a potential investor fails to meet the requirements of FATCA , the FATCA Law and the IGA.

Specific risks arising from the publication of tax requirements in Germany and Austria:

Certain classes of Share in the Sub-Fund are specifically aimed at investors residing in the German Federal Republic or the Republic of Austria for tax purposes.

Within this framework, the SICAV must provide documentation to the German and Austrian tax authorities upon request so that these authorities, among others, can verify the accuracy of the published tax information. The basis on which these figures are calculated is subject to interpretation and it cannot therefore be guaranteed that these authorities will accept or will be in agreement with the calculation method used by the Sub-Fund. Furthermore, Shareholders subject to German or Austrian taxation should be aware that if the tax authorities are not in agreement with the Sub-Fund's calculation method and determine that the published tax information is incorrect, that a subsequent correction, as a general rule, shall not have a retrospective effect and shall not enter into effect during the course of the current financial year. Consequently, the correction can affect German or Austrian investors who receive a distribution or an allocation of the estimated income distribution during the current year, in either a positive or a negative way.

When the Sub-Fund is qualified as "Aktienfonds", this means that within the meaning of German tax law (§2 Abs. 6 InvStG); the investment in "Kapitalbeteiligungen" in accordance with §2 Abs. 8 InvStG will continuously exceed 51% of net assets. Where applicable, this information appears on the fact sheet of the Sub-Fund.

The SICAV advises potential Shareholders to inform themselves and, if necessary, seek professional advice on the laws and regulations relating to the subscription, purchase, holding, redemption and sale of Shares in their country of origin, residence or domicile.

Potential Shareholders should inform themselves and, if appropriate, seek advice on legislation and regulations (including taxation and exchange controls) applicable in respect of the subscription, redemption, holding or sale of Shares in their country of origin, residence and/or domicile.

Taxation of the Feeder Funds:
The investment of a Sub-Fund having the status of a Feeder Fund in a Master Fund does not have a specific tax impact in Luxembourg.

XVIII. FINANCIAL REPORTS

The financial year starts on 1 January and ends on 31 December of each year.

The SICAV shall publish an annual report audited by Deloitte Audit (the "**Statutory Auditor**") at the end of every financial year as well as an unaudited interim report at the end of every half-year, on 30 June.

These financial reports may include, among other things, separate financial statements drawn up for each Sub-Fund. The consolidation currency is the euro.

XIX. DISSOLUTION – LIQUIDATION – CLOSURE- MERGER

Dissolution and liquidation of the SICAV

Liquidation of the SICAV shall take place in accordance with the provisions and conditions provided for by the legislation in force in the Grand Duchy of Luxembourg and in the SICAV's articles of association.

Minimum capital

In the event that the share capital of the SICAV amounts to less than two thirds of the minimum capital, the directors must submit a proposal to dissolve the SICAV to the General Meeting of the SICAV (the "**General Meeting**"), which shall deliberate without any attendance conditions and shall pass resolutions by a simple majority of the Shares represented at the General Meeting.

If the share capital of the SICAV falls below one quarter of the minimum capital, the directors must refer the matter of dissolution of the SICAV to the General Meeting of Shareholders deliberating without attendance conditions. The dissolution may be declared by Shareholders holding one quarter of the Shares represented at the General Meeting.

The General Meeting must be convened so as to ensure that it is held within forty days of finding that the net assets have fallen, respectively, below two-thirds or one quarter of the minimum capital.

The decisions of the General Meeting, or of a court, ordering the dissolution and liquidation of the SICAV published in Mémorial and in two newspapers of sufficient circulation, at least one of which must be a Luxembourg newspaper. These publications are made at the behest of the liquidator(s).

Voluntary liquidation

In the event of dissolution of the SICAV, it shall be liquidated by one or more liquidators appointed in accordance with the Law of 2010 and in accordance with the SICAV's Articles of Association. The net proceeds of the liquidation of each Sub-Fund will be distributed to the Shareholders of the respective Share Class, pro rata to the number of Shares they hold in this Class. Amounts not claimed by the Shareholders at the close of the liquidation will be deposited with the Caisse des Consignations in Luxembourg. Unless claimed before the expiry of the legal prescription period, the amounts deposited may not be withdrawn.

The possibilities of issue, redemption and conversion of the SICAV's Shares shall cease as soon as the decision to dissolve the SICAV has been taken.

Closure and merger of Sub-Funds or Share classes

Closure of a Sub-Fund or Share Class

The Board of Directors may decide on the closure of one or more Sub-Funds or Share Classes if the Board of Directors feels that major changes in the political or economic situation render it necessary, or if the net assets of this or these Sub-Funds or Share Classes are deemed to be insufficient to ensure the optimal management of this or these Sub-Funds or Share Classes.

The decision to liquidate the Sub-Fund or close the relevant Share Class will be communicated or published to the relevant Shareholders before the liquidation/closure and this communication or publication will indicate the reasons for the liquidation/closure and procedures put in place.

Unless the Board of Directors decides otherwise in the interests of the Shareholders or to maintain equal treatment of Shareholders of the relevant Sub-Fund, the SICAV may, pending the enforcement of the decision to liquidate, continue to accept applications for redemption of Shares of the Sub-Fund whose liquidation has been decided.

The net assets of the relevant Sub-Fund or those attributable to a Share Class shall be divided among the remaining Shareholders of the Sub-Fund or Class concerned. Amounts that have not been claimed by Shareholders or beneficiaries during closure of the liquidation of the Sub-Fund(s) will be deposited with the Caisse des Consignations in Luxembourg.

Merger of Sub-Funds or Share Classes

The Board of Directors may decide, in the interests of the Shareholders, to merge the assets of Sub-Fund or Share Class with the assets of another Sub-Fund or another Class within the SICAV. These mergers may be carried out for a range of economic reasons justifying the completion of these Sub-Fund or Share Class merger operations.

All Shareholders of the Sub-Fund or Share Class concerned will be notified no later than one month before the effective date of the merger. This notification will also indicate the characteristics of the new Sub-Fund or new Share Class. Shareholders in Sub-Funds or Share Classes destined for a merger shall be able, for at least thirty (30) days before the deadline for requesting redemption or conversion of their Shares, to request redemption or conversion of their shares at no charge (other than the cost of disinvestment). Beyond this deadline, the decision will apply to all Shareholders who have not taken the opportunity of this release without charge.

In circumstances similar to those described in the preceding paragraph and in the interest of Shareholders, the merger of the assets and liabilities attributable to a Sub-Fund or Share Class with another UCITS or sub-fund or Share Class in this other UCITS (whether established in Luxembourg or in another Member-State, whether constituted as a corporation or a contractual fund), may be decided by the Board of Directors, in compliance with the provisions of the Law of 2010. The SICAV will send notification to the Shareholders of the Sub-Fund concerned in accordance with Regulation No 10-5 of the CSSF. Each Shareholder of the Sub-Fund or Share Class concerned shall have at least thirty (30) days, before the deadline for requesting reimbursement or conversion of Shares, to request reimbursement or conversion of their Shares, at no cost other than disinvestment costs.

In the case of a merger procedure to a different collective investment undertaking (in the form of a contractual fund or a foreign fund), the merger will be binding only on Shareholders of the Sub-Fund or Share Class concerned who have expressly given their assent to the merger. Otherwise, the Shares held by other Shareholders that have not clarified their position regarding said merger shall be redeemed without charge. These mergers can be carried out in various economic circumstances justifying a merger of sub-funds.

In the case of a merger of a Sub-Fund or Share Class that results in the termination of the SICAV, the merger must be decided at a meeting of Shareholders of the Sub-Fund or Share Class concerned; this meeting may deliberate without any quorum by a simple majority of votes cast.

XX. SHAREHOLDER INFORMATION

Details of the NAV, the issue price and the redemption and conversion price of each Share Class can be obtained every banking business day in Luxembourg from the SICAV's registered office.

Amendments to the SICAV's Articles of Association will be published in the Luxembourg Mémorial, Recueil des Sociétés et Associations.

Notices and information for Shareholders will be published in the Luxembourg Memorial, Recueil des Sociétés et Associations à Luxembourg, if required by Luxembourg law. These notices and information may also be published in Luxembourg newspapers, where appropriate.

The following documents are available to the public:

- the Prospectus and the articles of association of the SICAV;
- the Key Investor Information Document (KIID) for Shares in the SICAV's Sub-Funds;
- the SICAV financial reports.

A copy of the agreements concluded with the Management Company, the Custodian Bank, the Central Administration, the Managers, Sub-Managers and Investment Advisers and Sub-Advisers of the SICAV may be obtained free of charge from the registered office of the SICAV.

The Management Company wishes to alert investors to the fact that any investor may only fully exercise their rights as investor directly with the UCITS - including the right to take part in General Meetings of Shareholders- if the investor itself is listed by name in the registry of UCITS Shareholders. In the event that an investor invests in the UCITS by way of an intermediary investing in the UCITS investing in their own name but on behalf of the investor, certain rights attached to the status of Shareholder may not necessarily be exercised by the investor directly with the UCITS. Investors are recommended to seek advice regarding their rights.

XXI. CONSIDERATION OF NON-FINANCIAL CRITERIA

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on the Publication of Information on Sustainability in the Financial Services Sector (hereinafter the "SFDR Regulation")

The Management Company identifies, analyses and includes sustainability risks into its investment decisions. Unless otherwise indicated in the fact sheet of a relevant Sub-Fund, the Management Company takes account of the sustainability risks borne by a substantial part of the asset categories (apart from cash) of the Sub-funds. The fact sheet for each Sub-Fund indicates the percentage of hedging of these sustainability risks.

Definition of sustainability risk: any environmental, social or governance event or situation which, if it occurs, could have an actual or potential negative impact on the value of the investment. The occurrence of such an event or situation may also lead to a modification of the Sub-Fund's investment strategy, including the exclusion of the securities of certain issuers. More specifically, the negative effects of sustainability risks can affect issuers through a series of mechanisms, including: (1) lower income; (2) higher costs; (3) damage or depreciation in the value of assets; (4) higher capital cost; and (5) regulatory fines or risks. Due to the nature of sustainability risks and specific topics such as climate change, the likelihood of sustainability risks impacting financial product returns is likely to increase in the longer term.

Consequences related to sustainability risks: Sustainability risks are important elements for consideration in order to strengthen long-term risk-adjusted returns for investors and to determine the risks and opportunities specific to the strategy of a Sub-Fund. The impacts resulting from the emergence of a sustainability risk can be numerous and may vary according to the specific risk, region, sector and/or asset class. In general, when a risk identified as a sustainability risk occurs for an asset, there will be a negative impact and, possibly, a partial or total loss of its value and therefore an impact on the net asset value of the relevant Sub-Fund.

Inclusion of sustainability risks: The sustainability risk inclusion approach aims to identify and assess ESG risks at the level of the issuers in the portfolio of the Sub-Funds.

The sustainability risks that the investment teams of the Management Company can take into account include, but are not limited to:
- corporate governance errors (e.g., board structure, executive compensation);
- shareholder rights (e.g. election of directors, changes in capital);
- regulatory changes (e.g. restrictions on greenhouse gas emissions, governance codes);
- physical threats (e.g. extreme weather conditions, climate change, water shortages);
- brand and reputation issues (e.g. poor health and safety record, cybersecurity breaches);
- supply chain management (e.g. increased fatalities, injury absence rates, labour relations); and
- professional practices (e.g. compliance with health, safety and human rights provisions).

The portfolio managers and the analysts of the Management Company supplement the financial analysis of potential investments with additional qualitative and quantitative non-financial analysis (or not relating to the fundamentals), including ESG risks, and will take this into account in the decision-making and risk control process insofar as they represent material risks, potential or actual, and/or opportunities to optimise long-term risk-adjusted returns.

This systematic integration of ESG risks into investment analysis and decision-making is based on:

- the “qualitative assessments” which are performed with reference to, but not limited to, case studies, environmental, social and governance impacts associated with issuers, product safety documents, customer reviews, site visits to companies or data from proprietary models and local intelligence; and

- “Quantitative assessments” are conducted with reference to ESG ratings that may be established by external suppliers (extra-financial rating agencies), in particular, but not exclusively, or to an internal rating assigned by managers, third-party certificates or labels, assessment reports on carbon footprints, or the percentage of issuer revenue generated by relevant ESG activities.

However, it should be noted that, even if ESG / sustainability risks are considered systematically, no single aspect (including ESG ratings) could prevent the portfolio manager from making an investment as the investment decisions remain discretionary.

The integration of sustainability risks leads the Sub-Funds to comply with an exclusion policy, bringing together both a regulatory and a sectoral exclusion, companies or practices based on specific ESG criteria defined from time to time, and which are analysed as follows:

- Regulatory exclusion covers issuers which, according to the Management Company, have failed to conduct their activities in accordance with recognised international standards, in particular those established in the United Nations Global Compact.

- Sector exclusion covers issuers that have exposure or links to:

  - controversial weapons (biological, chemical, incendiary weapons, depleted uranium, cluster munitions, landmines and nuclear weapons);
  - the production of semi-automatic firearms for sale to civilians or the sale of semi-automatic firearms to civilians;
  - thermal coal mining and electricity production, according to the thresholds established by Mandarine Gestion's coal policy.

- The Management Company at all times ensures, in particular through the Sustainability Committee (see below), that the companies held in the portfolio comply with good governance practices (see the “extra-financial approach” paragraph).

The Management Company's sustainable investment policy and its implementation as regards the Sub-Fund is available on the Management Company's website. www.mandarine-gestion.com, it sets out in detail the Management Company's approach to sustainable investment in the various Sub-Funds, the integration and implementation of ESG principles, the approach to engagement and the exercise of voting as well as the exclusion policy.

The sustainable investment policy and activities are supervised by the Sustainability Committee.

The ***Sustainability Committee*** is responsible for establishing, adapting and monitoring the policies and objectives of the Management Company in terms of sustainable investment and supervising the implementation and development of these policies and objectives. The members of this committee include the management director, the head of the ESG division, the risk manager and the head of compliance and a member of the general management.

Sub-funds subject to the information publication requirements of Article 8 of the SFDR Regulation

When specified in their investment objective, certain Sub-Funds may seek to achieve their investment objectives while promoting, among other characteristics, environmental or social characteristics, or a combination of these characteristics.

The criteria related to this approach are set out below and relate to all Sub-Funds subject to the disclosure requirements of Article 8 of the SFDR Regulation.

Sub-funds subject to the information publication requirements of Article 9 of the SFDR Regulation

When this is specified in their investment objective and strategy, certain Sub-Funds have a sustainable investment objective within the meaning of Article 9 of the SFDR Regulation. Specific additional exclusions and requirements are defined in the investment objective or investment strategy of the relevant Sub-Fund.

The SICAV today has two categories of Sub-Funds that have a sustainable investment objective: ***”sustainability oriented”*** and *" **sustainable themes**".*

In general, the "sustainability oriented" Sub-Funds aim to actively select companies which, in the Management Company's judgement, outperform their competitors in terms of sustainability, in terms of ESG ratings; these Sub-Funds are often labelled (see below).

The "sustainable themed" Sub-funds invest in different sectors based on a specific sustainability theme with a long-term investment horizon in order to meet the challenges of sustainability.

SFDR Grids of the SICAV's Sub-Funds

Sub-Fund	SFDR classification
Mandarine Unique Small & Mid Caps Europe	Article 8 publication and disclosure requirements
Mandarine Multi-Assets	Article 8 publication and disclosure requirements
Mandarine Europe Microcap	Article 8 publication and disclosure requirements
Mandarine Global Microcap	Article 8 publication and disclosure requirements
Mandarine Active	Article 9 publication and disclosure requirements
Mandarine Optimal Value	Article 8 publication and disclosure requirements
Mandarine Global Transition	Article 9 publication and disclosure requirements
Mandarine Global Sport	Article 8 publication and disclosure requirements

Extra-financial approaches

The investment policy of certain Sub-Funds of the SICAV may take account of extra-financial criteria according to different approaches, in particular:
▪ ESG approach taking account of Environmental, Social and Governance criteria;
▪ Exclusion approach:
▪ Thematic approach based on the ecological and energy transition taking account of the "green" part of companies or Social/Societal based on the good management of individuals and of externalities on society at large.

SUB-FUND	NON-FINANCIAL APPROACH USED	LABELS
Mandarine Unique Small & Mid Caps Europe	Best in Universe	SRI
Mandarine Multi-Assets	N/A	N/A
Mandarine Europe Microcap	Best in class	France: SRI
Mandarine Global Microcap	N/A	N/A
Mandarine Active	Best in Universe	France: SRI Germany: FNG Austria: Umweltzeichen
Mandarine Optimal Value	N/A	N/A
Mandarine Global Transition	Ecological and energy transition	France: Greenfin Austria: Umweltzeichen
Mandarine Global Sport	Best in Universe	SRI

1 - ESG approach

Concept:
The ESG criteria are intended to evaluate and measure the exercise of corporate environmental responsibility by companies and their stakeholders (employees, partners, subcontractors and customers).

- The **Environmental** criterion: takes account, among other things, of the way in which waste management is treated, the reduction of greenhouse gas emissions and the prevention of environmental risks, etc.
- The **Social** criterion: this addresses matters relating to the prevention of workplace accidents, training, respect for employee rights, social dialogue, respect for rights in the supply chain and social dialogue, etc.
- The **Governance** criterion: ensures the independence of governance and management bodies, such as board membership, management structure, transparency of remuneration and presence of an audit committee, etc.

