DPAM

DEGROOF PETERCAM **ASSET MANAGEMENT**

# DPAM B SA

## *Prospectus*

***April 2022***

SICAV with an umbrella structure (multiple sub-funds) under Belgian law opting for investments meeting the conditions of Directive 2009/65/EC

**Appendices attached to this prospectus:**

- Articles of Association
- Periodic reports

# TABLE OF CONTENTS

PREAMBLE . . . . . 4
PRESENTATION OF THE SICAV . . . . . 5
INFORMATION ON THE RISK PROFILE AND THE INTEGRATION OF SUSTAINABILITY RISKS . . . . . 23
INFORMATION ABOUT THE SHARES AND THEIR TRADING . . . . . 25
FEES AND CHARGES . . . . . 27
INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Short Term 1 Y . . . . . 38
INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR . . . . . 43
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Small Caps Sustainable . . . . . 47
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Euroland . . . . . 52
INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate Europe Sustainable . . . . . 57
INFORMATION ABOUT THE SUB-FUND DPAM B Equities World Sustainable . . . . . 62
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Dividend . . . . . 67
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Sustainable . . . . . 72
INFORMATION ABOUT THE SUB-FUND DPAM B Equities NewGems Sustainable . . . . . 77
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Sustainable Food Trends . . . . . 83
INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR IG . . . . . 88
INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate Europe Dividend Sustainable . . . . . 92
INFORMATION ABOUT THE SUB-FUND DPAM B Equities DRAGONS Sustainable . . . . . 98
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Euroland Sustainable . . . . . 104
INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Corporate Sustainable . . . . . 110
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Index . . . . . 115
INFORMATION ABOUT THE SUB-FUND DPAM B Equities US Index . . . . . 118
INFORMATION ABOUT THE SUB-FUND DPAM B Equities Japan Index . . . . . 121
INFORMATION ABOUT THE SUB-FUND DPAM B Equities EMU Index . . . . . 124
INFORMATION ABOUT THE SUB-FUND DPAM B Equities World ex Japan, Europe & USA Index . . . . . 127
INFORMATION ABOUT THE SUB-FUND DPAM B Equities EMU Behavioral Value . . . . . 130
INFORMATION ABOUT THE SUB-FUND DPAM B Equities US Behavioral Value . . . . . 135
INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate EMU Dividend Sustainable . . . . . 140
INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Medium Term . . . . . 145
INFORMATION ABOUT THE SUB-FUND DPAM B Equities US Dividend Sustainable . . . . . 149
INFORMATION ABOUT THE SUB-FUND DPAM B Corporate Bonds EUR 2023 . . . . . 154
INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate EMU Sustainable . . . . . 158
INFORMATION ABOUT THE SUB-FUND DPAM B Equities US ESG Leaders Index . . . . . 163
INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Growth . . . . . 168
INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Flexible . . . . . 171
INFORMATION ABOUT THE SUB-FUND DPAM B Bonds Global Inflation Linked . . . . . 176

INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Quality Short Term . . . . . 181
INFORMATION ABOUT THE SUB-FUND DPAM B Defensive Strategy . . . . . 186
INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Low Strategy . . . . . 191
INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Strategy . . . . . 196
INFORMATION ABOUT THE SUB-FUND DPAM B Active Strategy . . . . . 201
INFORMATION ABOUT THE SUB-FUND DPAM B Global Diversified World . . . . . 206

# PREAMBLE

## Restrictions on subscription to and transfer of shares

### General:

This Prospectus does not constitute an offer or solicitation in any country in which such offer or solicitation is not lawful, or in which the person making such offer or solicitation is not authorized to do so.

Potential subscribers should consult their legal, tax or other professional adviser before deciding to subscribe to or acquire shares in the SICAV.

### United States and U.S. Persons:

The shares of the SICAV have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any other similar law promulgated by the United States including any state or other political subdivision of the United States or its territories, possessions or other regions subject to United States jurisdiction (hereinafter referred to collectively under the term "**United States**"). Furthermore, the SICAV has not been and will not be registered in accordance with the requirements of the U.S. Investment Company Act of 1940.

Consequently, the shares of the SICAV may not be offered, sold or assigned in the United States or to U.S. Residents as defined by Regulation S.

For the purposes of this prospectus, the term "U.S. Resident as defined by Regulation S" shall be understood to comprise the persons referred to in Regulation S of the Securities Act, and refers in particular to any natural person resident in the United States, and any legal person (partnership, joint stock company, limited liability company or any similar entity) or any other entity incorporated or organized under the laws of the United States (including any estate or trust of such a person created in the United States or organized under the laws of the United States or any investor acting on behalf of such persons).

Investors are obliged to inform the SICAV immediately if they are or if they become U.S. Residents as defined by Regulation S. If the SICAV learns that an investor is a U.S. Resident as defined by Regulation S, the SICAV shall be entitled to carry out the forced reimbursement of the shares concerned in accordance with the provisions of the Articles of Association and of this prospectus.

These restrictions apply without prejudice to other restrictions, including in particular those arising from legal and/or regulatory requirements associated with the implementation of FATCA (as defined hereunder).

Investors are urged to read attentively the sections "Application of FATCA in Belgium" and "Restrictions on subscription to and holding of shares" before subscribing to shares of the SICAV.

# PRESENTATION OF THE SICAV

Name: DPAM B

Legal form: société anonyme [limited liability company]

Formation date: 17 May 1991

Term: unlimited

Office: Rue Guimard 18, 1040 Brussels

Status:
public SICAV (société d'investissement à capital variable or open-ended collective investment company) with multiple sub-funds having opted for investments meeting the conditions of Directive 2009/65/EC and governed, as regards its operation and investments, by the law of 3 August 2012 on Undertakings for Collective Investment meeting the conditions of Directive 2009/65/EC and credit institutions issuing covered bonds (hereinafter the Law of 2012) and by the Royal Decree of 12 November 2012 on Undertakings for Collective Investment meeting the conditions of Directive 2009/65/EC (hereinafter the Royal Decree of 2012).