- The **Stakeholders** criterion this analyses aspects relating to the quality of the products offered and customer service, responsible purchasing policy, monitoring of the value chain, human rights policy in direct activities and in the value chain, formalised commitments, monitoring of UN recommendations, interactions with NGOs, exposures in sensitive countries, inclusion and development programmes for local communities, etc.

The selection process for ESG securities is therefore based on the collection of extra-financial information about the securities in the Sub-Fund's investment universe. In order to enable this ESG integration, ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative extra-financial information from multiple sources to allow for original hedging:
- the Extra-Financial Performance Report (EFPR) published by the companies in question;
- meetings with issuers, management and stakeholders (NGOs, unions, study reports, etc.);
- the reports and analyses of brokers and extra-financial rating agencies.

The fact sheets of the Sub-Funds in question describe the ESG asset selection method more specifically.

ESG scores may go up or down over time, through monthly updates. They are reviewed at least every 12 months. They may lead to investment or divestment decisions.

Types of ESG approaches:

- Best in Universe:

The Best in Universe approach is a type of ESG selection that prioritises, within the investment universe, the best-rated issuers from an extra-financial perspective, regardless of their activity sector. This approach can lead to sectoral bias.

- Best in Class:

The Best in Class approach is a type of ESG selection that ranks companies in a single activity sector in order to select companies with ESG best practices in their industry, without excluding any sector a priori. The goal of the Best in Class approach is to assess the ability of companies to address sectoral challenges of long-term sustainability and to encourage and value the "best pupils" in each industry. The foundations of this approach are based on the finding that introducing a sectoral bias within a portfolio is not desirable since all activity sectors contribute to the development of the economy despite the controversies attributed to certain sectors. This approach aims to improve corporate behaviour and progression in ethical, social, environmental, governance, etc. terms.

- Best Effort:

The Best Effort approach is a form of ESG selection that involves favouring issuers demonstrating an improvement or good prospects in their ESG practices and performance over time.

ESG Sub-funds may be SRI-labelled by an independent or certification body using one of the three approaches below.

Methodological limits of the ESG approach:

By using ESG criteria in the investment policy, the objective of the Sub-Fund in question is on particular to able to manage sustainability risk and to generate sustainable and long-term returns. ESG criteria can be generated using proprietary models, third-party models and data, or a combination of both. The assessment criteria may change over time or vary depending on the sector or industry in which the relevant issuer operates.

The SRI analysis approach of companies implemented by the Management Company is based on a qualitative analysis of the environmental, social and governance practices of these stakeholders. A number of limitations can be identified relating to the management company’s methodology but also more broadly to the quality of the information available on these subjects (freshness, exhaustiveness, completeness, accuracy, etc). Indeed, the analysis is largely based on qualitative and quantitative data provided by the companies themselves and from external suppliers. It is therefore dependent on the quality of this information. Although constantly improving, companies' ESG reports are still patchy and discordant. Finally, although the Management Company's analysis methodology aims to include forward-looking elements to ensure the environmental and social quality of the companies in which the Sub-Fund invests, anticipating the occurrence of controversies remains an exercise that is difficult to predict, and may lead the Management Company to revise its opinion on the ESG quality of an issuer in the portfolio after the fact. The Best-in-Universe approach is based on a subjective analysis of ESG criteria. The judgements and assessments of the Management Company based on the results of its analyses cannot be free of cognitive bias and the heuristic assumptions of its managers and analysts. The Management Company’s opinion on issuers may therefore vary over time.

The application of ESG criteria to the investment process may lead the Management Company to invest or exclude securities for non-financial reasons, regardless of the market opportunities available. ESG data received from third parties may be incomplete, inaccurate or unavailable from time to time. As a result, there is a risk that the Management Company may incorrectly assess a security or an issuer, resulting in the incorrect direct or indirect inclusion or exclusion of a security in a Sub-Fund's portfolio.

► **The SRI label in France**

The "SRI Label" was created and is supported in France by the Ministry of Economy and Finance. The SRI Label is awarded by a certification body that audits the Sub-Fund. The purpose of this audit is to determine whether or not the applicant fund meets the **labelling criteria** as detailed in Annex II(II) of the Order of 8 January 2016, as amended by the Order of 8 July 2020.

These criteria are grouped around six themes:
• the general objectives (financial and ESG) sought by the fund. The aim is to check that these objectives are precisely defined and described to investors and that they are taken into account in the definition of the fund investment policy;
• the ESG criteria analysis and rating methodology implemented by the companies in which the fund invests;
• consideration of ESG criteria in the construction and life of the portfolio;
• the ESG commitment policy with the companies in which the fund invests (voting and dialogue);
• the transparency of the management of the fund;
• measurement of the positive impacts of ESG management on the development of a sustainable economy.

The SRI Label requires that the portion of ESG-rated issuers in the Fund's portfolio (excluding public debt and cash) be sustainably above 90% in the long term. The Sub-Fund may invest up to a maximum of 10% in assets that have not undergone an ESG analysis.

► **Labelling in other countries of the European Union.**

The Board of Directors of the SICAV may start the ESG/SRI labelling procedures with all relevant authorities within European Union countries.

► **Specific information on the ESG approach of the Sub-Funds and the Management Company.**

Information relating to the inclusion in the investment policy of environmental, social and quality governance criteria (ESG) is available on the Management Company's website www.mandarine-gestion.com and will appear in the annual report, starting from the report for the financial year starting on 1 January 2019.

2- Exclusion approach

Exclusion is the original approach of SRI management, or rather of ethical management. The approach that religious congregations have always adopted, because the activities of certain companies were in conflict with the values they upheld. Companies in the tobacco, alcohol, weapons or sex sectors or that generate part of their turnover from these sectors have of course paid the price for this blacklisting.

Sectoral and thematic exclusions are stated on the fact sheets of the Sub-Funds.

Systematic exclusions from all Sub-Funds:
Companies involved in the production or distribution of antipersonnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are excluded from all of the Sub-Funds of the SICAV.

3 - "Energy and ecological transition" thematic approach and impacts

The thematic approach involves investing in building a portfolio around companies, generally innovative companies, seeking to respond to major societal challenges: access to drinking water, ecological transition, climate transition, renewable energy, etc.

"Energy and ecological transition"
This non-financial approach is based on the selection of activities linked to sustainable development and the environment and, more specifically, to energy and the ecological transition.

These so-called “Eco-Activities” produce goods and services for the protection of the environment or the management of natural resources, i.e. for the purpose of measuring, preventing, limiting or rectifying environmental damage to water, air and soil and problems relating to waste, noise and ecosystems for human well-being (international definition of the OECD and Eurostat).

These "Eco-Activities" are as follows:
- Energy
- Building
- Waste management and combating pollution
- Industry
- Clean transport
- information and communication technologies
- Agriculture and forests
- Adapting to climate change

Companies are evaluated based on the exposure of their turnover to Eco-Activities. There are three types of turnover exposure:

o Type I companies: Minimum 50% of turnover
o Type II company: Between 10% and 50% of turnover
o Type III company: Between 0 to 10% of turnover

Greenfin Label:

Created by the Ministry of Ecological and Solidarity Transition, the objective of the GreenFin Label is to guarantee that investment funds are committed to the green economy.

Sub-Funds claiming the Greenfin Label must set up an effective environmental impact measurement system in order to define their performance through the production of indicators as defined by the label.

Impact measurement methodology:

The impact indicators of the energy and ecological transition are as follows:
- Climate change
- Water
- Natural resources
- Biodiversity

At the date of this Prospectus and given the Mandarine Global Transition Sub-Fund’s investment objective and investment strategy, the impact of the Sub-Fund will be measured through its “Climate Change” contribution. ".

· **Comparative measurement of the distribution of issuers in the Sub-Fund's portfolio and its benchmark index according to the “GreenFin” typology (distribution of the Fund's portfolio among Type I, II, III issuers):**
The classification of issuers according to the GreenFin typology between Types I, II and III will be made through declarations by issuers, where appropriate, reported in particular via tools for disseminating financial information. Otherwise, the classification will be assessed with regard to the breakdown of turnover.

· **Comparative measurement of the “green share” of the Sub-Fund and its Benchmark Index according to the “Taxonomy”:**
The determination of activities falling under the "green" part will be based on the distinctions made by the European Union's Green Taxonomy.

· **Alignment measurement + 2°C Paris agreement:**
The comparative measurement of the Sub-Fund and its Benchmark with regard to the + 2°C alignment will be carried out in particular using extra-financial data compiled by and reported in particular by extra-financial data providers. The analysis may be supplemented with information disclosed by the issuers themselves, data provided by external financial and extra-financial research providers, open-source data and internal research.

· **Measurement of carbon and greenhouse gas (hereinafter the "GHG") footprint::**
Through the measurement of the Sub-Fund's carbon footprint and its Benchmark Index; the objective, first of all, being to enable a comparison between the carbon footprint of the Sub-Fund and that of its index and thus the measurement of the monitoring of the management of the Sub-Fund in its objective of reducing greenhouse gas emissions (GHG). The carbon footprint and GHG assessment is based on the data reported by data suppliers and data provided by the issuers themselves. Otherwise, it can be evaluated based on the breakdown of the issuer's turnover.

Methodological limitations with regard to impact measurement:

Based on scientific progress, other measurement indicators that may seem relevant for measuring the Fund’s impact.
Impact measures are the ex-post monitoring information of the Sub-Fund's investment strategy.

Investors' attention is drawn to the fact that the extra-financial analyses of impact measurement are based on the data provided by the issuers themselves, by suppliers of extra-financial information or by external sources (study reports, NGOs, suppliers of extra-financial data, etc.).

Methodologies and approaches may vary between the issuers and various suppliers of extra-financial data (skills and experience profile of the staff assigned to the analysis, methodologies for collecting, processing, analysing and consolidating this information, evaluation criteria and their weighting, rigour of the analysis, etc.).
Impact measurement tools and methods have intrinsic limitations which can be significant.

Specific limits concerning the classification of issuers from those belonging to Types I, II or III.
The distinction between type I, II and III issuers is based on the data provided by the issuers themselves, an analysis of their turnover breakdown, data from external data providers and extra-financial analysis firms. Certain data must be reprocessed as it may include biases.

Limits on comparative measurement of the green share.
Beyond the limits specific to access to information about issuers, the methodology for assessing activities under the “green” part is subject to constant change depending on the progress of the work of the technical expert group (TEG) of the European Commission and European commitments between the European Council and the Parliament.

Limits on alignment measurement.
The analysis methodology is based in particular on the “Science Based Targets initiative” (SBTI) model. The "Science Based Targets Initiative" (SBTI) allows companies to define and submit their greenhouse gas reduction targets (Scopes 1 and 2) with the aim of respecting the Paris Agreement on the climate in 2015. The Paris Agreement aims to limit global warming to well below 2°C compared to the pre-industrial era and to continue efforts to limit it to 1.5°C. Measuring the alignment with a climate scenario consists of evaluating the past and future trajectory of the company's absolute carbon footprint and comparing it to “theoretical” decarbonisation trajectories published by various organisations such as the International Energy Agency (for sectors with homogeneous production) or the IPCC (for the rest of the economy). This type of approach is based on sectoral decarbonisation: the indicators aim to measure the difference between the actual carbon intensity and the theoretical carbon intensity aligned with a 2°C trajectory. The models and modelling used are predictive models of long-term emission reduction objectives which aim to align the level of decarbonisation required to achieve the objective of maintaining a level below 2°C.

Limitations on the measurement of carbon footprint.
The measurement of the carbon footprint and GHGs makes it possible to measure and guide reflection on a company’s exposure to carbon risk: it makes it possible to identify the companies and sectors that emit the most.
However, this measure has very strong intrinsic limits. On the one hand, the data disclosed by the issuers and the measurement methodologies used can diverge greatly, just as the completeness of the information may be lacking.
On the other hand, the data provided by financial analysis offices can diverge strongly. Comparisons between carbon footprints are complicated due to the assumptions and estimation methodologies adopted by issuers or rating agencies, the calculation methodologies used, the momentum (timeliness of the data), emissions of certain gases (reporting on CO2 only and not on other gases), input errors, changes in methodology from one year to the next, the degree of uncertainty of the raw data, assumptions,

emission factors, etc.
On the other hand, the measurement of the carbon footprint corresponds to the sum of the emissions linked to the activity of a company, whether they take place inside or outside its legal scope of the activity. Generally, the terms “scope 1”, “scope 2” or “scope 3” are used in the context of an assessment of greenhouse gas emissions (GHG) of a company or organisation.
Investors' attention is drawn to the fact that the carbon and GHG balance sheet is used to determine how many greenhouse gases are emitted during the production of a product or during the activities of a company over a given period. In this context, the scopes designate the perimeter within which the organisation's greenhouse gas emissions are studied (scope 1: the most restricted perimeter and scope 3: the broadest perimeter).

Scope 1 refers to the measurement of direct emissions
Scope 1 groups the greenhouse gas emissions directly linked to the production of the product. For example, if the production of the product required the use of petroleum, the combustion of fuel or if the production of the product generated CO2 or methane emissions; all these emissions are accounted for in scope 1. These emissions are called direct emissions.

Scope 2: indirect emissions linked to energy consumption
Scope 2 groups together greenhouse gas emissions linked to the energy consumption necessary for manufacturing the product. (For example, to make a product, you usually need to use electricity to power the factories where the product is made. This electricity consumption in itself does not produce greenhouse gases. But greenhouse gases are emitted as part of the production of electricity. All these emissions related to secondary energy consumption are accounted for in scope 2). They are called indirect emissions linked to energy consumption.

Scope 3: other indirect emissions
Scope 3 groups all other greenhouse gas emissions that are not directly linked to the production of the product, but to other stages in the product life cycle (supply, transport, use, end of life, etc). For example, raw materials are needed to make a product: The extraction of these raw materials, their transformation and their transport to the production plant emit greenhouse gases (scope 3 upstream). In the same way, the end of life of a product or its recycling also emit greenhouse gases (scope 3 downstream). These indirect emissions linked to the product life cycle are recognised in scope 3. They are called other indirect emissions.

For example, GHG emissions, most often expressed in CO2 equivalent, are data which comes either from companies, in particular via statements made to the Carbon Disclosure Project, or from data estimated by a service provider or the Management Company. The carbon impact methodology presented is the weighted average of the emissions most often corresponding to scopes 1 and 2. These emissions do not generally take into account the emissions induced by the company, in particular those caused downstream by the use of the products and services marketed, in particular those of scope 3.

More generally, when the data is not reported or available, an estimation is made. This measure as such does not provide information on the dynamics initiated in the “decarbonisation” process, and in particular on the trajectory, whether it is an improvement or a deterioration in the carbon footprint. More generally, the use of external providers of GHG data and on non-financial indicators does not guarantee the absence of errors; issuers, like most external service providers, use several types of models and the estimates will therefore vary from one issuer to another and from one provider to another.

The SICAV cannot give any guarantee as to the accuracy, completeness and exhaustiveness of the extra-financial reports.

XXII. INFORMATION CONCERNING THE USE OF BENCHMARK INDICATORS

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (hereafter the **"Benchmark Regulation"** or **"BMR"**) and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014, as the SICAV may refer to benchmark indices under the BMR regulation, it is considered a "User" of benchmark indices:

- to ensure that the benchmark indices it uses within the European Union are supplied by administrators that are legally authorised or registered with the European Union as benchmark index Administrators, including the Administrator (Article 29); or to ensure that those originating from third countries respect the principle of equivalence and the regulatory requirements (Article 30-33);
- to establish a suitable monitoring procedure for benchmark indices allowing it to substitute a new index in the event that one or more of the benchmark indices, including that of the index provided by the Administrator, that it uses should be substantially modified or cease to be published (Article 28).

The Administrators of the indices established in the European Union have a deadline of up to 1 January 2020 to request approval or registration with the European Securities and Markets Authority *(hereinafter the **"ESMA"**)*. Consequently, the affected Index Administrators may not yet appear in the ESMA register.

The table below indicates, for each index and the date of the last update of the Prospectus as indicated on page 1, the status of its Administrator under Article 34 of the Benchmark Regulation.

Sub-Fund	Benchmark index	Administrator	Status under the Benchmark Regulation*
Mandarine Unique Small & Mid Caps Europe	STOXX® Europe Small 200 (EUR) Net Return	STOXX	YES
Mandarine Multi-Assets	€STR (euro short-term rate) capitalised + 300bps	European Central Bank	YES
Mandarine Europe Microcap	MSCI ® Europe Micro Cap – Net Returns 50% MSCI® Europe Micro Ex UK	MSCI ® Limited	YES
Mandarine Global Microcap	MSCI ® World Micro Cap – Net Returns	MSCI ® Limited	YES
Mandarine Active	EURO STOXX® Net Return EUR	STOXX	YES
Mandarine Optimal Value	EURO STOXX® Large (Net Return) EUR	STOXX	YES
Mandarine Global Transition	MSCI ACWI Net Total Return EUR Index (all countries world index) NR	MSCI ® Limited	YES
Mandarine Global Sport	MSCI ACWI Net Total Return EUR Index (all countries world index) NR	MSCI ® Limited	YES

*Yes: Approved or registered administrator in accordance with Article 34
*No: Administrator not listed on the ESMA index administrator register

The details of the indices can be found in the fact sheets of the relevant Sub-Funds.