## List of sub-funds marketed by the SICAV (launch date):

DPAM B Bonds EUR Short Term 1 Y (06/08/1992)

DPAM B Bonds Eur (04/10/1996)

DPAM B Equities Europe Small Caps Sustainable (07/12/1997)

DPAM B Equities Euroland (18/04/1998)

DPAM B Real Estate Europe Sustainable (27/12/1999)

DPAM B Equities World Sustainable (14/12/2001)

DPAM B Equities Europe Dividend (16/09/2002)

DPAM B Equities Europe Sustainable (31/12/2002)

DPAM B Equities NewGems Sustainable (02/10/2006)

DPAM B Equities Sustainable Food Trends (17/12/2007)

DPAM B Bonds Eur IG (30/06/2010)

DPAM B Real Estate Europe Dividend Sustainable (28/12/2010)

DPAM B Equities DRAGONS Sustainable (30/11/2020)

DPAM B Equities Euroland Sustainable (30/11/2020)

DPAM B Bonds EUR Corporate Sustainable (16/08/2021)

DPAM B Equities Europe Index (01/04/2022)

DPAM B Equities US Index (01/04/2022)

DPAM B Equities Japan Index (01/04/2022)

DPAM B Equities EMU Index (01/04/2022)

DPAM B Equities World ex Japan, Europe & USA Index (01/04/2022)

DPAM B Equities EMU Behavioral Value (01/04/2022)

DPAM B Equities US Behavioral Value (01/04/2022)

DPAM B Real Estate EMU Dividend Sustainable (01/04/2022)

DPAM B Bonds EUR Medium Term (01/04/2022)

DPAM B Equities US Dividend Sustainable (01/04/2022)

DPAM B Corporate Bonds EUR 2023 (01/04/2022)

DPAM B Real Estate EMU Sustainable (01/04/2022)

DPAM B Equities US ESG Leaders Index (01/04/2022)

DPAM B Balanced Growth (01/04/2022)

DPAM B Balanced Flexible (01/04/2022)

DPAM B Bonds Global Inflation Linked (01/04/2022)

DPAM B Bonds EUR Quality Short Term (01/04/2022)

DPAM B Defensive Strategy (01/04/2022)

DPAM B Balanced Low Strategy (01/04/2022)

DPAM B Balanced Strategy (01/04/2022)

DPAM B Active Strategy (01/04/2022)

DPAM B Global Diversified World (01/04/2022)

## Types of shares:

Category «A»: distribution shares.

Category «B»: capitalisation shares.

## Share classes:

***Class A:*** **distribution shares offered to the public.**

***Class A USD***

distribution shares which differ from shares of class **A** due to the fact that they are denominated in United States dollars.

***Class A EUR HEDGED:***

distribution shares which differ from class **A** shares in that the exchange risk against the euro is hedged. The Manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class V:***

distribution shares which differ from class **A** shares due to the fact that (i) at the discretion of the management company they may be offered to distributors and platforms in the United Kingdom, Switzerland and European Union Member States, excluding Banque Degroof Petercam Belgium and Banque Degroof Petercam Luxembourg, (ii) they may be offered by distributors and platforms that have entered into separate remuneration agreements with their customers that are not subject to any rebate, and (iii) they are not subject to a rebate on management fees.

***Class V EUR HEDGED:***

distribution shares which differ from Class **V** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class E:***

distribution shares which differ from class **A** shares due to the fact that (i) they are reserved for eligible investors [1], dealing on behalf of their own name, (ii) they have a minimum initial subscription amount, (iii) a different management fee and (iv) a different annual tax.

***Class E USD***

distribution shares which differ from shares of class **E** due to the fact that they are denominated in United States dollars.

***Class E EUR HEDGED:***

distribution shares which differ from Class **E** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class M:***

Distribution shares which differ from class **A** shares due to the fact that (i) they are reserved to investors having one or more current discretionary management mandates with one or more companies belonging to Degroof Petercam Group, (ii) they are reserved to the account(s) to which these discretionary management mandates apply, (iii) they are reserved for all-in mandates and in that (iv) they have a different management fee.

*In this context, "all in" includes at least the management fees and custody fees charged on the account (s) to which these "all in" discretionary management mandates apply.*

***Class M USD***

distribution shares which differ from shares of class **M** due to the fact that they are denominated in United States dollars.

***Class M EUR HEDGED:***

distribution shares which differ from class **M** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class B:*** **capitalisation shares offered to the public.**

***Class B LC:***

capitalisation shares which differ from class **B** shares due to the fact that (i) they are reserved for investors affected, directly or indirectly, by one or more current "Services Agreement Life Cycle" contracts with Degroof Petercam Asset Management, and (ii) that they have a different management fee.

***Class B USD:***

capitalisation shares which differ from shares of class **B** due to the fact that they are denominated in United States dollars.

***Class B EUR HEDGED:***

capitalisation shares which differ from class **B** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to

[1] eligible investors" are investors, within the meaning of Article 5 of the Law of 3 August 2012, namely the corporate customers referred to in Appendix A of the Royal Decree of 3 June 2007 on the rules transposing the Directive on markets in financial instruments (MiFID), as well as eligible counterparties within the meaning of Article 3, §1 of the above-mentioned Royal Decree of 3 June 2007 and legal entities which are not considered corporate investors and which have asked to be entered in the FSMA register of eligible investors. The natural person, also the legal person that are not part of the definition eligible investors as mentioned above, have no access to this share class, also if the subscription are made in the context of a discretionary mandate.

systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class L:***

capitalisation shares which differ from shares of class **B** due to the fact that (i) they have a minimum initial subscription, and (ii) a management fee that may be different.

***Class L USD:***

capitalisation shares which differ from shares of class **L** due to the fact that they are denominated in United States dollars.

***Class W:***

capitalisation shares offered to the public which differ from class **B** shares due to the fact that (i) at the discretion of the management company they may be offered to distributors and platforms in the United Kingdom, Switzerland and European Union Member States, excluding Banque Degroof Petercam Belgium and Banque Degroof Petercam Luxembourg, (ii) they may be offered by distributors and platforms that have entered into separate remuneration agreements with their customers that are not subject to any rebate, and (iii) they are not subject to a rebate on management fees;

***Class W USD:***

capitalisation shares which differ from class **W** shares due to the fact that (i) they are denominated in US dollars;

***Class W EUR HEDGED:***

capitalisation shares which differ from class **W** shares in that the exchange risk against the euro is hedged. The Manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class F:***

capitalisation shares which differ from class **B** shares due to the fact that (i) they are reserved for eligible investors dealing on behalf of their own name, (ii) they have a minimum initial subscription amount, (iii) a different management fee and (iv) a different annual tax.

***Class F LC:***

capitalisation shares which differ from class **F** shares due to the fact that (i) they are reserved for investors affected, directly or indirectly, by one or more current "Services Agreement Life Cycle" contracts with Degroof Petercam Asset Management, (ii) they have no minimum initial subscription amount and (iii) that they have a different management fee.

***Class F USD:***

capitalisation shares which differ from shares of class **F** due to the fact they are denominated in United States dollars.

***Class F EUR HEDGED:***

capitalisation shares which differ from class **F** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class F USD HEDGED:***

capitalisation shares which differ from class **F USD** shares due to the fact that the exchange risk against the american dollar is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class F CHF HEDGED:***

a capitalisation shares which differ from class **F CHF** shares due to the fact that the exchange risk against the Swiss franc is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class J:***

capitalisation shares which differ from shares of class **F** due to the fact that they are reserved for (i) investors for which there are currently one or more discretionary

management mandates with one or several companies of the Degroof Petercam group, and (ii) accounts to which these discretionary management mandates apply, due to the fact that (iii) they have no minimum initial subscription amount and (iv) they have a different management fee.

***Class J EUR HEDGED:***

capitalisation shares which differ from class **J** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class N:***

capitalisation shares which differ from shares of class **B** due to the fact that they are reserved for (i) investors for which there are currently one or more discretionary management mandates with one or several companies of the Degroof Petercam group, and (ii) accounts to which these discretionary management mandates apply, (iii) in that they are reserved for all-in mandates and due to the fact that (iv) they have a different management fee.

*In this context, "all in" includes at least the management fees and custody fees charged on the account (s) to which these "all in" discretionary management mandates apply.*

***Class N USD:***

capitalisation shares which differ from shares of class **N** due to the fact they are denominated in United States dollars.

***Class N EUR HEDGED:***

capitalisation shares which differ from class **N** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class P:***

capitalisation shares which differ from class **F** shares by the absence of (i) a management fee and (ii) capitalisation shares which differ from class F shares by the fact that (i) they have no management fee (ii) no minimum initial subscription amount and (iii) due to the fact that they are reserved for invertors that that have one of more discretionary mandates with Degroof Petercam Asset Management and (iv) they are reserved for the accounts where this discretionary mandates are applicable.

***Class P EUR HEDGED:***

capitalisation shares which differ from class **P** shares due to the fact that the exchange risk against the euro is hedged. The manager must take measures to systematically hedge the exchange risk in relation to the sub-fund's reference currency within a tolerance threshold defined in the information on the sub-fund.

*Investors are advised that carrying out an exchange risk hedging policy may result in additional costs as mentioned in the information on the sub-fund.*

***Class Z:***

capitalisation shares which differ from class **F** shares due to the fact that (i) they are reserved for investors where the minimum initial subscription amount is EUR 25,000,000 and (ii) they are subject to a different management fee and (iii) a different annual tax, it being understood that shareholders investing in this class may not request the partial redemption of their shares so as to reduce their level of investment to below the minimum initial subscription amount.

***Minimum initial subscription per sub-fund:***

Class L: € 1.000

Class L USD: equivalent amount in USD of € 1.000

Class E, F, E EUR HEDGED, F EUR HEDGED: € 25.000

Class F USD, E USD, F CHF HEDGED, F USD HEDGED: equivalent amount in USD or CHF of € 25.000

Class Z: € 25.000.000

Minimum holding for all classes: one share

The financial service has a system in place to permanently check that people who have subscribed to shares in a share class benefiting, with regard to one or more points, from more advantageous arrangements, or people who have acquired such shares, meet the stated criteria.

## Board of Directors of the SICAV:

***Chairman:***

- Mr Yvon LAURET, Independent director of the Sicav, Partner of Adeis (Luxembourg) SA

***Board Members:***

- Mr Philippe DENEF, Head of Quantitative Equity & Asymmetric Asset Management, Member of the Executive Committee of Degroof Petercam Asset Management SA
- Mr Jeroen SIONCKE, Chief Risk Officer, Member of the Executive Committee of Degroof Petercam Asset Management SA
- Ms Caroline TUBEUF, Head of Legal & General Secretary, Member of the Executive Committee of Degroof Petercam Asset Management SA
- Mr Tomás MURILLO, Member of the Executive Committee of Degroof Petercam Asset Management SA

## Individuals responsible for effective management:

- Mr Philippe DENEF, Head of Quantitative Equity & Asymmetric Asset Management, Member of the Executive Committee of Degroof Petercam Asset Management SA, Director in various UCI.
- Mr Jeroen SIONCKE, Chief Risk Officer, Member of the Executive Committee of Degroof Petercam Asset Management SA, Director in various UCI.

## Management company:

SICAV which has appointed a Management Company of undertakings for collective investment:

Degroof Petercam Asset Management SA with the abbreviation Degroof Petercam AM or DPAM (hereinafter DPAM)

***Office:*** Rue Guimard 18, 1040 Brussels

***Formation:*** 29 December 2006

***Term:*** unlimited

***Board of Directors:***

- ***Chairman:***
- Mr Hugo LASAT, non-executive Director of DPAM, CEO of Banque Degroof Petercam SA
- ***Members:***
- Mr François WOHRER, non-executive Director of DPAM, Head of Investment Banking, Financial Markets
- Mr Jean-Baptiste DOUVILLE de FRANSSU, non-executive Director of DPAM
- Mr Laurent DE MEYERE, independent Director (UCITS V)
- Ms Véronique JEANNOT, Director-General Banque Degroof Petercam France
- Mr Jean-Michel LOEHR, independent Director (UCITS V)
- Mr Bruno COLMANT, non-executive Director of DPAM
- Mr Peter DE COENSEL, Chairman of the Executive Committee and CEO of DPAM
- Mr Philippe DENEF, Head of Quantitative Equity & Asymmetric Asset Management, Member of the Executive Committee of DPAM
- Mr Tomás MURILLO, Head of Institutional Sales and Distribution International, Member of the Executive Committee of DPAM
- Mr Johan VAN GEETERUYEN, Head of Conviction Global Balanced Funds, Member of the Executive Committee of DPAM
- Mr Yves CEELEN, Head of Institutional Portfolio Management, Member of the Executive Committee of DPAM
- Mr Jeroen SIONCKE, Chief Risk Officer, Member of the Executive Committee of DPAM
- Ms Sylvie HURET, Non-executive Director of DPAM, Chair of the Management Board of DPAS
- Mr Frank van BELLINGEN, Non-executive Director of DPAM
- Ms Caroline TUBEUF, Head of Legal & General Secretary, Member of the Executive Committee of DPAM