For information, please go to the ESMA website and view "***Benchmark Administrators***" (https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_bench_entities) on the one hand, the list of "EU & EEA benchmark administrators", in other words and more specifically the list of administrators located in the European Union who have been authorised or registered (in accordance with Article 34), the administrators fulfilling the conditions provided for in Article 30(1) of the same Regulation, and on the other hand the list of "third country benchmarks", in other words the list of administrators located outside the European Union (Article 30(1)(c))

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

XXIII. INFORMATION ON MANAGEMENT STYLE

In accordance with regulation 583/2010 of the European Commission (“UCITS regulation”), as specified in particular by the answer to question 8 of section II of Q&A ESMA 34-43-392, it is specified that, unless otherwise stated on the fact sheets of the Sub-Funds, the SICAV pursues an active strategy, i.e. a strategy whose management objective is in no way to replicate the performance of any index.

Moreover, although each Sub-Fund is managed - for comparison purposes only - against a benchmark index, it is not subject to any management constraint aimed at significantly limiting any deviation from its index, either in terms of portfolio composition (investment universe, sector allocation) or deviation of the Sub-Fund’s performance from the index (*tracking error*).

In order to enable Shareholders to assess how actively the Portfolios are managed in relation to their benchmark, they may refer to information such as that provided in the SICAV's monthly reports, annual report and ex-post measures (Sub-Fund volatility, Index volatility, *tracking error*, Sharpe ratio, information ratio, etc.).

The table below shows the management style used for each Sub-Fund.

Sub-Fund	Status with regard to Q&A ESMA
Mandarine Unique Small & Mid Caps Europe	"Actively managed Fund": Actively managed sub-fund
Mandarine Multi-Assets	"Actively managed Fund": Actively managed sub-fund
Mandarine Europe Microcap	"Actively managed Fund": Actively managed sub-fund
Mandarine Global Microcap	"Actively managed Fund": Actively managed sub-fund
Mandarine Active	"Actively managed Fund": Actively managed sub-fund
Mandarine Optimal Value	"Actively managed Fund": Actively managed sub-fund
Mandarine Global Transition	"Actively managed Fund": Actively managed sub-fund
Mandarine Global Sport	"Actively managed Fund": Actively managed sub-fund

XXIV. RESTRICTIONS ON SUBSCRIPTIONS AND CONVERSIONS

In order to protect, among other things, existing Shareholders in the SICAV and to enable continuation of the investment strategy of the Sub-Fund as described in its fact sheet, the Board of Directors may at any time decide to close a Sub-Fund or a Share Class of any Sub-Fund of the SICAV, or to refuse any new subscriptions or conversions of (i) investors who have not yet invested in the Sub-Fund or in the Share Class of any of the Sub-Funds or (ii) any of the funds; any investor.

Decisions made by the Board of Directors to close a Sub-Fund or any of the Share Classes of any of the Sub-Funds may have immediate or non-immediate effect and may be valid for a definite or indefinite period. Any Sub-Fund or Share Class in any of the Sub-Funds may be closed to subscriptions and conversions without shareholders being notified. Notification will nevertheless be posted on the website of the Management Company (www.mandarine-gestion.com) and, where applicable, on other websites or other media, and will be updated according to the status of said Share Classes or Sub-Funds. In fact, the closed Sub-Fund or Share Class(es) may be reopened if the Board of Directors considers that the reasons for which a decision to close was taken no longer apply. The closure of a Sub-Fund or Share Class in any of the Sub-Funds could be decided, without limitation, when the size of a Sub-Fund reaches a level of assets under management such that the market in which it is invested also appears to have reached its capacity level, thus affecting the ability to manage it in line with its objectives and the investment policy defined in its fact sheet.

XXV. ANNEX 1 - SUB-FUND FACT SHEETS

MANDARINE UNIQUE SMALL & MID CAPS EUROPE

Subfund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter, the **"SICAV"**) under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Statutory Auditor	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU0489687169
	Class R shares (d): LU1303937301
	F shares: LU1303937483
	F shares (d): LU1303937640
	Class R shares: LU0489687243
	Class R shares (USD): LU1545812510
	Class R shares (USDH): LU0980140122
	Class I shares: LU0489687326
	Class I shares (USD): LU1545812601
	Class I shares (USDH): LU0980141526
	Class S shares: LU0598593316
	Class G shares: LU0489687599
	Class M shares: LU0489687755
	Class R shares (CHFH): LU1673109150
	Class I shares (CHFH): LU1673109234
	Class F shares (CHFH): LU1673109317
	Class B1 shares (GBP): LU1133336856
	Class B2 shares (GBPH): LU1133336930
	Class B3 shares (GBP): LU1133337151
	Class B4 shares (GBPH): LU1133337235

Class L shares: LU1133337318

L shares (d): LU1303937723

L Share (GBPd): LU1303937996

L share (GBP): LU1303938028

Class MG shares: LU1303938291

Listing on Luxembourg stock exchange

The Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective

The aim of the Mandarine Unique Small & Mid Caps Europe sub-fund (the **"Sub-Fund"**) is to provide investors with long-term capital growth via a diversified portfolio of actively managed securities and to outperform the STOXX® Europe Small 200 (EUR) Net Return benchmark **(the "Index")**.

The Sub-Fund invests at least 75% of its net assets (excluding cash) in sustainable securities, as described in the previous section entitled "Section XXI - Consideration of non-financial criteria - Inclusion of sustainability risks". The Sub-Fund takes account of a wide range of environmental and social characteristics as well as good governance practices. Environmental characteristics include, but are not limited to, climate change mitigation and adaptation measures, water and waste management, and biodiversity; social characteristics include product safety, supply chain, health and safety, and human rights. ESG characteristics are analysed and rated by the Management Company's analysts.

The Sub-Fund takes account of sustainability risks and ESG characteristics as part of its selection process. In this regard, the Sub-Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.

Although the Sub-Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation"), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

Reference index (Benchmark)

STOXX® Europe Small 200 (EUR) Net Return

Identifiers:
ISIN: CH0009108033
Bloomberg Ticker: SCXR Index

This Index is one of the benchmarks for medium and small capitalisation issuers on European markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index developer (www.stoxx.com).

Information following the Q&A ESMA 34-43-392 "Actively Managed Fund"

The Sub-Fund is actively managed.

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index. The Index is used for the purpose of calculating the outperformance fee.

Information concerning the benchmark indicator used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament (hereinafter referred to as "Benchmark Regulation or BMR") and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014, the above index administrator has registered with the European Securities and Markets Authority (hereinafter referred to as the "ESMA").

STOXX® Europe Small 200 (EUR) Net Return is one of the indices developed by STOXX Limited, a company incorporated under Swiss law with its registered office at Theilerstrasse 1A
6300 Zug, Switzerland (hereinafter referred to as the***"Administrator"*****)** **www.stoxx.com/home**

On the date of the latest update to this Prospectus, as stated on the first page, the Administrator has obtained a registration under Article 32 and is therefore listed in the registry of administrators (publication of administrators) and indices (publication of benchmarks) maintained by ESMA (hereinafter referred to as the "***Benchmark Register - List of EU benchmark administrators and third country benchmarks***"**).**

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

For information purposes, the ESMA ***"Benchmark Administrators*" website (**https://www.esma.europa.eu/databases-library/registers-and-data) contains, on the one hand, the list of "EU & EEA benchmark administrators", in other words, and more specifically, the list of administrators located in the European Union who have been authorised or registered (Art. 34), the administrators meeting the conditions set out in Art. 30(1) of the same regulation, and on the other hand, the list of "third country benchmarks", in other words the list of administrators located outside the European Union (Article 30(1)(c)).

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of SFDR "Sustainability" Regulation.

The attention of shareholders is drawn to the fact that the Index was chosen prior to the entry into force of the SFDR Regulation; this Index does not take account of environmental, social or governance considerations.

Information concerning the benchmark indices used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2019/2088, the "Disclosure

Regulation”

Shareholders' attention is drawn to the fact that the Sub-Funds' reference indices or benchmarks do not take into account environmental, social or governance considerations. As such, the Benchmark Indices used by the Sub-Funds are not *"EU Paris-Aligned and Climate Transition-Benchmark", whether* **Climate Transition Benchmark** “CTB” indices of climate transition or **Paris-Aligned Benchmark** "PAB" indices aligned with the Paris Agreement.

Investment policy of the Sub-Fund

The Sub-Fund shall invest at least 75% of its net assets in shares of companies which have their head office located within the EEA.

Within this framework, the Sub-Fund shall invest:
- mainly in small and mid caps;
- within a limit of 15% of its total assets, in shares of companies qualifying as *large caps.*

The Sub-Fund will also be permitted to invest up to 25% of its net assets in money market instruments or debt securities (including transferable securities eligible under Article 41 of the 2010 Law, such as negotiable debt securities **(“NDS”)** and Euro Medium Term Notes (**“EMTN”**) and any other type of eligible bond or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCIs in order to invest its liquid assets.

Financial strategy

Within the investment universe composed of European small and mid-cap equities, the Sub-Fund will select “unique” companies by applying a qualitative filter based on the following uniqueness criteria:

- Companies with a unique business model (no direct competitor listed in Europe);
- Leading companies in their market or companies with significant market shares;
- Companies benefiting from sectoral or geographic exposure that sets them apart from their competitors;
- Companies benefiting from technological innovations that have enabled them to create their own market.

Extra-financial strategy

Within the universe of “single” European companies, the Fund will implement a “best-in-universe” approach by focusing on the highest rated companies from an extra-financial point of view, irrespective of their sector of activity.

The selection process for ESG securities is therefore based on the collection of extra-financial information about the securities in the Sub-Fund's investment universe.

Mandarine Gestion’s ESG expertise unit attributes extra-financial scores to the securities. The extra-financial analysis results in a 5-step ESG score from A (best score) to E (worst score). Issuers with the most unfavourable ESG score ("E" score) are excluded from the Fund's investment universe, thereby establishing a list of securities in which the Manager may invest.

In order to enable this ESG integration, ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative extra-financial information from

multiple sources to allow for original hedging:
-the Extra-Financial Performance Report (EFPR) published by the companies in question;
- Meetings with issuers, management and stakeholders*(NGOs, unions, study reports, etc.)*, etc.;
the reports and analyses of brokers and extra-financial rating agencies, etc.

More specifically, as part of the "Best-in-Universe" approach, the following **ESG** criteria:

➢ the **traditional governance criteria** to focus on :
- The rights of shareholders
- The governance structure
- The integrity and quality of governance

➢ The **CSR policy criterion** focuses on:
- The existence of a CSR policy;
- The quality of the audit and financial reporting;
- Signatory of the Global Compact;
- Whistleblower programme.

➢ The **Social criterion** focuses on:
- Human capital development;
- Employee turnover rate;
- Employee death rate;
- Diversity.

➢ The **Environmental criterion** focuses on:
- The Environmental policy;
- Changes in terms of carbon intensity;
- Alignment to a 2 °C scenario;
- Relevance of taking environmental issues into account.

Information regarding the inclusion of ESG criteria is available on the Management Company's website: www.mandarine-gestion.com

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.
The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR *Guidelines on a Common Definition of European Money Market Funds (CESR/10-049*)".

Reference currency

EUR

Risk profile of the Sub-Fund	**Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:** **Equities risk;** **Liquidity risk, in particular related to holding small and mid-cap companies;** **Risk arising from discretionary management style;** **Risk of capital loss;** **Counterparty risk;**
Risk management method	*Commitment approach*.
Investor profile	Investment horizon: > 5 years This Sub-Fund is an investment vehicle intended for investors who: • are interested in the financial markets; • wish to invest in small and mid cap companies in the EEA; and • are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, R (USD), R (USDH), R(d), F, F(d), R(CHFH) and F(CHFH) Shares	EUR/USD/CHF 50	None
I, I (USD), I (USDH) and I (CHFH) Shares	EUR/USD/CHF 500,000	None
G shares	EUR 500,000	None
S shares***	EUR 250,000	None
M shares	EUR 20,000,000	None
L shares	EUR 20,000,000	None
L (d) shares	EUR 20,000,000	None
L (GBPd) shares	GBP 15,000,000	None
L (GBP) shares	GBP 15,000,000	None
B1 (GBP) shares	GBP 15,000,000	None
B2 (GBPH) shares	GBP 15,000,000	None
B3 (GBP) shares	GBP 1,000	None
B4 (GBPH) shares	GBP 1,000	None
MG shares****	EUR 1,000	None

* except for the management company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesesetz and also institutional investors governed by Austrian law.

*** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.

**** Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), R (USDH), B2 (GBPH), B4 (GBPH), R (CHFH), F (CHFH) and I (CHFH) Shares, currency hedging is implemented, aimed at limiting the impact of changes in the EUR/USD, EUR/GBP and EUR/CHF exchange rate on performance and to hedge against the USD/EUR, GBP/EUR and CHF/EUR exchange rate risk as far as possible. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there may be a residual exchange rate risk. Hedging can generate a performance discrepancy between Classes in different currencies.

For F, F (d) and F (CHFH) shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

- Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
- Subscribers subscribing to portfolio management services for the account of third-parties (management by mandate) and/or independently provided investment consulting in the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MIF2 Directive);
- Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee (*Performance fee*)	Custodian bank fees**	Services fee***
Z shares	2.20% max	15% of the outperformance above the STOXX® Europe Small 200 (EUR) Net Return	0.05% max	0.25% max
R shares	1.95% max		0.05% max	0.25% max
R (USD) shares	1.95% max		0.05% max	0.25% max
R (USDH) shares	1.95% max		0.05% max	0.25% max
R (CHFH) shares	1.95% max		0.05% max	0.25% max
R (d) shares	1.95% max		0.05% max	0.25% max
F shares	1.10% max		0.05% max	0.25% max
F (CHFH) shares	1.10% max		0.05% max	0.25% max
F (d) shares	1.10% max		0.05% max	0.25% max
I shares	0.90% max		0.05% max	0.25% max
I (USD) shares	0.90% max		0.05% max	0.25% max
I (USDH) shares	0.90% max		0.05% max	0.25% max
I (CHFH) shares	0.90% max		0.05% max	0.25% max
G shares	0.90% max		0.05% max	0.25% max
S shares	1.40% max		0.05% max	0.25% max
M shares	0.60% max		0.05% max	0.25% max
B1 (GBP) shares	0.60% max		0.05% max	0.25% max
B2 (GBPH) shares	0.60% max		0.05% max	0.25% max
B3 (GBP) shares	0.95% max	N/A	0.05% max	0.25% max
B4 (GBPH) shares	0.95% max	N/A	0.05% max	0.25% max
L shares	0.75% max	N/A	0.05% max	0.25% max
L (d) shares	0.75% max	N/A	0.05% max	0.25% max
L (GBP) shares	0.75% max	N/A	0.05% max	0.25% max
L (GBPd) shares	0.75% max	N/A	0.05% max	0.25% max
MG shares	0.90% max	N/A	0.05% max	0.25% max

Outperformance fee: From 1 January 2022, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance above the STOXX® Europe Small 200 (EUR) Net Return) if the performance of the Sub-Fund exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.
- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is negative, although it has outperformed the benchmark index.	No, because the fund underperformed the benchmark (and also had a negative performance for the year).	No, because the Sub-Fund has underperformed over the whole current observation period, starting in year 3.	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

	Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence. French investors: this Sub-Fund is eligible for PEA (Equity Savings Plans). German Investors: this Sub-Fund is an "Aktiensfonds"

SALE OF SHARES

Subscription, redemption and conversion	The Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day **(the "Valuation Day")** will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	Shares in this Sub-Fund are capitalisation or distribution Shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 working days following the applicable NAV
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE MULTI-ASSETS

Sub-Fund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter **"SICAV"**) under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Auditors	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU0982862921 Class R shares: LU0982863069 Class R shares (d): LU1303938374 Class F shares: LU1303938457 Class I shares: LU0982863143 Class I2 shares: LU0982863226 Class S shares: LU0982863655 Class G shares: LU0982863499 Class G2 shares: LU0982863572 Class M shares: LU0982863739 Class L shares: LU0982863812 Class MG shares: LU1303938531
Listing on Luxembourg stock exchange	The Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective

The objective of Mandarine Multi-Assets (the **"Sub-Fund")** is to encourage the establishment of long-term assets by investing in a diversified portfolio exposed to different asset classes.

The Sub-Fund invests at least 90 % of its net assets (excluding cash) in sustainable securities, as described in the previous section entitled "Section XXI - Consideration of non-financial criteria - Inclusion of sustainability risks". The Sub-Fund takes account of a wide range of environmental and social characteristics as well as good governance practices. Environmental characteristics include, but are not limited to, climate change mitigation and adaptation measures, water and waste management, and biodiversity; social characteristics include product safety, supply chain, health and safety, and human rights. ESG characteristics are analysed and rated by the Management Company's analysts.

The Sub-Fund takes account of sustainability risks and ESG characteristics as part of its selection process. In this regard, the Sub-Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.

Although the Sub-Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation"), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

Benchmark index (benchmark)

For the calculation of the performance fee, the capitalised €STR index will be used.

The €STR index is the acronym for Euro Short-Term Rate. It is a reference interbank interest rate, calculated by the European Central Bank (ECB). It is based on data provided daily by banks in accordance with the Money Market Statistics Regulation (MMSR) on unsecured euro transactions carried out on the overnight money market. (available at https://www.ecb.europa.eu/).

Bloomberg Ticker: ESTRON

In accordance with Article 2.2 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, central banks are not subject to the provisions of said regulation. The ECB, administrator of the €STR benchmark index, is therefore not required to obtain authorisation and register on the register of administrators and benchmark indices kept by ESMA.