***Executive Committee:***

- Mr Peter DE COENSEL, Chairman of the Executive Committee
- Mr Philippe DENEF
- Mr Tomás MURILLO
- Mr Johan VAN GEETERUYEN
- Mr Yves CEELEN
- Mr Jeroen SIONCKE
- Ms Caroline TUBEUF

***Auditor:***

PwC Reviseurs d'Entreprises SRL, Woluwedal 18, 1932 Zaventem , represented by Mr Damien WALGRAVE.

***Capital subscribed:*** € 52.539.353,14

***Paid-capital:*** € 52.539.353,14

***Other undertakings for collective investments for which the Management Company has been appointed:***

OMEGA PRESERVATION FUND SA

ERGO FUND, public common fund

DPAM DBI-RDT SA

## Delegation of the administration:

DEGROOF PETERCAM ASSET SERVICES S.A. - 12, rue Eugène Ruppert at L-2453 Luxembourg.

## Financial service(s):

BANK DEGROOF PETERCAM SA, Rue de l'Industrie 44, 1040 Brussels

## Distributor(s):

DPAM, Rue Guimard 18, 1040 Brussels.

## Custodian of the SICAV:

BANQUE DEGROOF PETERCAM LUXEMBOURG S.A, Belgian branch, a credit institution under Luxembourg law with registered office at 12 rue Eugène Ruppert L-2453 Luxembourg, Grand-Duché de Luxembourg acting through its Belgian branch (located at Rue Guimard 19, 1040 Brussels) (the "Custodian") has been appointed as the custodian of the SICAV under the terms of a written agreement (the "**Custodian Agreement**").

The Custodian fulfils the obligations and duties set out under the applicable laws and regulations and, in particular, the tasks stipulated in the Law of 2012.

In particular, the Custodian is responsible for the safekeeping of the SICAV's assets in accordance with applicable legal and regulatory provisions. The Custodian may entrust all or part of the assets of the SICAV that it holds in custody to sub-custodians as may be determined by the Custodian from time to time.

In addition, the Custodian

i) ensures that the assets in its custody correspond to the assets specified in the SICAV's accounts;

ii) ensures that the number of units in circulation specified in its account corresponds to the number of units in circulation specified in the SICAV's accounts;

iii) ensures that the sale, issue, repurchase, redemption, and cancellation of the SICAV's units are carried out in accordance with the applicable legal and regulatory provisions, the Articles of Association and prospectus of the SICAV;

iv) ensures that the net asset value of the SICAV's units is calculated in accordance with applicable legal and regulatory provisions, the Articles of Association and the prospectus;

v) ensures that the investment limits set by applicable legal and regulatory provisions, the Articles of Association and the prospectus of the SICAV are respected;

vi) carries out the instructions of the SICAV or the Management Company unless they conflict with the applicable legal and regulatory provisions, the Articles of Association or the prospectus of the SICAV;

vii) for transactions involving the SICAV's assets, ensures that the proceeds are sent to it within the normal time frames;

viii) ensures that rules on fees and expenses as set by applicable legal and regulatory provisions, the Articles of Association and the prospectus of the SICAV are respected

ix) ensures that the SICAV's income is allocated in accordance with the applicable legal and regulatory provisions, the Articles of Association and prospectus of the SICAV.

Finally, the Custodian shall ensure that the SICAV's cash flows are properly monitored and, more specifically, that all payments made by or on behalf of participants in the subscription for units of the SICAV have been received and that all cash held by the SICAV has been booked to a cash account in accordance with the legal provisions.

The Custodian must act honestly, fairly, professionally, independently and solely in the interest of the SICAV and of the shareholders of the SICAV.

The Custodian shall not carry out activities with regard to the SICAV or the management company acting on behalf of the SICAV that may create conflicts of interest between the SICAV, the shareholders, the management company and itself. An interest is a source of incentive of any nature whatsoever and a conflict of interest is a situation in which the Custodian's interests, when carrying out its activities, are not in line with those of the SICAV, the shareholders and/or the management company.

The Custodian may provide a number of banking services for the SICAV, either directly or indirectly, in addition to its custodian services, in the strict meaning of the term.

The provision of additional services, and capital links between the Custodian and some of the SICAV's partners, may lead to conflicts of interest between the SICAV and the Custodian.

Situations that may potentially lead to conflicts of interest for the Custodian in the exercise of its activities include the following:

- if the Custodian is likely to make a financial gain or avoid a financial loss at the expense of the SICAV;
- if the Custodian's interest in exercising its activities is not in line with the interest of the SICAV;
- if the Custodian, motivated by financial or other reasons, puts a client's interests before those of the SICAV;
- if the Custodian receives or will receive a benefit for exercising its activities, in addition to its normal fees, from a counterparty other than the SICAV;
- if the Custodian and the management company are directly or indirectly linked to Banque Degroof Petercam Luxembourg S.A. and if certain employees of Banque Degroof Petercam Luxembourg S.A. are members of the Board of Directors of the management company;
- if the Custodian employs delegates and sub-delegates to perform its duties;
- if the Custodian provides a number of banking services for the SICAV in addition to its custodian services.

The Custodian may exercise this type of activity provided that it has separated, according to function and hierarchy, its custodian duties and its other tasks that could give rise to a potential conflict of interests and if the potential conflicts of interest have been duly detected, managed, monitored and notified to the SICAV's shareholders.

The Custodian has implemented procedures and measures on conflicts of interest to mitigate, identify, prevent and ease potential conflicts of interest, to ensure, in particular, that in the event of a conflict of interest, the Custodian's interest is not unjustly favoured.

To that end:

- employees of Banque Degroof Petercam Luxembourg S.A. who are members of the Board of Directors of the SICAV shall not participate in the management of the SICAV. This duty shall continue to be the responsibility of the management company, which will either perform or delegate the task, in accordance with its own procedures and code of conduct;
- no employee of Banque Degroof Petercam Luxembourg S.A. performing or participating in safekeeping, surveillance and/or monitoring of cash flow duties may be a member of the Board of Directors of the SICAV.

The current list of sub-custodians and other delegates used by the Custodian is available at the website of the Custodian (*www.degroofpetercam.lu* → Documentation → List of investment markets and sub-custodians of Banque Degroof Petercam Luxembourg).

The Custodian shall manage any conflicts of interest that may arise with its sub-delegates. The Custodian has not observed any conflicts of interest with its sub-delegates to date.

If a potential conflict of interest arises with the Custodian, despite the measures put in place to mitigate, identify, prevent and ease them, the Custodian must comply with its legal and contractual obligations to the SICAV at all times.

If a conflict of interest is likely to have a significant adverse effect on the SICAV or the shareholders of the SICAV and cannot be resolved, the Custodian shall duly inform the SICAV, which will take appropriate action.

Updated information relating to the Custodian, its tasks, any conflicts of interest, any delegated custodial duties, as well as the list of delegates and sub-delegates and the identification of conflicts of interest that may arise from such delegation, can be obtained at the shareholders' request.

The remuneration of the Custodian with respect to the different sub-funds of the SICAV is described in the appendices detailing the sub-funds.

## Auditor:

PwC Reviseurs d'Entreprises, SRL, with office at Woluwedal 18, 1932 Sint-Stevens-Woluwe, represented by Mr Brieuc LEFRANCQ, independent auditor. The auditor's responsibilities include the examination of accounting data contained in the SICAV's annual report.

## Financial Group promoter of the SICAV:

Degroof Petercam Group

## Remuneration policy:

The remuneration policy has been established by DPAM in accordance with the requirements of the rules on remuneration policy in AIF and UCITS management companies. Since DPAM is a subsidiary of a credit institution providing investment services, the remuneration policy also takes into account certain rules and regulations applicable to its parent company.

The remuneration policy may be summarised as follows:

- The remuneration policy promotes sound and effective risk management and does not encourage risk-taking that exceeds the level of risk tolerated by DPAM and

which is inconsistent with the risk profiles or the instruments constituting the AIFs and UCITS managed by DPAM;

- In particular, the remuneration policy promotes sound and effective risk management with regard to sustainability risks, while the remuneration structure does not encourage excessive risk-taking;
- The remuneration policy is in line with the economic strategy, objectives, values and interests of the Management Company, SICAV and investors and incorporates measures to avoid conflicts of interest;
- The remuneration policy within the Degroof Petercam Group and its subsidiaries promotes equal treatment of remuneration packages and other benefits granted to staff members based on the functions and responsibilities assumed, as well as a balance in line with market practices between fixed and variable remuneration based on performance objectives. The remuneration package is composed of a fixed salary, mainly based on skills and experience, a group insurance plan or a supplementary pension and variable remuneration;
- A performance assessment is carried out based on financial and nonfinancial, individual and collective criteria as part of the annual Individual Appraisal process (Performance Management Cycle) implemented within the Group by the GHR (Human Resources Department of Bank Degroof Petercam); the remuneration policy implemented by DPAM includes appropriate qualitative criteria that seek to align the risks and interests of employees with those of the investment funds (UCITS and AIF) they manage, of the investors of those funds and the Management Company, and sound and efficient management of sustainability risks in the short, medium and long term. These qualitative criteria include compliance with internal procedures and regulatory requirements, equitable treatment of investors and their level of satisfaction;
- The assessment of performance is set in a multi-year framework which is adapted to the holding period recommended to the shareholders of the SICAV, in order that the assessment process is based on longer term performance of the SICAV and investment risks and that the actual payment of performance-based components of remuneration is spread over the same period;
- The remuneration policy ensures an appropriate balance between fixed and variable components of the total remuneration; the fixed component always represents a sufficiently high proportion of the total remuneration; the policy on variable components of the remuneration is flexible enough and makes the non-payment of the variable component possible. The determination of the annual variable remuneration for the identified staff, except for the control functions, involves establishing a target bonus expressed as a percentage of the fixed salary and is currently based on the following elements:
  - Development of the gross operating profit of the Degroof Petercam Group;
  - Development of the gross operating profit of Institutional Asset Management;
  - Individual performance of the person.

Details of the up-to-date remuneration policy and the composition of the remuneration committee are available at: *https://www.dpamfunds.com/files/live/sites/degroofpetercam/files/guide/regulatory_disclosures/EN/EN_RemunerationPolicy.pdf* ('Regulatory information' tab).

A printed copy is available, free-of-charge, on request from Degroof Petercam Asset Management SA, Rue Guimard, 18, 1040 Brussels or at the following website: *DPAM@degroofpetercam.com*.

## Person(s) bearing the costs in the situations described in articles 115, §3, paragraphs 3, 149, 152, 156, 157 §1, paragraphs 3, 165 and 179, paragraph 3 of the Royal Decree of 2012:

DPAM SA, Rue Guimard 18, 1040 Brussels.

## Capital:

The share capital is always equal to the net asset value. It may not be less than € 1,200,000.

## Accounts and inventories:

Unless otherwise stated in the information for the sub-fund, the accounts and inventories are in euros.

## Asset valuation rules:

The assets of public undertakings for collective investment with a variable number of shares are valued in accordance with articles 11 to 14 inclusive of the Royal Decree of 10 November 2006 on the accounting, financial statements and interim reports of certain public undertakings for collective investment with a variable number of units.

Without setting out the aforementioned articles in full, this process may be summarised as follows:

Assets traded on an active market not operating with the intervention of third-party financial institutions will be valued on the basis of the closing price.

Assets traded on an active market operating with the intervention of third-party financial institutions will be valued on the basis of the current buying price (for assets) and selling price (for liabilities).

In the absence of a buying price, a selling price or a closing price, the price of the most recent transaction will be used to value the aforementioned assets, provided the economic situation has not changed in any major way since this transaction.