The index above is a monetary index which does not take into account, in its composition or calculation method, the ESG characteristics promoted by the Mandarine Multi-Assets Sub-Fund, but is only used for the purpose of calculating the performance fee.

For a description of the method used to calculate the index, please consult the following website:
https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html

Investment policy of the Sub-Fund

To achieve the Sub-Fund's investment objective, the management team will invest in a wide range of asset classes through multiple strategies combining different performance drivers.
From its convictions, based on the results of its fundamental analysis of the macro-economic and financial environment and of its growth forecasts for the various asset classes **("top-down approach"**, the Sub-Fund's management team will implement investment strategies in a discretionary and opportunistic way.

Description of the strategies used:

Depending on the results of its fundamental analysis, the management team will take long or short positions on the various asset classes:

medium and long term through directional strategies,
completed short term, relative value and arbitration tactical strategies.

The Sub-Fund will invest at least 60% of its net assets in equities of companies of the European Economic Area, in all sectors and all capitalisations. The management of the Sub-Fund's shares will be based on **stock-picking** applied by the managers.

The Sub-Fund may also invest in all interest rate, foreign exchange and international equity markets and may, among other things, be exposed to foreign currencies and debt securities of any type (including eligible transferable securities pursuant to Article 41 of the Law of 2010, such as Negotiable Debt Securities **("NDS")** and Euro Medium Term Notes **("EMTN")**, money market instruments and similar securities, volatility indices and commodities (excluding precious metals). In this context, the Sub-Fund will invest in a selection of securities directly, financial futures or spot instruments or UCIs invested or exposed to different asset classes. It shall be understood that the Sub-Fund will not hold raw materials directly and that the Management Company shall ensure that there is no physical delivery.

The choice of investments will not be limited to a single geographical area (including emerging countries), one economic activity sector in particular, one asset class or one given currency. However, depending on the market conditions, investments may be focussed on a single country or a reduced number of countries and/or one economic activity sector and/or one currency and/or one asset class.

Given the discretionary nature of the policy for exposure to different markets, the management team may develop particular themes based on their forecast yield expectations for these themes, in order to benefit from more encouraging anticipated performance for one asset class compared to another.

The Sub-Fund may invest up to 30% of its assets in the markets of emerging countries. Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCIs or ETFs *(trackers)*.

The Sub-Fund may hold ancillary and temporary liquidities which may consist of units of monetary UCIs and/or money market instruments and/or long-term deposits, in accordance with the risk-spreading principles adopted.

The Sub-Fund may invest in simple structured products, certificates with no leverage effect (embedded derivatives), *trackers* or any other transferable security, including derivative instruments, whose yield is linked to, amongst other things, an index which respects the provisions of Article 9 of the Grand-Ducal regulation of 8 February 2008 (including indices on raw materials, precious metals, volatility, etc.), currencies, interest rates, transferable securities, a basket of transferable securities, a UCI, in accordance with the Grand-Ducal regulation of 8 February 2008.

The Sub-Fund's exposure to equity markets will be between 0% and 100% of its net assets, mainly through the listed derivative products.

Risk control: the tools for monitoring the portfolio must enable the daily monitoring of the development of the Sub-Fund's risk indicators, especially the level of overall volatility and risk.

Use of derivatives

Within the limits set out in the Prospectus, the Sub-fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.
The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR *Guidelines on a Common Definition of European Money Market Funds (CESR/10-049*)".

Reference currency

EUR

Risk profile of the Sub-Fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:

Risk arising from discretionary management style;
Risk of capital loss;
Credit, interest rate and exchange rate risk;
Equities risk;
Risk arising from the use of financial futures; and

Guarantee: The Fund's capital is not secured.

The use of derivative financial instruments in the framework of its investment strategy exposes the Sub-Fund to potential risks if the market changes contrary to the Management Company's forecasts.

Risk management method

Commitment approach.

Investor profile

Investment horizon: > 5 years
This Sub-Fund is an investment vehicle intended for investors who:
- are interested in the financial markets;
- wish to invest in and be exposed to diversified asset classes.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

	Initial NAV	Amount of initial subscription *	Amount of subsequent subscription
Z shares **	EUR 100	EUR 50	None
R shares	EUR 100	EUR 50	None
R (d) shares	EUR 100	EUR 50	None
F shares	EUR 1,000	EUR 50	None
I shares	EUR 1,000	EUR 500,000	None
I2 shares	EUR 1,000	EUR 500,000	None
G shares	EUR 1,000	EUR 500,000	None
G2 shares	EUR 1,000	EUR 500,000	None
S shares* **	EUR 1,000	EUR 500,000	None
M shares	EUR 10,000	EUR 20,000,000	None
L shares	EUR 10,000	EUR 20,000,000	None
MG shares** **	EUR 1,000	EUR 1,000	None

* except for the management company, which may only take out one unit.
** individuals subscribing to the SICAV.
*** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S Class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.
****Class reserved for Mandarine Gestion and entities of its group.

For F shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

- Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
- Subscribers subscribing to portfolio management services for the account of third-parties (management by mandate) and/or independently provided investment consulting in the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MIF2 Directive);
- Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on shares from the Sub-Fund:

	Subscription fee	Redemption fee	Conversion fee
All shares	2% max	-	1% max

<u>**FEES AND COSTS CHARGED TO THE SUB-FUND**</u>

	Management fees*	Outperformance fee *Performance fee*	Custodian bank fees**	Services fee***
Z shares	1.60% max	15%	0.05% max	0.25% max
R shares	1.60% max	15%	0.05% max	0.25% max
R (d) shares	2.00% max	15%	0.05% max	0.25% max
F shares	0.80% max	15%	0.05% max	0.25% max
I shares	0.70% max	15%	0.05% max	0.25% max
I2 shares	0.85% max	-	0.05% max	0.25% max
G shares	0.70% max	15%	0.05% max	0.25% max
G2 shares	0.85% max	-	0.05% max	0.25% max
S shares	1.00% max	15%	0.05% max	0.25% max
M shares	0.50% max	15%	0.05% max	0.25% max
L shares	0.75% max	-	0.05% max	0.25% max
MG shares	1.00% max	-	0.05% max	0.25% max

<u>**Outperformance fee**</u>: **From 1 January 2022**, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% the outperformance of the capitalised €STR + 300 basis points) if the Sub-Fund's performance exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.
- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is negative, although it has outperformed the benchmark index.	No, because the fund underperformed the benchmark (and also had a negative performance for the year).	No, because the Sub-Fund has underperformed over the whole current observation period, starting in year 3.	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee

	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.
Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

French investors: this Sub-Fund is not eligible for PEA (Equity Savings Plans).
German Investors: this Sub-Fund is an "Aktiensfonds".

SALE OF SHARES

Subscription, redemption and conversion	The Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day **(the "Valuation Day")** will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	Shares in this Sub-Fund are capitalisation or distribution Shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 working days following the applicable NAV
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE EUROPE MICROCAP

Sub-Fund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter, the “SICAV”) under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian bank	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Statutory Auditor	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU1303940602 Class R shares: LU1303940784 Class I shares: LU1303940941 Class F shares: LU1303941089 Class S shares: LU1303941162 Class G shares: LU1303941246 Class M shares: LU1303941329 Class L shares: LU1303941592 Class B1 shares (GBP): LU1342506828 Class B2 shares (GBPH): LU1342507040 Class B3 shares (GBP): LU1342507123 Class B4 shares (GBPH): LU1342507396 Class I shares (USD): LU1545812940 Class I shares (USDH): LU1342507479 Class R shares (USD): LU1545813088 Class R shares (USDH): LU1342507552 Class MG shares: LU1303941758
Listing on Luxembourg stock exchange	The Sub-fund’s Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective	The aim of the Mandarine Europe Microcap Sub-Fund (the **“Sub-Fund”** (the "Sub-Fund") is to provide investors with long-term growth from an actively managed portfolio of listed equities selected from the universe of European micro- and small-cap companies and to outperform the composite benchmark index of 50% MSCI® Europe Microcap NR and 50% MSCI® Europe Microcap NR Ex UK (the **“Index”**).

The Sub-Fund takes account of sustainability risks and ESG characteristics as part of its selection process. In this regard, the Sub-Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.

Although the Sub-Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation"), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

Reference index (Benchmark)

The benchmark index of the Sub-Fund consists of:

- 50% of the benchmark MSCI® Europe Microcap NR and
- 50 % of the benchmark MSCI® Europe Microcap Ex UK NR

Identifiers:
Bloomberg Ticker:

- MSCI® Europe Microcap NR: M7EURC Index
- MSCI® Europe Microcap Ex UK NR: NE144436 Index

The MSCI® Europe Microcap NR index is one of the benchmark indices of the issuers of small and micro caps in European markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

The MSCI® Europe Microcap Ex UK NR index is one of the benchmark indices of the issuers of small and micro caps in European markets, excluding the United Kingdom.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index developer (www.msci.com).

Information following the Q&A ESMA 34-43-392 "Actively Managed Fund"

The Sub-Fund is actively managed.

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index. The Index is used for the purpose of calculating the outperformance fee.

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament (hereinafter referred to as “Benchmark Regulation or BMR”) and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/45/EU and

2014/17/EU and Regulation (EU) No 596/2014, the above index administrator has registered with the European Securities and Markets Authority (hereinafter referred to as the "ESMA").

MSCI® Europe Microcap NR and MSCI® Europe Microcap Ex UK NR are indices that are part of the MSCI Equity Benchmark Family developed by MSCI Limited, a company incorporated under English law with its registered office at Ten Bishops Square, 9th Floor, London E1 6EG, United-Kingdom (hereinafter, the ***"Administrator"*) www.msci.com.**

On the date of the latest update to this Prospectus, as stated on the first page, the Administrator has obtained a registration under Article 34 and is therefore listed in the registry of administrators (publication of administrators) and indices (publication of benchmarks) maintained by ESMA (hereinafter referred to as the "***Benchmark Register - List of EU benchmark administrators and third country benchmarks***"**).**

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

For information purposes, the ESMA ***"Benchmark Administrators*" website** (https://www.esma.europa.eu/databases-library/registers-and-data) contains, on the one hand, the list of "EU & EEA benchmark administrators", in other words, and more specifically, the list of administrators located in the European Union who have been authorised or registered (Art. 34), the administrations meeting the conditions set out in Art. 30, paragraph 1 of the same regulation, and on the other hand, the list of **"third country benchmarks"**, in other words the list of administrators located outside the European Union (Article 30, paragraph 1, point c)

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of SFDR "Sustainability" Regulation.

The attention of shareholders is drawn to the fact that the Index was chosen prior to the entry into force of the SFDR Regulation; this Index does not take account of environmental, social or governance considerations.

Information concerning the benchmark indices used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2019/2088, the "Disclosure Regulation"

Shareholders' attention is drawn to the fact that the Sub-Funds' reference indices or benchmarks do not take into account environmental, social or governance considerations.
As such, the Benchmark Indices used by the Sub-Funds are not "EU Paris-Aligned and Climate Transition-Benchmark", whether they are **Climate Transition Benchmark** "CTB" indices of climate transition or **Paris Aligned Benchmark** "PAB" indexes aligned with the Paris Agreement.

Investment policy of the Sub-Fund

The Sub-Fund will invest at least 75% of its net assets in shares of companies which have their registered offices located within the European Economic Area (EEA).

Within this framework, the Sub-Fund will invest predominantly in European micro and small caps equities. (*micro & small caps*).

The Sub-Fund will incorporate extra-financial criteria into the stock selection process. A proprietary rating on these criteria will exclude the 20% of companies with the lowest ratings in each sector from the investment universe *(so called "Best in Class")*

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as negotiable debt securities ("NDS") and Euro Medium Term Notes ("EMTN") and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCIs units in order to invest its liquid assets.

Extra-financial strategy

The Sub-Fund will employ a *"Best-in-Class"* ***extra-financial investment strategy.***

Through a "proprietary" non-financial filter, European companies are rated according to their impact on society.

More specifically, as part of the "Best-in-Class" approach, the following **ESG** criteria will be taken into account:

The **Environmental criterion** focuses on: environmental policy, the provision of eco-responsible solutions, the impact of the value chain on the environment, management of greenhouse gas emissions, waste management, etc.
The **Social and Societal criterion** focuses on: the turnover rate, the attractiveness of the employer brand and the recruitment policy, the distribution of value within the workforce, staff training, health and safety policy, etc.
The **Governance criterion** focuses on: the operation and effectiveness of the appointments/remuneration committee, the diversity of the composition of the Board, etc.

This selection is based on an ESG ranking of companies in the same sector, in order to select companies with ESG best practices within their sector of activity.

The Management Company's ESG expertise unit assigns extra-financial ESG ratings to issuers within each sector using a proprietary filter in order to identify companies with a positive societal impact within the sectors of activity of the investment universe.

The indicators selected as part of the ESG filter are leading indicators of future growth. They help to qualify the sustainability of future growth and therefore the visibility and quality of the company's business model.

The extra-financial analysis results in a five-step ESG score *(quintiles) from* A *(best score)* to E *(worst score)*. .

The Sub-Fund's investment universe excludes issuers with the worst ESG score *(the "E" score)*, which thus makes it possible to establish a list of securities in which the Manager may invest. The use of this selection process results in a 20% reduction in issuers in the investment universe with an ESG score.

ESG scores may go up or down over time. They are reviewed *at least* every 12 months.

Under the law, companies involved in the production or distribution of anti-personnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are also excluded.
Definitions:

"Micro & small caps" are defined here as European micro and small cap equities, with listed equities having a market capitalisation of less than or equal to the largest market capitalisation of the issuers included in the MSCI® Europe Microcap et MSCI® Europe Small Cap indices.

Within the limits set out in the Prospectus, the Sub-fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.
The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Use of derivatives

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR *Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)*".

Reference currency of the Sub-Fund

EUR

Risk profile of the Sub-Fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:

- **Equities risk**
- **Liquidity risk, in particular related to holding micro and small cap companies;**
- **Risk arising from discretionary management style;**
- **Risk of capital loss;**
- **Risks associated with taking account of extra-financial criteria;**

Risk management method of the Sub-Fund

Commitment approach.

Investor profile

Investment horizon: > 5 years

This Sub-Fund is an investment vehicle intended for investors who:

- are interested in the financial markets;
- wish to invest in micro and small cap companies in the European Economic Area;
- are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Amount of initial subscription *	Amount of subsequent subscription
Z shares**	EUR 50	None
R, R (USD), R (USDH) F shares	EUR 50 / (USD) 50	None
I, I (USD) and I (USDH) shares	EUR 100,000 / USD 100,000	None
G shares ***	EUR 100,000	None
S shares ****	EUR 100,000	None
M shares	EUR 10,000,000	None
L shares	EUR 10,000,000	None
MG shares*****	EUR 1,000	None
B1 (GBP) and B2 (GBPH) shares	GBP 10,000,000	None
B3 (GBP) and B4 (GBPH) shares	GBP 1,000	None

* except for the management company, which may only take out one unit.

** individuals subscribing to the SICAV.

*** institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesesetz and also institutional investors governed by Austrian law.

*** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.

*****Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), R (USDH), B2 (GBPH) and B4 (GBPH) Shares, currency hedging is implemented, the aim of which is to limit the impact of changes in the EUR/USD, EUR/GBP exchange rate on performance and to hedge against the USD/EUR and GBP/EUR exchange rate risk to the fullest possible extent. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there may be a residual exchange rate risk. Hedging can generate a performance deviation between Share Classes denominated in different currencies.

For F shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

- Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
- Subscribers subscribing to portfolio management services for the account of third-parties (management by mandate) and/or independently provided investment consulting in the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MIF2 Directive);
- Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All categories of Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fee*	Outperformance fee	Custodian bank fee**	Services fee***
Z shares	1.95% max	20% of outperformance against the index (50% MSCI® Europe Microcap NR and 50% MSCI® Europe Microcap Ex UK NR)	0.05% max	0.25% max
R shares	1.95% max		0.05% max	0.25% max
I shares	1.00% max		0.05% max	0.25% max
G shares	1.00% max		0.05% max	0.25% max
S shares	1.40% max		0.05% max	0.25% max
F shares	1.10% max		0.05% max	0.25% max
M shares	0.75% max		0.05% max	0.25% max
B1 (GBP) shares	0.75% max		0.05% max	0.25% max
B2 (GBPH) shares	0.75% max		0.05% max	0.25% max
R (USD) shares	1.95% max		0.05% max	0.25% max
R (USDH) shares	1.95% max		0.05% max	0.25% max
I (USD) shares	1.00% max		0.05% max	0.25% max
I (USDH) shares	1.00% max		0.05% max	0.25% max
MG shares	1.00% max	N/A	0.05% max	0.25% max
L shares	1.00% max	N/A	0.05% max	0.25% max
B3 (GBP) shares	1.00% max	N/A	0.05% max	0.25% max
B4 (GBPH) shares	1.00% max	N/A	0.05% max	0.25% max

Outperformance fee: **From 1 January 2022**, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 20% of the outperformance above the composite index 50% MSCI® Europe Microcap NR and 50% MSCI® Europe Microcap Ex UK NR) if the performance of the Sub-Fund exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.
- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is negative, although it has outperformed the benchmark index.	No, because the fund underperformed the benchmark (and also had a negative performance for the year).	No, because the Sub-Fund has underperformed over the whole current observation period, starting in year 3.	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.

** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, with a minimum of EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, with a minimum of EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV	The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax. However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances. For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.
Taxation of Shareholders	Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus. Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence. French investors: Sub-Fund eligible for French tax schemes known as "PEA" and "PEA-PME". German Investors: this Sub-Fund is an "Aktiensfonds"

SALE OF SHARES

Subscription, redemption and conversion	The Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day **(the "Valuation Day")** will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	Shares in this Sub-Fund are capitalisation shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 working days of the NAV.
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30

The Prospectus, KIID, and annual and periodic briefing documents, may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE GLOBAL MICROCAP

Sub-Fund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter, the "SICAV") under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian bank	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Statutory Auditor	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU1329694183 Class R shares: LU1329694266 Class I shares: LU1329694423 Class F shares: LU1673109408 Class G shares: LU1329694936 Class S shares: LU1329694779 Class M shares: LU1329695073 Class L shares: LU1329695156 Class B1 shares (GBP): LU1342507636 Class B2 shares (GBPH): LU1342507719 Class B3 shares (GBP): LU1342507800 Class B4 shares (GBPH): LU1342507982 Class I shares (USD): LU1545812783 Class I shares (USDH): LU1342508014 Class R shares (USD): LU1545812866 Class R shares (USDH): LU1342508105 Class MG shares: LU1329695313 Class A1 shares (AUD): LU1744748184 Class A2 shares (AUD): LU1744748267
Listing on Luxembourg stock exchange	The Sub-fund's Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective	The aim of the Mandarine Global Microcap sub-fund (the **"Sub-Fund"**) ") is to provide investors with long-term growth from an actively managed portfolio of listed equities selected from the universe of micro- and small-capitalisation companies in developed markets

worldwide and to outperform the MSCI ® World Micro Cap - Net Return benchmark (the **"Index"**).

The Sub-Fund invests at least 75% of its net assets (excluding cash) in sustainable securities, as described in the previous section entitled "Section XXI - Consideration of non-financial criteria - Inclusion of sustainability risks". The Sub-Fund takes account of a wide range of environmental and social characteristics as well as good governance practices. Environmental characteristics include, but are not limited to, climate change mitigation and adaptation measures, water and waste management, and biodiversity; social characteristics include product safety, supply chain, health and safety, and human rights. ESG characteristics are analysed and rated by the Management Company's analysts.

The Sub-Fund takes account of sustainability risks and ESG characteristics as part of its selection process. In this regard, the Sub-Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.

Although the Sub-Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation"), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

Reference index (Benchmark)

MSCI ® World Micro Cap – Net Return.

Identifiers:
Bloomberg Ticker: M7WORC Index

This Index is one of the benchmarks for small and micro capitalisation issuers in world markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index developer (www.msci.com).

Information following the Q&A ESMA 34-43-392 "Actively Managed Fund"

The Sub-Fund is actively managed.

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index. The Index is used for the purpose of calculating the outperformance fee.

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament (hereinafter referred to as "Benchmark Regulation or BMR") and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014, the above index administrator has registered with the European Securities and Markets Authority (hereinafter referred to as the "ESMA").

MSCI ® World Micro Cap – Net Return is one of the indices that are part of the MSCI Equity Benchmark Family developed by MSCI Limited, a company incorporated under English law with registered office at Ten Bishops Square, 9th Floor, London E1 6EG, United-Kingdom (hereinafter, the ***"Administrator")*** **www.msci.com.**

On the date of the latest update to this Prospectus, as stated on the first page, the Administrator has obtained a registration under Article 34 and is therefore listed in the registry of administrators (publication of administrators) and indices (publication of benchmarks) maintained by ESMA (hereinafter referred to as the "***Benchmark Register - List of EU benchmark administrators and third country benchmarks***"**).**

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

For information purposes, the ESMA ***"Benchmark Administrators*** **" website** (https://www.esma.europa.eu/databases-library/registers-and-data) contains, on the one hand, the list of "EU & EEA benchmark administrators", in other words, and more specifically, the list of administrators located in the European Union who have been authorised or registered (Art. 34), the administrations meeting the conditions set out in Art. 30, paragraph 1 of the same regulation, and on the other hand, the list of **"third country benchmarks"**, in other words the list of administrators located outside the European Union (Article 30, paragraph 1, point c)

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of SFDR "Sustainability" Regulation.

The attention of shareholders is drawn to the fact that the Index was chosen prior to the entry into force of the SFDR Regulation; this Index does not take account of environmental, social or governance considerations.

Information concerning the benchmark indices used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2019/2088, the "Disclosure Regulation"

Shareholders' attention is drawn to the fact that the Sub-Funds' reference indices or benchmarks do not take into account environmental, social or governance considerations.
As such, the Benchmark Indices used by the Sub-Funds are not "EU Paris-Aligned and Climate Transition-Benchmark", whether they are **Climate Transition Benchmark** "CTB" indices of climate transition or **Paris Aligned Benchmark** "PAB" indexes aligned with the Paris Agreement.

Investment policy of the Sub-Fund The Sub-Fund will invest predominantly in international micro- & small-caps equities (*micro & small caps*) listed on developed markets. The Sub-Fund will also be authorised to invest up to 20% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as negotiable debt securities ("NDS") and *Euro Medium Term Notes* ("EMTN") and all other types of eligible bonds or money market securities.

The Sub-Fund is authorised to invest up to 15% of its net assets on international markets other than developed markets.

Incidentally, the Sub-Fund may also invest up to 10% of its net assets in UCIs in order to invest its liquid assets.

Should the Management Company deem it necessary and in the interests of the Sub-Fund's shareholders, for defensive purposes, the Sub-Fund may temporarily hold cash up to 100% of its net assets, including, among other things, deposits, money market instruments, money market UCIs (and/or UCITS) (up to a limit of 10% in UCIs).

Definitions:

"Micro & small caps" are defined in this case as micro and small cap shares, with listed company shares having a capitalisation less than or equal to the largest market capitalisation of the issuers listed in the MSCI ® World Micro Cap and MSCI ® World Small Cap indices.

"Developed markets": "Developed Markets Countries" or "DM" list of countries as defined by the MSCI Financial Services Company.

Use of derivatives

Within the limits set out in the Prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.
The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the "CESR *Guidelines on a Common Definition of European Money Market Funds (CESR/10-049*)".

Reference currency of the Sub-Fund

EUR

Risk profile of the Sub-Fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:
- **Equities risk;**
- **Liquidity risk, particularly related to holding micro and small cap companies;**
- **Exchange rate risk;**
- **Risk arising from discretionary management;**
- **Risk of capital loss;**
- **Emerging markets risk.**

Risk management method of the Sub-Fund	*Commitment approach.*
Investor profile	Investment horizon: > 5 years This Sub-Fund is an investment vehicle intended for investors who: are interested in the financial markets; who wish to invest in shares of diversified micro- and small cap companies globally; are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, R (USD), R (USDH) F shares	EUR/USD 50	None
I, I (USD) and I (USDH) shares	EUR/USD 100,000	None
G shares ***	EUR 100,000	None
S shares ****	EUR 100,000	None
M shares	EUR 10,000,000	None
L shares	EUR 10,000,000	None
B1 (GBP) shares	GBP 10,000,000	None
B2 (GBPH) shares	GBP 10,000,000	None
B3 (GBP) shares	GBP 1,000	None
B4 (GBPH) shares	GBP 1,000	None
A1 and A2 (AUD) shares	AUD 20,000,000	None
MG shares*****	EUR 1,000	None

* except for the management company, which may only take out one unit.
** individuals subscribing to the SICAV.
*** institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesesetz and also institutional investors governed by Austrian law.
*** Class reserved for institutional investors such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority, mainly Spanish and Italian. S class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and especially of their capacity as an institutional investor.
*****Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), R (USDH), B2 (GBPH) and B4 (GBPH) Shares, currency hedging is implemented, the aim of which is to limit the impact of changes in the EUR/USD, EUR/GBP exchange rate on performance and to hedge against the USD/EUR and GBP/EUR exchange rate risk to the fullest possible extent. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there could still be a residual exchange rate risk. Hedging can generate a performance deviation between Share Classes denominated in different currencies.

For F shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

- Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
- Subscribers subscribing to portfolio management services for the account of third-parties (management by mandate) and/or independently provided investment consulting in the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MIF2 Directive);

- Distributors subscribing in the context of investment advice not considered to be independent within the meaning of Directive MIF2 on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under Directive MIF2.

FEES PAYABLE BY THE SUBSCRIBER

The authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fee*	Outperformance fee	Custodian bank fee**	Services fee***
Z shares	1.95% max	20% of the outperformance above that of the MSCI ® World Micro Cap – Net Return	0.05% max	0.25% max
R shares	1.95% max		0.05% max	0.25% max
F shares	1.10% max		0.05% max	0.25% max
I shares	1.00% max		0.05% max	0.25% max
G shares	1.00% max		0.05% max	0.25% max
S shares	1.40% max		0.05% max	0.25% max
M shares	0.75% max		0.05% max	0.25% max
B1 (GBP) shares	0.75% max		0.05% max	0.25% max
B2 (GBPH) shares	0.75% max		0.05% max	0.25% max
R (USD) shares	1.95% max		0.05% max	0.25% max
R (USDH) shares	1.95% max		0.05% max	0.25% max
I (USD) shares	1.00% max		0.05% max	0.25% max
I (USDH) shares	1.00% max		0.05% max	0.25% max
A1 (AUD) shares	0.70% max		0.05% max	0.25% max
A2 (AUD) shares	0.85% max	N/A	0.05% max	0.25% max
MG shares	1.00% max	N/A	0.50% max	0.25% max
L shares	1.00% max	N/A	0.05% max	0.25% max
B3 (GBP) shares	1.00% max	N/A	0.05% max	0.25% max
B4 (GBPH) shares	1.00% max	N/A	0.50% max	0.25% max

Outperformance fee: **From 1 January 2022**, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 20% of the outperformance above the MSCI ® World Micro Cap – Net Return if the performance of the Sub-Fund exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.
- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is	No, because the fund underperformed the benchmark (and also	No, because the Sub-Fund has underperformed over	Yes

	1	2	3	4	5
		negative, although it has outperformed the benchmark index.	had a negative performance for the year).	the whole current observation period, starting in year 3.	
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, with a minimum of EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, with a minimum of EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.
Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

German Investors: this Sub-Fund is an "Aktiensfonds"

SALE OF SHARES

Subscription, redemption and conversion	Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on Day "D" will be deducted on the basis of the NAV dated the following day (D+1) (the **"Valuation Day"**) calculated the day after (D+2), subject to the application of the fees provided for in the Prospectus, i.e. at super unknown NAV. Subscriptions and redemptions must be paid up no later than three business days (D+3) following day D or two working days following the applicable valuation day.
Share type/class	Shares in this Sub-Fund are capitalisation or distribution Shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Day "D"	Each banking business day in Luxembourg admitting subscription, redemption and conversion orders; in the event of closure, it will be the next banking business day.
Valuation Day	Each banking business day immediately following a Day "D"; in the event of closure, it will be the next banking business day.
Value date for subscriptions and redemptions	Within three (3) banking business days following Day "D" or within two (2) banking days following Valuation Day.
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30

The Prospectus, KIID, and annual and periodic briefing documents, may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE ACTIVE

Sub-Fund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter **"SICAV"**) under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Statutory Auditor	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU2052475139 Class F shares: LU2052475303 Class R shares: LU2052475568 Class R (CHFH) shares: LU2418411463 Class R (USDH) shares: LU2418411547 Class I shares: LU2052475725 Class I (CHFH) shares: LU2418411620 Class I (USDH) shares: LU2418411893 Class M shares: LU2052476020 Class S shares: LU2052476376 Class MG shares: LU2052476533
Listing on Luxembourg stock exchange	The Sub-fund's Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective	The aim of the Mandarine Active sub-fund (the **"Sub-Fund"**) is to provide investors with long-term capital growth from a diversified portfolio and to achieve and outperform the **EURO STOXX®** Net Return (EUR) (the **"Index"**) by selecting, through an active stock picking strategy, companies in the eurozone that meet positive **ESG** criteria and have an above-average growth profile. The Sub-Fund's objective is sustainable investment within the meaning of Article 9 of the SFDR Regulation; it is subject to the information disclosure requirements of said Article 9.

Although the Sub-Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation"), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

Reference index (Benchmark)

EURO STOXX® Net Return (EUR)

ISIN: EU0009658194
Bloomberg Ticker: SXXT index
The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.
For further information on the characteristics and composition of this Index, please consult the website of the Index Producer (www.stoxx.com) by clicking on the following link: https://www.stoxx.com/index-details?symbol=SXXGT.

Information following the Q&A ESMA 34-43-392 "Actively Managed Fund"

The Sub-Fund is actively managed.

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index. The Index is used for the purpose of calculating the outperformance fee.

Information concerning the benchmark indicator used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament (hereinafter referred to as “Benchmark Regulation or BMR”) and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014, the above index administrator has registered with the European Securities and Markets Authority (hereinafter referred to as the “ESMA”).

EUROSTOXX® Net Return (EUR) is one of the indices developed by STOXX Limited, a company incorporated under Swiss law with its head office located at Theilerstrasse 1A 6300 Zug, Switzerland (hereinafter referred to as the***Administrator*****)** **www.stoxx.com/home**

On the date of the latest update to this Prospectus, as stated on the first page, the Administrator has obtained a registration under Article 32 and is therefore listed in the registry of administrators (publication of administrators) and indices (publication of benchmarks) maintained by ESMA (hereinafter referred to as the “***Benchmark Register - List of EU benchmark administrators and third country benchmarks***”**).**

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

For information purposes, the ESMA ***"Benchmark Administrators*" website (**https://www.esma.europa.eu/databases-library/registers-and-data) contains, on the one hand, the list of "EU & EEA benchmark administrators", in other words, and more specifically, the list of administrators located in the European Union who have been authorised or registered (Art. 34), the administrators meeting the conditions set out in Art. 30(1) of the same regulation, and on the other hand, the list of "third country benchmarks", in other words the list of administrators located outside the European Union (Article 30(1)(c)).

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of SFDR "Sustainability" Regulation.

The attention of shareholders is drawn to the fact that the Index was chosen prior to the entry into force of the SFDR Regulation; this Index does not take account of environmental, social or governance considerations.

Information concerning the benchmark indices used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2019/2088, the "Disclosure Regulation"
Shareholders' attention is drawn to the fact that the Sub-Funds' reference indices or benchmarks do not take into account environmental, social or governance considerations.
As such, the Benchmark Indices used by the Sub-Funds are not "EU Paris-Aligned and Climate Transition-Benchmark", whether they are **Climate Transition Benchmark** "CTB" indices of climate transition or **Paris Aligned Benchmark** "PAB" indexes aligned with the Paris Agreement.

Investment policy of the Sub-Fund

The investment strategy is based on the selection of eurozone growth companies of all capitalisations which are delivering above-average growth in terms of their results and margins, and which have the potential to increase in value.

To reconcile the search for performance with the development of socially responsible practices, the management team uses financial analysis combined with restrictive extra-financial screening based on **Environmental, Social and Governance (ESG) criteria** applied upstream. The extra-financial rating focuses on criteria other than economic factors to assess the environmental, social or governance behaviour of companies in order to assess and measure the exercise of their responsibility towards the environment and their stakeholders (employees, partners, subcontractors and customers, etc.).

The Sub-Fund shall invest at least 75% of its assets in shares of companies which have their head office located within the European Economic Area.

Within this framework, the Sub-Fund shall invest:
predominantly and dynamically in eurozone equities;
within a limit of 25% of its assets, in shares of companies qualifying as *small caps.*

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as negotiable debt securities ("NDS") and Euro Medium Term Notes ("EMTN") and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCI units or shares.

Investment strategy

Extra-financial strategy

The Sub-Fund will employ a "Best-In-Universe" extra-financial investment strategy which consists in favouring, within the investment universe, the best rated issuers from an extra-financial point of view regardless of their sector of activity.
The selection process for ESG securities is therefore based on the collection of extra-financial information about the securities in the Sub-Fund's investment universe. In order to enable this ESG integration, ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative extra-financial information from multiple sources to allow for original hedging:

- the Extra-Financial Performance Report (EFPR) published by the companies in question;
- Meetings with issuers, management and stakeholders*(NGOs, unions, study reports, etc.), etc.;*
- the reports and analyses of brokers and extra-financial rating agencies.

Through a "proprietary" non-financial filter, European companies are rated according to their impact on society. That is, both individually on the stakeholders essential to the economic development of the company *(consumers / customers, employees, suppliers, etc.)* and collectively on the general interest *(local communities, environment, public interest, etc.).*

More specifically, as part of the "Best-in-Universe" approach, the following **ESG** criteria will be taken into account:

The **Environmental criteria** focuses on: the provision of eco-responsible solutions, the impact of the value chain on the environment, etc.
The **Social and Societal criteria** focuses on: the turnover rate, the attractiveness of the employer brand and the recruitment policy, the distribution of value within the workforce, staff training, etc.
The **Governance criteria** focuses on: the operation and effectiveness of the appointments/ remuneration committee, the diversity of the composition of the Board, etc.

To this end, the Management Company's ESG expertise unit attributes extra financial scores to issuers, called ***Actives®*** scores, using a proprietary filter, in order to identify the companies within the investment universe with positive societal impact.

The indicators selected as part of the Active® filter are leading indicators of future growth. They help to qualify the sustainability of future growth and therefore the visibility and quality of the company's business model.