If the prices on an organised or over-the-counter market are not representative, or if no organised or over-the-counter market exists, the current fair value of similar assets for which an active market exists will be used, provided this fair value is suitable in view of the differences between the similar asset components. If the fair value of similar assets does not exist for a given asset, the fair value of the asset in question will be established using other valuation techniques, subject to certain conditions.

In exceptional cases where the buying and/or selling price is not available for bonds and other debt securities, but a mid-market price is known, the mid-market price will be adjusted using a suitable method to obtain the buying and/or selling price to be applied. This last method will be explained in the annual and/or semi-annual report.

Shares in undertakings for collective investment with a variable number of shares that are held by the undertaking for collective investment will be valued at their fair value in accordance with the paragraphs above. By way of exception to the aforementioned, the fair value of units in undertakings for collective investment with a variable number of units for which there is neither an organised nor an over-the-counter market will be calculated on the basis of the net asset value of these shares.

Notwithstanding how accrued interest is treated, sight deposits, current account liabilities, short-term receivables and payables, tax credits and tax liabilities and other debts will be valued at their nominal value less the write-downs applied to them and the redemptions that have occurred in the meantime.

In view of the relatively small proportion of term debt instruments (other than those stated in the previous paragraph) which are not represented by transferable securities or negotiable money market instruments, they will be valued, in terms of the net asset value, at their nominal value less the write-downs applied to them and the redemptions that have occurred in the meantime, provided the investment policy of the undertaking for collective investment is not focused principally on investing its assets in deposits, cash or money market instruments.

## Accounting year end date:

31 December

## Rules regarding the allocation of net income:

A dividend will, in principle, be paid for distribution shares:

- either at the decision of the Board of Directors during the financial year, in the form of an interim dividend;
- or at the decision of the Ordinary General Meeting

if the distributable revenues allow it.

## Tax regime:

The tax regime described hereunder is linked to the holding of shares in the SICAV by an investor and to their redemption by the SICAV, excluding any capital gains realised on a secondary market, since there is none.

***In respect of the SICAV:***

The SICAV benefits from the alternative tax base reserved for certain investment companies established in Belgium. Its corporate income tax expense is therefore negligible or even non-existent.

Belgian-source revenue received by the SICAV is not subject to Belgian withholding tax at source, except as regards Belgian dividends, to which a non-attributable and non-recoverable withholding tax at source of 30% applies.

Foreign-source revenue received by the SICAV may be subject to foreign withholding tax at source, the rate of which is generally limited in accordance with double taxation treaties.

The SICAV is also subject to a Subscription Tax applicable depending on the share class:

| | |
|---|---|
| Class A, A USD, B, B USD, B LC, A EUR Hedged, B EUR Hedged, L, L USD, M, M USD, M EUR Hedged, N, N USD, N EUR Hedged, V, V EUR Hedged, W, W USD et W EUR Hedged | 0,0925% [2] |
| Class E, E USD, E EUR Hedged, F, F USD, F LC, F EUR Hedged, F USD Hedged, F CHF Hedged, P, P EUR Hedged, Z, J, J EUR Hedged | 0,01% [2] |

[2] of the net amounts invested in Belgium.

***In respect of private individual investors resident in Belgium:***

*Taxation of dividends*

Dividends distributed by the SICAV to Belgian private individual investors are subject to Belgian withholding tax (précompte mobilier) at the rate of 30%.

*Taxation of capital gains realised upon redemption of shares by the SICAV*

Without prejudice to the tax regime explained hereunder, capital gains realised upon redemption of shares in the SICAV or on the total or partial distribution of its assets (liquidation) are not subject to personal income tax if the investor is acting in the "normal management of his private estate"

*Taxation at the rate of 30% of the portion of the capital gain [3] deriving from accrued interest and capital gains or losses on the fund's underlying debt securities [4], realized on redemption of shares in the SICAV or upon the total or partial distribution of the assets of the SICAV (liquidation)*

The tax regime applied depends on whether:

a) Acquisition of a share until 31.12.2017
   - The sub-fund invests less than 25% of its assets in debt securities. The investor will not be taxed on income arising directly or indirectly, in the form of interest, capital gains or capital losses, from the return on the fund's underlying debt securities;
   - The sub-fund invests more than 25% of its assets in debt securities. The investor will be subject to Belgian withholding tax (précompte mobilier) of 30% on the portion of the capital gain representing income arising directly or indirectly, in the form of interest, capital gains or capital losses, from the return on the fund's underlying debt securities;
   - The sub-fund is likely to invest more than 25% of its assets in debt securities. The investor may be subject to Belgian withholding tax (précompte mobilier) of 30% on the portion of the capital gain representing income arising directly or indirectly, in the form of interest, capital gains or capital losses, from the return on the fund's underlying debt securities.

b) Acquisition of a share from 01.01.2018
   - The sub-fund invests less than 10% of its assets in debt securities. The investor will not be taxed on income arising directly or indirectly, in the form of interest, capital gains or capital losses, from the return on the fund's underlying debt securities;
   - The sub-fund invests more than 10% of its assets in debt securities. The investor will be subject to Belgian withholding tax (précompte mobilier) of 30% on the portion of the capital gain representing income arising directly or indirectly, in the form of interest, capital gains or capital losses, from the return on the fund's underlying debt securities;
   - The sub-fund is likely to invest more than 10% of its assets in debt securities. The investor may be subject to Belgian withholding tax (précompte mobilier) of 30% on the portion of the capital gain representing income arising directly or indirectly, in the form of interest, capital gains or capital losses, from the return on the fund's underlying debt securities.

*Tax on stock exchange transactions*

A tax of 1.32% on the sale price is applied in the case of redemption of capitalisation shares by the SICAV, with a maximum of € 4,000 per transaction.

***As regards an investor which is a Belgian tax resident company:***

*Taxation of dividends and capital gains realised upon redemption of shares by the SICAV - Ordinary regime*

Tax (précompte mobilier) is withheld at 30% on dividends distributed by the SICAV to corporate investors. However, in principle this withholding tax is attributable or recoverable for the company.

Dividends and capital gains realised on redemption are subject to corporation tax at:

– 33.99% (for financial years before tax year 2019)
– 29.58% (for tax year 2019 relating to a taxable period which begins at the earliest on 1 January 2018).
– 25% (for tax year 2021 relating to a taxable period which begins at the earliest on 1 January 2020), An investment in capitalisation shares of a SICAV may also have consequences for the basis of calculation of

[3] The taxable base cannot be more than the capital gain realised by the investor on the transaction, it being understood that if the investor has acquired the shares by donation, the value of the share at the time of its acquisition by the donor.