An issuer's ***Active ®*** score is the average of two major extra-financial components: an "individual" or "social" score and a "community" or "societal" score.
The**"Individual's"** score is an aggregation of advanced criteria *((health & well-being, employment, training, diversity, human rights, security, collective agreements, controversy etc.)* taking account of the stakeholders who participate in the economic and social sphere of the company. This score is based on several indicators *(corporate governance, employees, customers or consumers, suppliers and subcontractors, shareholders, competitors and partners, etc.).*
The **"Community"** score is composed of the aggregation of advanced criteria *(natural resources, business ethics, green mobility, whistleblowing, circular economy, emissions reduction, controversies ...)* on the ecosystem surrounding the company and the way the company interacts with its external stakeholders. "This includes the public and social sphere

in terms of its societal responsibility *(public authorities: territorial and local communities, public interest ... environment and civil society: associations, NGOs, experts, citizens, etc.).*

The extra-financial analysis results in a five-step Active ® score *(quintiles) from* A *(best score)* to E *(worst score).* . Companies that are not in the "E" quintile but have a negative Active® score are still likely to be subject to further quantitative analysis, particularly through shareholder engagement.

The Sub-Fund's investment universe excludes issuers with the worst Active ® score *(the "E" score)*, which thus makes it possible to establish a list of securities in which the Manager may invest. The use of this selection process results in a 20% reduction in issuers in the investment universe with an Active® score.

In addition to the "Best-in-Universe" filter, a further filter is applied for issuers with an Active® score of less than 0 on a scale from -2 to +2.

Accordingly, any company belonging to the first four quintiles of the ***Best-in-Universe*** **filter,** but with an Active® score of less than 0 on a scale from -2 to +2, will not be eligible for the portfolio. This is in order to select companies with a positive societal impact from the eligible investment universe.

Active® scores may go up or down over time. They are reviewed *at least* every 12 months.

Under the law, companies involved in the production or distribution of anti-personnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are also excluded.

Investors' attention is drawn to the fact that their investments in the Sub-Fund are intended to contribute to the financing of companies with a positive societal impact but do not generate direct positive environmental and social impacts.

Financial Management Strategy

The investment strategy consists of active management based on an essentially *bottom-up* approach, enriched with complementary *top-down* adjustments by selecting, on a discretionary basis, companies with a positive social impact and an above-average earnings outlook.

The *bottom-up* approach consists of studying the company's fundamentals.

Thus, the stock selection process will use qualitative criteria *(identification of growth drivers or catalysts, quality of management and teams, positioning of the company within its sector, sustainability of growth, identification of future value creation)* and quantitative criteria based on financial analysis of the companies *(organic growth of turnover and operating profitability, size of the addressable market and growth of market shares, quality of the financial structure [self-financing growth capacity, debt ratio and capacity to repay this debt, visibility of earnings growth, etc.]).*

Beyond the 2 previously predefined filters (Active scores level absolute filter and Best In Universe relative filter), ESG integration enables the manager to better qualify and evaluate the persistence, relevance and sustainability of growth and the competitive position of companies.

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.

The use of derivatives and embedded derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in the same currency as the Sub-Fund (euros) to reduce counterparty risk in the context of effective portfolio management techniques and to neutralise the exchange risk between the reference currency of the Sub-Fund and that of the cash collateral received.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in eurozone money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the *"CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)"*.

Reference currency of the Sub-Fund EUR

Risk profile of the Sub-Fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:
Risk arising from discretionary management style;
Risk of capital loss;
Credit risk;
Equities risk;
Risks associated with taking account of extra-financial criteria; and
Guarantee: The Fund's capital is not secured.

Risk management method *Commitment approach*.

Investor profile

Investment horizon: > 5 years
This Sub-Fund is an investment vehicle intended for investors who:
are interested in the financial markets;
wish to invest in eurozone equities;
are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, R (CHFH), R (USDH), F shares	EUR/USD/CHF 50	None

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
I, I (CHFH) and I (USDH) shares	EUR/USD/CHF 1,000,000	None
M shares	EUR 40,000,000	None
S shares	EUR 300,000	None
MG shares* **	EUR 1,000	None

* except for the management company, which may only take out one unit.
** individuals subscribing to the SICAV.
*** Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), I (CHFH), R (USDH) et R (CHFH) shares, currency hedging is implemented, the aim of which is to limit the impact of changes in the EUR/USD and EUR/CHF exchange rate on performance and to hedge against the USD/EUR and CHF/EUR exchange rate risk as best as possible. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there may be a residual exchange rate risk. Hedging can generate a performance discrepancy between Classes in different currencies.

For F shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

- Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
- Subscribers subscribing to portfolio management services on behalf of third-parties (management mandate) and/or independently-provided investment advice within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MiFID II Directive);
- Distributors subscribing in the context of investment advice not considered to be independent within the meaning of MiFID II Directive on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under the MiFID II Directive.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All categories of Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee Performance fee	Custodian bank fee**	Services fee***
Z shares	1.95% max	15% of the outperformance over the Euro STOXX® Net Return (EUR)	0.05% max	0.25% max
R shares	2.20% max		0.05% max	0.25% max
R shares (CHFH)	2.20% max		0.05% max	0.25% max
R shares (USDH)	2.20% max		0.05% max	0.25% max
F shares	1.10% max		0.05% max	0.25% max
I shares	0.90% max		0.05% max	0.25% max
I shares (CHFH)	0.90% max		0.05% max	0.25% max
I shares (USDH)	0.90% max		0.05% max	0.25% max
M shares	0.60% max		0.05% max	0.25% max

	Management fees*	Outperformance fee Performance fee	Custodian bank fee**	Services fee***
S shares	1.40% max		0.05% max	0.25% max
MG shares	0.90% max	N/A	0.05% max	0.25% max

Outperformance fee: **From 1 January 2022**, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance exceeding the Euro STOXX® Net Return (EUR) index) if the Sub-Fund's performance exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.
- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is negative, although it has outperformed the benchmark index.	No, because the fund underperformed the benchmark (and also had a negative performance for the year).	No, because the Sub-Fund has underperformed over the whole current observation period, starting in year 3.	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

	For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.
Taxation of Shareholders	Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus. Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence. German Investors: this Sub-Fund is an "Aktiensfonds" French investors: this Sub-Fund is eligible for PEA (Equity Savings Plans).

SALE OF SHARES

Subscription, redemption and conversion	The Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day **(the "Valuation Day")** will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	Shares in this Sub-Fund are capitalisation or distribution Shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 business days of the applicable NAV.
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE OPTIMAL VALUE

Sub-Fund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter, the **"SICAV"**) under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Statutory Auditor	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU2052460453 Class F shares: LU2052460537 Class R shares: LU2052460610 Class I shares: LU2052460701 Class M shares: LU2052460883 Class MG shares: LU2052460966
Listing on Luxembourg stock exchange	The Sub-fund's Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective

The aim of the Mandarine Optimal Value sub-fund (the **"Sub-Fund"**) is to provide investors with long-term capital growth via a diversified portfolio of actively managed securities and to outperform the EURO STOXX® Large (Net Return) (EUR) index **(the "Index")** over the recommended investment period.

The Sub-Fund invests at least 90 % of its net assets (excluding cash) in sustainable securities, as described in the previous section entitled "Section XXI - Consideration of non-financial criteria - Inclusion of sustainability risks". The Sub-Fund takes account of a wide range of environmental and social characteristics as well as good governance practices. Environmental characteristics include, but are not limited to, climate change mitigation and adaptation measures, water and waste management, and biodiversity; social characteristics include product safety, supply chain, health and safety, and human rights. ESG characteristics are analysed and rated by the Management Company's analysts.

The Sub-Fund takes account of sustainability risks and ESG characteristics as part of its selection process. In this regard, the Sub-Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.

Although the Sub-Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation"), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

Reference index (Benchmark)

EURO STOXX® Large (Net Return) EUR

ISIN: CH0009041788
Bloomberg Ticker: LCXT Index

This Index is one of the benchmarks for large capitalisation issuers on Eurozone markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index developer (www.stoxx.com).

Information following the Q&A ESMA 34-43-392 "Actively Managed Fund"

The Sub-Fund is actively managed.

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index. The Index is used for the purpose of calculating the outperformance fee.

Information concerning the benchmark indicator used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament (hereinafter referred to as “Benchmark Regulation or BMR”) and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014, the above index administrator has registered with the European Securities and Markets Authority (hereinafter referred to as the “ESMA”).

EURO STOXX® Large (Net Return) EUR is one of the indices developed by STOXX Limited, a company incorporated under Swiss law with its registered office at Theilerstrasse 1A
6300 Zug, Switzerland (hereinafter referred to as the ***”Administrator”*****)** **www.stoxx.com/home**

On the date of the latest update to this Prospectus, as stated on the first page, the Administrator has obtained a registration under Article 32 and is therefore listed in the registry of administrators (publication of administrators) and indices (publication of benchmarks) maintained by ESMA (hereinafter referred to as the “***Benchmark Register - List of EU benchmark administrators and third country benchmarks***”**).**

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

For information purposes, the ESMA ***"Benchmark Administrators*" website (**https://www.esma.europa.eu/databases-library/registers-and-data) contains, on the one hand, the list of "EU & EEA benchmark administrators", in other words, and more specifically, the list of administrators located in the European Union who have been authorised or registered (Art. 34), the administrators meeting the conditions set out in Art. 30(1) of the same regulation, and on the other hand, the list of "third country benchmarks", in other words the list of administrators located outside the European Union (Article 30(1)(c)).

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of SFDR "Sustainability" Regulation.

The attention of shareholders is drawn to the fact that the Index was chosen prior to the entry into force of the SFDR Regulation; this Index does not take account of environmental, social or governance considerations.

Information concerning the benchmark indices used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2019/2088, the "Disclosure Regulation"

Shareholders' attention is drawn to the fact that the Sub-Funds' reference indices or benchmarks do not take into account environmental, social or governance considerations.

As such, the Benchmark Indices used by the Sub-Funds are not "EU Paris-Aligned and Climate Transition-Benchmark", whether they are **Climate Transition Benchmark** "CTB" indices of climate transition or **Paris Aligned Benchmark** "PAB" indexes aligned with the Paris Agreement.

Investment policy of the Sub-Fund

The Sub-Fund shall invest at least 75% of its assets in shares of companies which have their head office located within the European Economic Area.

Within this framework, the Sub-Fund shall invest:

- predominantly and dynamically in eurozone equities;
- within a limit of 25% of its assets, in shares of companies qualifying as *small caps.*

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as negotiable debt securities ("NDS") and Euro Medium Term Notes ("EMTN") and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCI units.

The Sub-Fund uses a value management style. These analyses are used to determine the industrial value of the company and seek to anticipate a reduction in the measured discount (industrial value greater than the share price).

The investment strategy aims to select (via stock-picking) from the investment universe made up of eurozone stocks, the best-rated securities through a quantitative filter built on three pillars of analysis, while limiting sectoral bias relative to the benchmark (sector-neutral approach).

- The first pillar of analysis is based on *valuation*, focusing on the valuation and profitability of companies, to determine a theoretical potential for revaluation (in comparison to the historical valuation).
- The second pillar is based on *financial dynamics*, represented by changes in financial estimates (earnings per share, cash flow, dividends per share), which we refer to as "financial momentum".
- The third pillar is based on *on extra-financial dynamics*, analysed from the ESG rating of each company in our investment universe and its evolution, which we refer to as "non-financial momentum".

The addition of these three independent areas makes it possible to define the securities within each sector that offer, in the opinion of the manager, the best profile both in terms of valuation and financial and extra-financial dynamics with a view to optimising the risk/return ratio.

The securities in each sector with the highest ratings are the subject to an in-depth qualitative and fundamental analysis (quality of management, competitive position, capital position and balance sheet, creation of social and societal value, etc.) allowing managers to select portfolio securities by limiting sectoral biases as much as possible.

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for the purposes of the proper management of the portfolio or for hedging, within the limits set out by the investment restrictions.

The use of derivatives and embedded derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

The cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion dated 22 August 2014 (ESMA/2014/1103) on the review of the *"CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049)"*.

Reference currency of the Sub-Fund

EUR

Risk profile of the Sub-Fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:

	Risk arising from discretionary management style; **Risk of capital loss;** **Credit risk;** **Equities risk;** **Risks associated with taking account of extra-financial criteria;** **Guarantee: The Fund's capital is not secured.**
Risk management method	*Commitment approach*.
Investor profile	Investment horizon: > 5 years This Sub-Fund is an investment vehicle intended for investors who: • are interested in the financial markets; • wish to invest in eurozone equities; • are willing to accept the strong fluctuations in rates and who therefore present low risk aversion.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares**	EUR 50	None
R, F shares	EUR 50	None
I shares	EUR 1,000,000	None
M shares	EUR 40,000,000	None
MG shares***	EUR 1,000	None

* except for the management company, which may only take out one unit.
** individuals subscribing to the SICAV.
*** Class reserved for Mandarine Gestion and entities of its group.

For F Shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:

- Financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
- Subscribers subscribing to portfolio management services for the account of third-parties (management by mandate) and/or independently provided investment consulting in the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MiFID II Directive);
- Distributors subscribing in the context of investment advice not considered to be independent within the meaning of MiFID II Directive on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under the MiFID II Directive.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on Shares from the Sub-fund:

	Subscription fee	Redemption fee	Conversion fee
All categories of Shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management	Outperformance		Services

	fees*	fee Performance fee	Custodian bank fees**	fee***
Z shares	2.20% max	15% of the outperformance over the EURO STOXX® Large (Net Return) EUR	0.05% max	0.25% max
R shares	1.95% max		0.05% max	0.25% max
F shares	1.10% max		0.05% max	0.25% max
I shares	0.90% max		0.05% max	0.25% max
M shares	0.60% max		0.05% max	0.25% max
MG shares	0.90% max	N/A	0.05% max	0.25% max

Outperformance fee: **From 1 January 2022**, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance exceeding the EURO STOXX® Large Net Return (EUR) index) if the Sub-Fund's performance exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022. At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.

- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is negative, although it has outperformed the benchmark index.	No, because the fund underperformed the benchmark (and also had a negative performance for the year).	No, because the Sub-Fund has underperformed over the whole current observation period, starting in year 3.	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.

However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of

	each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances. For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.
Taxation of Shareholders	Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus. Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence. German Investors: this Sub-Fund is an "Aktiensfonds" French investors: this Sub-Fund is eligible for PEA (Equity Savings Plans).

SALE OF SHARES

Subscription, redemption and conversion	The Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day **(the "Valuation Day")** will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	Shares in this Sub-Fund are capitalisation or distribution Shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 working days following the applicable NAV
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30

The Prospectus, KIIDs and annual and half-yearly reports may be obtained free of charge from the registered office of BNP Paribas securities – Luxembourg Branch.

MANDARINE GLOBAL TRANSITION

Sub-Fund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter, the **“SICAV”**) under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Statutory Auditor	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU2257980958 Class R shares: LU2257980289 Class R shares (USD): LU2257980529 Class R shares (USDH): LU2257980792 Class R shares (CHFH): LU2257980362 Class R (d) shares: LU2257980446 Class F shares: LU2257979190 Class F shares (USDH): LU2264053484 Class F shares (CHFH): LU2257979273 Class F (d) shares: LU2257979356 Class I shares: LU2257979513 Class I shares (USD): LU2257979786 Class I (USDH) shares: LU2257979869 Class I shares (CHFH): LU2257979604 Class G shares: LU2257979430 Class S shares: LU2257980875 Class M shares: LU2257980016 Class B3 shares (GBP): LU2257978895 Class B4 shares (GBP): LU2257978978 Class L shares: LU2257979943 Class MG shares: LU2257980107 Class U shares: LU2376489196 Class MGA shares: LU2419914317
Listing on Luxembourg stock exchange	The Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective

The aim of the Mandarine Global Transition sub-fund (the "Sub-Fund") is to outperform the MSCI ACWI Net Total Return EUR Index (all countries world index) NR**(the "Index")**, over the recommended investment period of five years, through a diversified portfolio made up of company shares of all capitalisation sizes and from all geographical areas, whose economic model, products or services, according to the analysis of the management company, respond significantly and positively to the challenges of energy and ecological transition.

The Sub-Fund's objective is sustainable investment within the meaning of Article 9 of the SFDR Regulation; it is subject to the information disclosure requirements of said Article 9. The Sub-Fund's actual contribution to the energy and ecological transition will be measured with regard to the impact of the activities of the selected companies on climate change.

In line with its sustainable investment objective, the Sub-Fund aims to invest in underlying investments that limit and/or adapt to climate change.

As set out in the Sub-Fund's investment policy, all shares are valued and measured according to their ability to contribute to climate change solutions. This assessment is performed at issuer level using a stock-selection process. This selection process includes an analysis of their turnover with regard to activities related to the first two objectives of the European Taxonomy of limiting and/or adapting to climate change. Alignment with the taxonomy will initially be calculated only for these first two objectives, knowing that the fund can be invested in the other four objectives of the Taxonomy (Sustainable use of water and protection of marine resources; fight against pollution; transition to a circular economy, protection of healthy ecosystems/ biodiversity), based on external data providers.

On the date of this prospectus, however, it is not yet possible to commit to the share of investments made in environmentally sustainable economic activities within the meaning of the Taxonomy Regulation, because the manager is currently unable to determine precisely to what extent the sub-fund's investments are made in environmentally sustainable economic activities that are aligned with the criteria of the Taxonomy Regulation.

Reference index (Benchmark)

MSCI ACWI Net Total Return EUR Index (all countries world index) NR

Identifier:
Bloomberg Ticker: NDEEWNR

This index is one of the benchmark indices of the issuers of large and mid caps in global markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index developer (www.msci.com).

Information following the Q&A ESMA 34-43-392 "Actively Managed Fund"

The Sub-Fund is actively managed.

However, the Sub-Fund's objective is not to reproduce the performance of this index in any manner. It makes its investments based on criteria that could result in significant variations compared to the performance and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index. The Index is used for the purpose of calculating the outperformance fee.

Information concerning the benchmark indicator used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2016/1011

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament (hereinafter referred to as “Benchmark Regulation or BMR”) and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/45/EU and 2014/17/EU and Regulation (EU) No 596/2014, the above index administrator has registered with the European Securities and Markets Authority (hereinafter referred to as the “ESMA”).

MSCI ACWI Net Total Return EUR Index (all countries world index) NR is one of the indices that are part of the MSCI Equity Benchmark Family developed by MSCI Limited, a company incorporated under English law with registered office at Ten Bishops Square, 9th Floor, London E1 6EG, United-Kingdom (hereinafter, the Administrator) www.msci.com.

On the date of the latest update to this Prospectus, which is the date appearing on the first page, the Administrator has obtained a registration under Article 34 and is therefore listed in the publication of administrators and publication of benchmarks maintained by ESMA (hereinafter referred to as the “Benchmark Register - List of EU benchmark administrators and third country benchmarks”).

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

For information purposes, the ESMA “Benchmark Administrators” website (https://www.esma.europa.eu/databases-library/registers-and-data) contains, on the one hand, the list of “EU & EEA benchmark administrators”, in other words, and more specifically, the list of administrators located in the European Union who have been authorised or registered (Art. 34), the administrators meeting the conditions set out in Art. 30 (1) of the same regulation, and on the other hand, the list of “third country benchmarks”, in other words the list of administrators located outside the European Union (Article 30(1)(c)).

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of SFDR “Sustainability” Regulation.

The attention of shareholders is drawn to the fact that the Index was chosen prior to the entry into force of the SFDR Regulation; this Index does not take account of the sustainability objective of the Sub-Fund.

Information concerning the benchmark indices used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2019/2088, the “Disclosure Regulation”
Shareholders' attention is drawn to the fact that the Sub-Funds' reference indices or benchmarks do not take into account environmental, social or governance considerations.

As such, the Benchmark Indices used by the Sub-Funds are not "EU Paris-Aligned and Climate Transition-Benchmark", whether they are **Climate Transition Benchmark** "CTB" indices of climate transition or **Paris Aligned Benchmark** "PAB" indexes aligned with the Paris Agreement.

Investment policy of the Sub-Fund

(1)Overall strategy of the Sub-Fund

The Sub-Funds investment strategy is based on a selection of shares of companies involved in services or sectors of activity linked to sustainable development and the environment and, more specifically, to energy and ecological transition.

The Sub-Fund will seek – through a "growth & quality" approach – to finance and capture the growth dynamics of companies native to the ecological transition, solution providers or companies in transition to a low-carbon economy.

(2)Investment universe

The Sub-Fund will select companies whose economic model, products or services and production process relates to the fields of activity listed below ("Eco-Activities"), contribute, according to the analysis of the Management Company, significantly and positively to the energy and ecological transition and combating global warming.

Definition of "Eco-Activities":
- Energy;
- Construction;
- Waste management and tackling pollution;
- Industry;
- Clean transport;
- Information and communication technologies;
- Agriculture and forestry;
- Adapting to climate change.

Within the universe of Eco-Activities (the "Investment Universe"), the Sub-Fund will seek more specifically to select mainly companies active in the following activity areas: renewable energy, circular economy and adapting to climate change.

The Sub-Fund will prioritise companies whose green share represents a high proportion of their turnover. To this end, the Sub-Fund will invest at least 50% of its net assets in companies achieving more than 50% of their turnover in Eco-Activities.

In this context, the assets of the Sub-Fund will consist of:

- at least 50% of net assets in Type I companies - "High Green Share" (those achieving more than 50% of their turnover in Eco-Activities, as defined by the selected nomenclature);
- maximum of 50% of net assets in Type II companies – "Moderate Green Share" (those achieving 10% to 50% of their turnover in Eco-Activities)
- maximum of 20% of net assets in Type III companies – "Diversification" (those generating less than 10% of their turnover in Eco-Activities)

Companies with economic activities assessed as contrary to the energy and ecological transition or currently attracting controversy shall be excluded.

Companies will also be excluded if more than 5% of their activity comes from the:
- exploration-production and exploitation of fossil fuels;

- the entire nuclear industry, i.e. the following activities: uranium extraction, concentration, refining, conversion and enrichment of uranium, building nuclear fuel assemblies, construction and operation of nuclear reactors, treatment of spent nuclear fuel, nuclear dismantling and management of radioactive waste.

Partial exclusions cover:
- distribution, transport and production companies of equipment and services, insofar as more than 33% (inclusive) of their turnover is achieved with customers of the strictly excluded sectors as set out above;
- companies achieving more than 33% (inclusive) of their turnover in one of the following activities: storage and landfill without capturing greenhouse gases (GHG), incineration without energy recovery, energy efficiency for non-renewable energy sources and energy savings linked to the optimisation of the extraction, transport and production of electricity from fossil fuels, logging (except if managed sustainably, and peat land farming).

Companies involved in the production or distribution of anti-personnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are systematically excluded.

<u>(3) Designing the portfolio</u>

Within this Investment Universe, the Sub-Fund selects securities based fundamentally on an approach that applies qualitative and quantitative financial criteria.

a. Quantitative approach

The quantitative approach aims to filter the Eligible Investment Universe in order to focus on companies deemed to be of quality ("quality stocks"), in particular in growth and valuation aspects.
• Ability to create value over the long term (significant return on equity, low volatility in margins and results, etc.);
• Ability to finance growth: generation of regular and sustainable cash flows (volatility of free cash flow or Free Cash Flow "FCF"), reasonable financial leverage (DN/earnings before interest, taxes, depreciation and amortisation see: EBITDA), etc.

b. Qualitative approach

The qualitative approach then aims to identify companies that are strategically positioned or in the process of building an eco-activity portfolio to take full advantage of the theme of energy and ecological transition, in particular:
- Innovation capacity, sustainable technological advantage or strategic positioning which make it possible to identify winning companies in their market segments ("R&D" budgets, barriers to entry, patents, etc.);
- Acquisition strategy aimed at building a portfolio of technological know-how or assets responding to the theme of energy and ecological transition.

The securities included in the composition of the Sub-Fund will be listed according to several categories with the objective of diversifying models for better risk management:
• Actors in the energy and ecological transition: companies operating assets and whose stated strategic objective is to reduce the ecological impact linked to the operation/use of these assets;
• Suppliers of energy and ecological transition solutions: companies offering technologies (products or services) that reduce the energy and ecological impact of their customers;

• "Native" transition companies: companies entirely dedicated to energy and the ecological transition, operating so-called "clean" or circular economy assets.

Investors are alerted to the fact that investment in the Sub-Fund aims to help finance the ecological and energy transition but that it does not generate direct positive impacts on the environment and society.

(4) Measuring the impact

The measurement of the Sub-Fund's actual contribution to the energy and ecological transition will be assessed with regard to its impact on climate change.

(5) Authorised assets

The Sub-Fund will invest at least up to 80% of its net assets in listed equities of any capitalisation size and from all geographical areas, including up to 25% of its net assets in issuers from emerging countries.

As a large majority of the securities under the theme of climate change are small- or medium-capitalisation companies, the Sub-Fund may invest up to 100% of its net assets in small or medium capitalisation companies. Currency risk may reach 100% of net assets.

The sub-fund will also be authorised to invest up to 20% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as negotiable debt securities ("NDS") and Euro Medium Term Notes ("EMTN")), and in any other types of eligible bonds or money market securities.

In order to manage cash or access markets or specific management styles (sector-based or geographical, etc.), the Sub-Fund may invest up to 10% of its net assets in UCITS or other UCIs. The Sub-Fund may invest in UCITS or other UCIs managed by the Management Company.

The Sub-Fund may invest up to 10% of its net assets in Chinese class A equities via Stock Connect (as defined in the general part of the Prospectus) and/or Chinese class B equities.

The Sub-Fund may invest in trackers, listed index-linked funds and Exchange Traded Funds on an ad-hoc basis.

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for hedging purposes within the limits set out by the investment restrictions. The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

Cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion of 22 August 2014 (ESMA/2014/1103) on the review of the CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049).

Reference currency	EUR
Risk profile of the Sub-Fund	Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus: • Equities risk • Liquidity risk, in particular related to holding small and mid-cap companies; • Risk arising from discretionary management style; • Risk of capital loss; • Counterparty risk; • Risks related to the measurement of extra-financial criteria as part of the impact measurement:
Risk management method	Commitment approach.
Investor profile	Investment horizon: > 5 years This Sub-Fund is an investment vehicle intended for investors who: • are interested in the financial markets; • wish to invest in the equity of internationally diversified small and mid cap companies; and • who present low risk aversion and are therefore willing to accept strong fluctuations in rates.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z, R, R (USD), R (USDH), R(d), R(CHFH), F, F (USDH), F(d) and F(CHFH), MGA***** shares**	EUR/USD/CHF 50	None
I, I (USD), I (USDH), I (CHFH), G* and S**** shares**	EUR/USD/CHF 100.000	None
M, L shares	EUR 15,000,000	None
MG***, B3 (GBP), B4 (GBPH) shares**	EUR/GBP 1,000	None
U**** shares**	EUR 50	None

* Except for the management company, which may only take out one unit.
** Individuals subscribing directly with the SICAV.
*** Institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesesetz and also institutional investors governed by Austrian law.
**** Class reserved for institutional investors (mainly Spanish and Italian) such as those defined by the lines of conduct and recommendations issued periodically by the Luxembourg supervisory authority. S Class investors shall, upon request from the SICAV, undertake to provide proof of their eligibility and of their capacity as an institutional investor.
***** Class reserved for Mandarine Gestion and entities of its group.
****** Class reserved for life insurance contracts distributed or marketed to clients of Union Financière de France Banque (UFF Banque).

For I (USDH), R (USDH), B2 (GBPH), B4 (GBPH), R (CHFH), F (USDH), F (CHFH) and I (CHFH) shares, currency hedging is implemented, aimed at limiting the impact of changes in the EUR/USD, EUR/GBP and EUR/CHF exchange rate on performance and to hedge against the USD/EUR, GBP/EUR and CHF/EUR exchange rate risk as far as possible. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there may be a residual exchange rate risk. Hedging can generate a performance discrepancy between Classes in different currencies.

For F, F(d), F (USDH) and F(CHFH) shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:
(i) financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
(ii) Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MiFID II Directive);
(iii) Distributors subscribing in the context of investment advice not considered to be independent within the meaning of MiFID II Directive on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under MiFID II Directive.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on shares from the Sub-Fund:

	Subscription fee	Redemption fee	Conversion fee
All shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee *Performance fee*	Custodian bank fees**	Services fee***
Z shares	1.95% max	15% of the outperformance above that of the MSCI ACWI Net Total Return EUR Index (all countries world index) NR	0.05% max	0.25% max
R shares	1.95% max		0.05% max	0.25% max
R (USD) shares	1.95% max		0.05% max	0.25% max
R (USDH) shares	1.95% max		0.05% max	0.25% max
R (CHFH) shares	1.95% max		0.05% max	0.25% max
R (d) shares	1.85% max		0.05% max	0.25% max
F shares	1.00% max		0.05% max	0.25% max
F (USDH) shares	1.00% max		0.05% max	0.25% max
F (CHFH) shares	1.00% max		0.05% max	0.25% max
F (d) shares	0.95% max		0.05% max	0.25% max
I shares	0.90% max		0.05% max	0.25% max
I (USD) shares	0.90% max		0.05% max	0.25% max
I (USDH) shares	0.90% max		0.05% max	0.25% max
I (CHFH) shares	0.90% max		0.05% max	0.25% max
G shares	1.00% max		0.05% max	0.25% max
S shares	1.40% max		0.05% max	0.25% max
M shares	0.60% max		0.05% max	0.25% max
U shares	2.20% max		0.05% max	0.25% max
B3 (GBP) shares	1.00% max	N/A	0.05% max	0.25% max
B4 (GBPH) shares	1.00% max	N/A	0.05% max	0.25% max
L shares	0.75% max	N/A	0.05% max	0.25% max

	Management fees*	Outperformance fee *Performance fee*	Custodian bank fees**	Services fee***
MG shares	0.90% max	N/A	0.05% max	0.25% max
MGA shares	0.00% max	N/A	0.05% max	0.25% max

Outperformance fee: **From 1 January 2022**, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance exceeding the MSCI ACWI Net Total Return EUR Index (all countries world index) NR) if the Fund's performance exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.

- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Outperformance/ underperformance	5%	1%	-4%	2%	3%
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is negative, although it has outperformed the benchmark index.	No, because the fund underperformed the benchmark (and also had a negative performance for the year).	No, because the Sub-Fund has underperformed over the whole current observation period, starting in year 3.	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.
However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.
Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

German Investors: this Sub-Fund is an "Aktiensfonds"

SALE OF SHARES

Subscription, redemption and conversion	The Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day **(the "Valuation Day")** will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.
Share type/class	Shares in this Sub-Fund are capitalisation or distribution Shares. Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.
Valuation Day	Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank business day.
Value date for subscriptions and redemptions	Within 2 business days of the applicable NAV.
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch

MANDARINE GLOBAL SPORT

Sub-Fund of **Mandarine Funds**,
an open-ended investment company with variable capital (hereinafter, the **"SICAV"**) under Luxembourg law.

OVERVIEW OF THE SICAV

Date of incorporation	03/03/2010
Country of registration	Luxembourg
Legal form	SICAV with multiple sub-funds
Duration	Unlimited
Management Company	MANDARINE GESTION SA
Custodian	BNP Paribas Securities Services - Luxembourg Branch
Central administration	BNP Paribas Securities Services - Luxembourg Branch
Statutory Auditor	Deloitte AUDIT
Supervisory authority	Commission de Surveillance du Secteur Financier, Luxembourg

OVERVIEW OF THE SUB-FUND

ISIN code	Class Z shares: LU2257982731 Class F shares: LU2257981253 Class F shares (d): LU2257981410 Class R shares: LU2257982228 Class R shares (d): LU2257982574 Class R shares (USDH): LU2257982657 Class I shares: LU2257981683 Class I shares (USDH): LU2257981840 Class G shares: LU2257981501 Class M shares: LU2257982061 Class R shares (CHFH): LU2257982491 Class I shares (CHFH): LU2257981766 Class F (CHFH) shares: LU2257981337 Class B3 shares (GBP): LU2257981097 Class B4 shares (GBPH): LU2257981170 Class L shares: LU2257981923 Class MG shares: LU2257982145
Listing on Luxembourg stock exchange	The Shares may be listed on the Luxembourg Stock Exchange if so decided by the Board of Directors of the SICAV.

INVESTMENT POLICY

Investment objective

The aim of the Mandarine Global Sport (the **"Sub-Fund"** is to provide investors with long-term capital growth from a diversified portfolio of equities of companies of all capitalisations and from all geographical areas, whose business model products or services participate or offer solutions in Sport-related themes (sports infrastructure, sports equipment, sports economics, performance measurement and medical support, eSport, sports nutrition) and to achieve a net return in excess of the MSCI ACWI Net Total Return EUR Index (all countries world index) NR (the **"Index"**).

The Sub-Fund invests at least 75% of its net assets (excluding cash) in sustainable securities, as described in the previous section entitled "Section XXI - Consideration of non-financial criteria - Inclusion of sustainability risks". The Sub-Fund takes account of a wide range of environmental and social characteristics as well as good governance practices. Environmental characteristics include, but are not limited to, climate change mitigation and adaptation measures, water and waste management, and biodiversity; social characteristics include product safety, supply chain, health and safety, and human rights. ESG characteristics are analysed and rated by the Management Company's analysts.

The Sub-Fund takes account of sustainability risks and ESG characteristics as part of its selection process. In this regard, the Sub-Fund promotes environmental or social characteristics within the meaning of Article 8 of the SFDR Regulation.

Although the Sub-Fund may invest in environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation"), it does not currently have a specific environmental objective and does not commit to investing in sustainable investments that are aligned with the criteria of the Taxonomy Regulation.

Reference index (Benchmark)

MSCI ACWI Net Total Return EUR Index (all countries world index) NR

Identifier:
Bloomberg Ticker: NDEEWNR

This index is one of the benchmark indices of the issuers of large and mid caps in global markets.

The Index is denominated in euros. The performance of the Index is expressed as reinvested dividends.

For further information on the characteristics and composition of this Index, please consult the website of the Index developer (www.msci.com).

Information according to Q&A ESMA 34-43-362 "Actively Managed Fund"

The Sub-Fund is actively managed.

The Sub-Fund does not aim to replicate the performance of this Index in any way. It makes its investments based on criteria which may lead it to significant deviations from the behaviour and composition of this Index. Investments in companies are made on the basis of weightings that are not based on the relative weighting of each company in the Index. The Index is used for the purpose of calculating the outperformance fee.

Information concerning the benchmark indicator used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2016/1011.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament (hereinafter referred to as the **"Benchmark Regulation"** or **"BMR"**) and of the Council of 8 June 2016 on indices used as reference indices or benchmarks in relation to financial instruments or contracts, or to measure the performance of investment funds and amending Directives 2008/45/ EU and 2014/17/EU and EU Regulation No. 596/2014, the administrator of the aforementioned Index has been registered with the European Securities and Markets Authority (hereinafter referred to as the "ESMA").