[4] This refers to debt claims of every kind, whether or not secured by mortgage and whether or not carrying a right to participate in the debtor's profits, and in particular, income from government securities and from bonds and debentures, including premiums and prizes attaching to such securities, irrespective of their issue date.

incremental notional interest and entail the loss of the reduced corporate income tax rate on the first tranche of €100,000.

*Tax on stock exchange transactions*

A tax of 1.32% on the sale price is applied in the case of redemption of capitalisation shares by the SICAV, with a maximum of € 4,000 per transaction.

***In respect of non-resident private individual or corporate investors:***

*Taxation of dividends*

Except insofar as more favourable provisions of double taxation treaties apply, dividends distributed by the SICAV to non-resident private individual investors are subject to Belgian withholding tax at the rate of 30%.

*French taxation*

In respect of private individual investors resident in France: the following sub-funds are eligible for the PEA (Plan d'épargne actions or share-based savings scheme): DPAM B Equities Euroland and, DPAM B Equities Euroland Sustainable. The SICAV undertakes to invest at least 75% of the assets of the sub-funds mentioned above in securities or rights eligible for the PEA.

*German taxation*

The following sub-funds will permanently invest at least 51% of their assets in equities, as defined in section 2 para. 8 of the German Investment Tax Act (2018), and therefore guarantee eligibility for partial exemption of equity funds for German resident investors:

- DPAM B Equities Europe Small Caps Sustainable
- DPAM B Equities Euroland
- DPAM B Equities World Sustainable
- DPAM B Equities Europe Dividend
- DPAM B Equities Europe Sustainable
- DPAM B Equities NewGems Sustainable
- DPAM B Equities Sustainable Food Trends
- DPAM B Equities DRAGONS Sustainable
- DPAM B Equities Euroland Sustainable

DPAM B Equities US Behavioral Value

DPAM B Equities Europe Index

DPAM B Equities US Index

DPAM B Equities Japan Index

DPAM B Equities World ex Japan, Europe & USA Index

DPAM B Equities EMU Index

DPAM B Equities US Dividend Sustainable

DPAM B Equities EMU Behavioral Value

DPAM B Equities US ESG Leaders Index

The following sub-funds will permanently invest at least 25% of their assets in equities, as defined in section 2 para. 8 of the German Investment Tax Act (2018), and therefore guarantee eligibility for the partial exemption from tax on balanced funds for German resident investors:

- DPAM B Real Estate Europe Sustainable
- DPAM B Real Estate Europe Dividend Sustainable
- DPAM B Real Estate EMU Dividend Sustainable
- DPAM B Real Estate EMU Sustainable
- DPAM B Balanced Flexible

The tax treatment of income and capital gains of non-resident private individual and corporate investors depends on the tax legislation applicable in accordance with each investor's personal situation and/or the place where the capital is invested or the registered office established. If an investor is not sure of his tax situation, it is therefore incumbent on him to seek information from professionals or, if applicable, local organisations.

## Securities lending programme:

The following information is sent to investors as part of Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse.

1) A securities lending programme has been set up in order to increase revenues from the sub-funds of the SICAV.

   In an agreement between J.P. Morgan Bank Luxembourg S.A., a public limited company incorporated under Luxembourg law, whose registered office is located at 6, Route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg, and the SICAV, JP Morgan Chase Bank National Association has been appointed agent of all sub-funds of the SICAV, addressing a sole borrower or several borrowers to whom ownership of the securities is transferred.

   All securities of the sub-fund may be loaned, provided the lending does not adversely affect the management of the portfolio. It is therefore stipulated that the securities that the fund managers intend to sell will not be loaned, and that the loaned securities may be recalled if the fund manager intends to realise them.

   The borrower's securities lending obligations are secured by financial guarantees in the form of cash collateral or bonds authorised by the regulations. The market value of the collateral in relation to the market value of the loaned assets of the sub-fund must at all times exceed the actual value of the securities loaned.

In view of the guarantees in place, the risk arising from the securities lending programme is relatively low.

2) The type of assets that are eligible for the securities lending programme is limited to shares. The sub-funds to which the securities lending programme applies are listed in the periodic reports of the SICAV.

3) The maximum proportion of assets under management that may be included in the securities lending programme is limited to 20%.

4) The expected proportion of assets under management that may be included in the securities lending programme is difficult to determine. Investors may use the figures from last year in the most recent periodic (annual) report of the SICAV. The proportion of assets under management of a sub-fund of the SICAV lent must not exceed 20%.

5) Criteria used to select counterparties: securities lending counterparties are first selected by the lending agent. After this primary evaluation, the Management Company selects the eligible counterparties. The counterparties are selected on the basis of the internal rating system which takes into account external ratings and Credit Default Swap (CDS) spreads. The counterparty must have a minimum rating of A- (or equivalent). The counterparty must be located in a jurisdiction in which the applicable law authorises the mechanism for reducing counterparty risk (normally "set-off", "close-out netting" and "outrights transfer" clauses in CSA agreements). Counterparties in Europe and North America are encouraged but exceptions may be made.

6) Acceptable collateral: only approved collateral is acceptable, for instance:
   - EU State Guarantees: Germany, Austria, Belgium, Finland, France, Luxembourg and the Netherlands,
   - UK Gilts,
   - US Treasury Bills,
   - OECD State Guarantees: Australia, Canada, Denmark, Norway, New Zealand, Sweden and Switzerland,
   - minimum AA- rating.

   Only the instruments referred to in Article 12 b of the Royal Decree of 7 March 2006 on loans of securities by certain undertakings for collective investment are accepted as collateral. While there are several issuers, the concentration risk may result in a concentration in European government bonds. A positive correlation between assets and collateral is encouraged; however, as a result of the restrictions in terms of eligible collateral, set out in Article 12 of the Royal Decree mentioned above, negative correlations may not be excluded entirely.

7) Collateral valuation:

   Collateral is valued daily on the basis of the market price. The price sources used are IDC (main source), Loanet, Bloomberg and Reuters. If additional collateral is required, payment will be requested the same day. The level of collateral is controlled daily.