The index is one of the indices that are part of the MSCI Equity Benchmark Family developed by MSCI Limited, a company incorporated under English law with registered office at Ten Bishops Square, 9th Floor, London E1 6EG, United-Kingdom (hereinafter "the Administrator") www.msci.com.

On the date of the latest update to this Prospectus, which is the date appearing on the first page, the Administrator has obtained a registration under Article 34 and is therefore listed in the publication of administrators and publication of benchmarks maintained by ESMA (hereinafter referred to as the "Benchmark Register - List of EU benchmark administrators and third country benchmarks").

In accordance with Article 28.2 of the BMR Regulation, the Management Company has a monitoring procedure for the benchmark indices used describing the measures to implement in the case of substantial modifications made to an index or in the event that this index is no longer available.

For information purposes, the ESMA "Benchmark Administrators" website (https:// www.esma.europa.eu/databases-library/registers-and-data) contains, on the one hand, the list of "EU & EEA benchmark administrators", in other words, and more specifically, the list of administrators located in the European Union who have been authorised or registered (Art. 34), the administrators meeting the conditions set out in Art. 30(1) of the same regulation, and on the other hand, the list of "third country benchmarks", in other words the list of administrators located outside the European Union (Article 30(1)(c)).

Information concerning the benchmark indicator used by the Fund carried out in accordance with the provisions of SFDR "Sustainability" Regulation.

The attention of shareholders is drawn to the fact that the Index was chosen prior to the entry into force of the SFDR Regulation; this Index does not take account of environmental, social or governance considerations.

Information concerning the benchmark indices used by the Sub-Fund carried out in accordance with the provisions of EU Regulation 2019/2088, the "Disclosure Regulation"
Shareholders' attention is drawn to the fact that the Sub-Funds' reference indices or benchmarks do not take into account environmental, social or governance considerations.
As such, the Benchmark Indices used by the Sub-Funds are not "EU Paris-Aligned and Climate Transition-Benchmark", whether they are **Climate Transition Benchmark** "CTB" indices of climate transition or **Paris Aligned Benchmark** "PAB" indexes aligned with the Paris Agreement.

Investment policy of the Sub-Fund

The Sub-Fund will invest at least 75% of its net assets in equities issued by companies in any geographical area operating in sport-related sectors.

The Sub-Fund will also be authorised to invest up to 25% of its net assets in money market instruments or debt securities (including eligible securities pursuant to Article 41 of the Law of 2010, such as negotiable debt securities (“NDS”) and Euro Medium Term Notes ("EMTN")) and all other types of eligible bonds or money market securities.

Furthermore, the Sub-Fund may also invest up to 10% of its net assets in UCIs in order to invest its liquid assets.

Financial strategy

The investment strategy is based on the selection of growth-type companies of all capitalisation types which are delivering above-average growth, in particular in terms of their results and margins, and which have the potential to increase in value.

The investment strategy is based on active management carried out on the basis of a *bottom up* approach in order to select companies which offer solutions or contribute positively or are involved in sports-related issues (sports infrastructure, sporting equipment, sporting accessories, sports economics, performance measurement and medical assistance, e-sport, sports nutrition).

The *bottom-up* approach consists of studying the company's fundamentals.

Therefore, the security-selection process will use:

• qualitative criteria:
- identification of growth drivers or catalysts;
- quality of management and teams, positioning of the company within its sector;
- sustainability of growth, identification of future value creation;

• and quantitative criteria based on the financial analysis of companies:
organic growth of sales revenue and operating profits;
- size of the addressable market and trend in market shares;
- quality of the financial structure (ability to fund its own growth, debt ratios and ability to repay this debt), visibility of growth of results, etc.

The sub-fund may invest up to 30% of its net assets in shares of companies located in emerging countries and, in particular but not limited to, "A-Shares" through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect programme (together, the “Stock Connects”).

Within the investment universe of global equities, the Sub-Fund will seek more specifically to select companies whose turnover is mainly exposed to one or more of the following sport-related investment themes:

- **Sports infrastructures**: stadiums, enclosures, facilities, sports clubs, fitness rooms, etc.
- **Sports equipment**: clothing, brands and distributors, etc.
- **Sports equipment**: gym equipment, accessories, apparatus, car/motorcycle/bicycle/boat/sail, etc.
- **Sports economics:** media, sports betting, sponsorship, events, insurance, etc.
- **Performance measurement and medical support**: connected watches, cardio belts, recovery, post-exercise care, muscle diagnosis and monitoring, etc.
- **eSport**: online gaming, gaming platforms, online gaming equipment, online gaming infrastructure (virtualisation, streaming, memory), etc.
- **Sports nutrition**: improved food hygiene for better performance (nutrients, food supplements, probiotics, vitamins, etc.);

The Sub-Fund reserves the right to request any professional expertise for the selection of eligible securities.

Extra-financial strategy

Within the investment universe composed of international companies whose turnover is mainly exposed to sport, the Sub-Fund will implement a Best-in-Universe approach consisting of favouring the best-rated companies in a extra-financial point of view regardless of their sector of activity.

The selection process for ESG securities is therefore based on the collection of extra-financial information about the securities in the Sub-Fund's investment universe.

Mandarine Gestion's ESG expertise unit attributes extra-financial scores to the securities. The extra-financial analysis results in a five-step ESG score from A (best score) to E (worst score).

The following are excluded from the Sub-Fund's investment universe:

- Issuers whose head office is located in high-risk jurisdictions or non-cooperative territories or countries considered at risk from a tax point of view according to internal analysis (tax haven, tax opacity, etc.);
- The following issuers: professional football clubs and companies engaged in the sale of weapons;
- Issuers with the most unfavourable ESG rating ("E" rating),

In order to enable this ESG integration, ESG analysis is based on the collection, cross-referencing and appropriation of qualitative and quantitative extra-financial information from multiple sources to allow for original hedging:

- the Extra-Financial Performance Report (EFPR) published by the companies in question;
- meetings with issuers, management and stakeholders (NGOs, unions, study reports, etc.);
- the reports and analyses of brokers and extra-financial rating agencies.

Systematic exclusions

Under the law, companies involved in the production or distribution of antipersonnel mines and cluster munitions prohibited by the Ottawa and Oslo Conventions are also excluded from the Sub-Fund.

Information regarding the inclusion of ESG criteria is available on the Management Company's website: www.mandarine-gestion.com

Use of derivatives

Within the limits set out in the prospectus, the Sub-Fund may use financial markets techniques and instruments for exposure and hedging purposes within the limits set out by the investment restrictions.
The use of derivatives is limited to 100% of the Sub-Fund's net assets.

Financial guarantees (or collateral) and discount policy

The Sub-Fund will not receive securities as collateral, but will only receive cash collateral in euros to reduce counterparty risk in the context of effective portfolio management techniques.

Type of collateral	Currency	Valuation level
Cash	EUR	100%

Cash received as collateral will only be reinvested in money market funds (as defined in the ESMA opinion of 22 August 2014 (ESMA/2014/1103) on the review of the CESR Guidelines on a Common Definition of European Money Market Funds (CESR/10-049).

Reference currency

EUR

Risk profile of the Sub-Fund

Investors are alerted to the fact that investing in this Sub-Fund presents specific risks inherent to the various asset classes in which the Sub-Fund may invest or to which it may be exposed, and it shall be the responsibility of the investors to review the risks as more fully detailed in the Prospectus:
- **Equities risk**
- **Liquidity risk, in particular related to holding small- and mid-cap companies;**
- **Risk arising from discretionary management style;**
- **Risk of capital loss;**
- **Counterparty risk;**
- **Risk associated with investing in emerging countries;**
- **Exchange rate risk;**
- **Risk associated with investing via Stock Connects;**
- **Risks associated with taking account of extra-financial criteria**

Risk management method

Commitment approach.

Investor profile

Investment horizon: > 5 years
This Sub-Fund is an investment vehicle intended for investors who:
- are interested in the financial markets;
- wish to invest in the equity of internationally diversified companies of all capitalisation types and in the sport theme; and
- who present low risk aversion and are therefore willing to accept strong fluctuations in rates.

SHARES AVAILABLE - SUBSCRIPTION AMOUNT

Classes	Minimum value of initial subscription *	Minimum value of subsequent subscriptions
Z shares, R, R (USDH), R(d), F, F(d), R (CHFH) and F (CHFH) shares**	EUR/USD/CHF 50	None
I, I (USDH), I (CHFH) and G* shares**	EUR/USD/CHF 100.000	None
M, L shares	EUR 15,000,000	None
MG***, B3 (GBP), B4 (GBPH) shares**	EUR/GBP 1,000	None

* Except for the management company, which may only take out one unit.
** Individuals subscribing directly with the SICAV.
*** Institutional investors governed by German law: legal persons directly or indirectly subject to German legal and tax rules, especially those relating to the provisions of § 5 Investmentsteuergesesetz and also institutional investors governed by Austrian law.
**** Class reserved for Mandarine Gestion and entities of its group.

For I (USDH), R (USDH), B4 (GBPH), R (CHFH), F (CHFH) and I (CHFH) shares, currency hedging is implemented, aimed at limiting the impact of changes in the EUR/USD, EUR/GBP and EUR/CHF exchange rate on performance and to hedge against the USD/

EUR, GBP/EUR and CHF/EUR exchange rate risk as far as possible. For Classes denominated in currencies other than the euro, subscribers are alerted to the fact that there may be a residual exchange rate risk. Hedging can generate a performance discrepancy between Classes in different currencies.

For F, F (d) and F (CHFH) shares: shares reserved for all investors and, in the context of subscription or distribution within the European Union, that are intended solely for:
(i) financial intermediaries who are not authorised, under the applicable regulations, to receive and/or hold on to any commissions or non-monetary benefits; or
(ii) Subscribers subscribing to portfolio management services on behalf of third parties (management by mandate) and/or independently provided investment consulting within the meaning of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments within the European Union (the MiFID II Directive);
(iii) Distributors subscribing in the context of investment advice not considered to be independent within the meaning of MiFID II Directive on the basis of a contract with their customer, and/or where such a distributor neither receives nor holds on to any commission or other non-monetary benefit under MiFID II Directive.

FEES PAYABLE BY THE SUBSCRIBER

The Distributor or the authorised distribution intermediaries may take the following maximum fees on shares from the Sub-Fund:

	Subscription fee	Redemption fee	Conversion fee
All shares	2% max	-	1% max

FEES AND COSTS CHARGED TO THE SUB-FUND

	Management fees*	Outperformance fee *Performance fee*	Custodian bank fees**	Services fee***
Z shares	1.95% max	15% of the outperformance above that of the MSCI ACWI Net Total Return EUR Index (all countries world index) NR	0.05% max	0.25% max
R shares	1.95% max		0.05% max	0.25% max
R (USDH) shares	1.95% max		0.05% max	0.25% max
R (CHFH) shares	1.95% max		0.05% max	0.25% max
F shares	1.00% max		0.05% max	0.25% max
F (CHFH) shares	1.00% max		0.05% max	0.25% max
I shares	0.90% max		0.05% max	0.25% max
I (USDH) shares	0.90% max		0.05% max	0.25% max
I (CHFH) shares	0.90% max		0.05% max	0.25% max
M shares	0.60% max		0.05% max	0.25% max
B3 (GBP) shares	1.00% max	N/A	0.05% max	0.25% max
B4 (GBPH) shares	1.00% max	N/A	0.05% max	0.25% max
L shares	0.75% max	N/A	0.05% max	0.25% max
MG shares	0.90% max	N/A	0.05% max	0.25% max

Outperformance fee: **From 1 January 2022**, the outperformance fee will be calculated as follows:
the outperformance fee corresponds to a variable charge and is contingent on the Sub-Fund achieving a positive performance over the financial year and outperforming its benchmark over the observation period.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of the Sub-Fund and that of a notional Sub-Fund that achieves the performance of its benchmark and has the same subscription and redemption pattern as the actual Sub-Fund.

The outperformance generated by the Sub-Fund on a given date is defined as the difference between the net assets of the Sub-Fund and the assets of the notional UCI on the same date.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance exceeding the MSCI ACWI Net Total Return EUR Index (all countries world index) NR) if the Fund's performance exceeds that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance.

Catching up on underperformance and reference period

The reference period is the period during which the performance is measured and compared to that of the benchmark index and at the end of which it is possible to reset the compensation mechanism for the underperformance (or negative performance) passed.

This period is fixed at five years.

Condition of positivity

A provision cannot be made and a fee can only be collected if the Sub-Fund's performance is strictly positive over the year (NAV greater than the NAV at the start of the year).

Crystallisation

The crystallisation period, i.e. the frequency with which the accrued performance fee, if any, must be paid to the management company, is twelve months.

The initial crystallization period will end on the last day of the financial year ending 31 December 2022.

Observation period

The initial observation period will start with a duration of 12 months starting at the beginning of 2022.

At the end of a crystallisation period, one of the following three situations may occur:

- The Sub-Fund posted an underperformance over the observation period. In this case, no provision is taken, and the observation period is extended by one year, up to a maximum of five years (reference period).
- The Sub-Fund posted an outperformance over the observation period but underperformed negatively over the year. In this case, no provision is taken, but a new observation period of twelve months shall begin.
- The Sub-Fund posted an outperformance over the observation period and a positive absolute performance over the financial year. In this case, the management company shall receive the provisioned fee (crystallisation) and a new observation period of twelve months shall begin.

In the event of redemptions during the period, the portion of the provision set aside corresponding to the number of shares redeemed will be definitively acquired and deducted by the Investment Manager.

Illustration

	1	2	3	4	5
Performance of the Sub-Fund units	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
	5%	1%	-4%	2%	3%

	1	2	3	4	5
Outperformance/ underperformance					
Cumulative outperformance/ underperformance				-2%	1%
Levy of a fee?	Yes	No, because the performance of the Sub-Fund is negative, although it has outperformed the benchmark index.	No, because the fund underperformed the benchmark (and also had a negative performance for the year).	No, because the Sub-Fund has underperformed over the whole current observation period, starting in year 3.	Yes
Start of a new observation period?	Yes, a new observation period starts in year 2	Yes, a new observation period starts in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period starts in year 6

N.B.: To make the example easier to understand, we have shown the performance of the Sub-Fund and the benchmark in percentages. In fact, the outperformance/underperformance will be measured as an amount, by the difference between the net assets of the Sub-Fund and that of a notional Sub-Fund as described in the aforementioned methodology.

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

SHARE CLASSES SPECIFICALLY FOR GERMAN INVESTORS

	Management fees*	Outperformance fee Performance fee	Custodian bank fees**	Services fee***
R (d) shares	1.90% max	15% of the outperformance above that of the MSCI ACWI Net Total Return EUR Index (all countries world index) NR	0.05% max	0.25% max
F (d) shares	0.95% max		0.05% max	0.25% max

	Management fees*	Outperformance fee Performance fee	Custodian bank fees**	Services fee***
G shares	1.05% max	N/A	0.05% max	0.25% max

Outperformance fee: *see description above on page 150 et seq.*

* Management fee	payable monthly and based on the average net assets of the Sub-Fund during the month in question. The payment is due in the following month.
** Custodian Bank fees	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 6,000 p.a.
***Services fee	payable quarterly, based on the average net assets of the Sub-Fund during the respective quarter, subject to a minimum of no more than EUR 25,000 p.a.
Other costs and fees	The Sub-Fund shall also pay other operating costs. Details of these costs are outlined in Article 30 of the Articles of Association.

TAXATION SYSTEM

Taxation of the SICAV

The SICAV is not subject to Luxembourg tax on its income, profits or capital gains or to Luxembourg wealth tax.
However, the SICAV is subject to a subscription tax at an annual rate of 0.05% per annum, in principle, calculated and payable quarterly based on the net assets of the SICAV (or of each Sub-Fund in respect of each relevant Class) on the last day of each quarter. However, a reduced annual rate of 0.01% or a total exemption will be applicable depending on the circumstances.

For further information, please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.

Taxation of Shareholders

Please refer to section 16 "Taxation of the SICAV and Shareholders" of this prospectus.
Shareholders are advised to seek advice from their tax consultant regarding the laws and regulations in force in their country of origin and residence.

German Investors: this Sub-Fund is an "Aktiensfonds"

SALE OF SHARES

Subscription, redemption and conversion

The Subscription, redemption and conversion orders received in Luxembourg before 1 p.m. on a valuation day **(the "Valuation Day")** will be deducted on the basis of the NAV calculated by reference to the Valuation Day by applying the charges provided for in the prospectus. Subscriptions and redemptions must be paid up no later than two working days following the applicable valuation day.

Share type/class

Shares in this Sub-Fund are capitalisation or distribution Shares.
Shares are issued in dematerialised in registered form. Fractions of up to one ten thousandth of a Share may be issued.

Valuation Day

Each bank business day in Luxembourg by reference to which the NAV is calculated, in the event of closure, the NAV will be calculated based on the following bank

	business day.
Value date for subscriptions and redemptions	Within 2 business days of the applicable NAV.
Publication of the NAV	NAVs can be consulted at the registered office of the SICAV.

CONTACTS

Subscriptions, redemptions and conversions	BNP Paribas Securities Services - Luxembourg Branch
Request for documentation	BNP Paribas Securities Services - Luxembourg Branch Tel.: + 352 26.96.20.30