8) Risk management:

   Securities lending risks are controlled by the Management Company and lending agent.

   The main risks include:
   - Counterparty risk: the possibility that a borrower defaults and/or is unable to return the securities borrowed. Counterparty risk is mitigated by the excess collateral insurance (assessed daily) and compensation for the counterparty's default by the lending agent.
   - Collateral risk: the risk that the value of the collateral is, at any time, lower than the value of the securities borrowed. The collateral is not reinvested.
   - Operational risk: the risk linked to all operating processes associated with securities lending. It may include, but is not limited to, errors in transactions between the lending agent and the borrower, errors and faults in transaction flows, faults in the IT platforms, etc.

9) Information on the way in which assets subject to financial transactions in securities and collateral are held:

   The lending agent may hold the collateral through its network of sub-custodians or directly with the central securities depository. Collateral is separated from the agent's other assets. Alternatively, collateral may be held by a third-party collateral manager under an agreement with the agent and borrower.

   Assets subject to securities financing transactions are kept by the SICAV's custodian in a separate lending account.

10) Policy on sharing revenue generated by the securities lending programme

    Lending agent (J.P. Morgan Bank Luxembourg S.A.): for each loan described above, the lender (the SICAV) will pay the lending agent 10% of the revenue (after deducting any rebates given by the lending agent to

the borrower) generated by investments authorised in connection with loans guaranteed in the form of cash and securities lending costs paid or to be paid by the borrower for non-guaranteed loans in the form of cash.

The lender (SICAV) shall receive 90% of the income. Of this 90% of the income, 65% is acquired by the SICAV's sub-funds and 25% is due to Banque Degroof Petercam Luxembourg as flat-rate remuneration for the operational administration of the securities lending programme.

The lending agent is not a related party of the Management Company.

## Collateral policy for futures contracts and FX forwards:

If the Sicav concludes any futures contracts and FX forwards, each sub-fund concerned must receive a guarantee (also known as "collateral") in sufficient quantity.

***Collateral accepted:***

For futures contracts and FX forwards, collateral shall take the form of cash only.

However and only for futures this cash collateral can only be expressed in EUR.

***Required level of collateral:***

The level of collateral required may vary depending on whether it is a future transaction or FX forward.

For futures, there is no minimum amount of collateral. Profits and losses between the Sicav and the counterparty are managed on a daily basis in order to limit the counterparty risk for the Sicav.

For FX forwards, the minimum amount of collateral to be provided by the counterparty is at least €500,000. The collateral to be constituted by the Sicav depends on the net asset value, which is determined on the last day of each quarter:

- If the net asset value is equal to or greater than €5,000,000, the Sicav must provide collateral of €500,000;
- If the net asset value is less than €5,000,000, the Sicav must provide collateral of €250,000.

***Discount policy:***

For FX forwards, the SICAV will apply an 8% discount for collateral in currencies other than EUR, USD or GBP.

For futures: no discount.

***Reinvestment policy:***

Neither the counterparty nor the SICAV will reinvest the collateral received.

## Disclaimer of MSCI Inc. (Morgan Stanley Capital International Inc.) related to the sub-funds DPAM B Equities Europe Index, DPAM B Equities US Index, DPAM B Equities Japan Index, DPAM B Equities EMU Index and DPAM B Equities World ex Japan, Europe & USA Index and DPAM B Equities US ESG Leaders Index

NO FUND MENTIONED ABOVE IS SPONSORED, ENDORSED, SOLD OR PROMOTED BY MSCI INC. ("MSCI"), ANY OF ITS AFFILIATES, ANY OF ITS DIRECT OR INDIRECT INFORMATION PROVIDERS OR ANY OTHER THIRD PARTY INVOLVED IN, OR RELATED TO, COMPILING, COMPUTING OR CREATING ANY MSCI INDEX (COLLECTIVELY, THE "MSCI PARTIES").

THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES ARE SERVICE MARK(S) OF MSCI OR ITS AFFILIATES AND HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY DEGROOF FUND MANAGEMENT COMPANY S.A. NONE OF THE MSCI PARTIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE ISSUER OR OWNERS OF THESE FUNDS OR ANY OTHER PERSON OR ENTITY REGARDING THE ADVISABILITY OF INVESTING IN FUNDS GENERALLY OR IN THIS FUND PARTICULARLY OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE.

MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDEXES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO THESE FUNDS OR THE ISSUER OR OWNER OF THESE FUNDS OR ANY OTHER PERSON OR ENTITY. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION TO TAKE THE NEEDS OF THE ISSUERS OR OWNERS OF THESE FUNDS OR ANY OTHER PERSON OR ENTITY INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDEXES. NONE OF THE MSCI PARTIES IS RESPONSIBLE FOR OR HAS PARTICIPATED IN THE DETERMINATION OF THE TIMING OF, PRICES AT, OR QUANTITIES OF THESE FUNDS TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY OR OF THE CONSIDERATION INTO WHICH THESE FUNDS ARE REDEEMABLE. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION OR LIABILITY TO THE ISSUERS OR OWNERS OF

THESE FUNDS OR ANY OTHER PERSON OR ENTITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR OFFERING OF THESE FUNDS.

ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDEXES FROM SOURCES WHICH MSCI CONSIDERS RELIABLE, NONE OF THE MSCI PARTIES WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE MSCI PARTIES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, LICENSEE'S CUSTOMERS OR COUNTERPARTIES, ISSUERS OF THESE FUNDS, OWNERS OF THESE FUNDS, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. NONE OF THE MSCI PARTIES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NONE OF THE MSCI PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND THE MSCI PARTIES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY MSCI INDEX AND ANY DATA INCLUDED THEREIN.

WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ANY OF THE MSCI PARTIES HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING WITHOUT LIMITATION LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

## Information sources:

- Information on the procedures for payments to investors, redemption and repayments of units and the distribution of information about the fund may be obtained: from Bank Degroof Petercam SA or DPAM SA, Rue Guimard 18, 1040 Brussels.
- The prospectus, the key investor information documents, the Articles of Association, the annual and semi-annual reports and full information about the sub-funds may be requested, free of charge, before or after making shares subscriptions, from Bank Degroof Petercam SA or DPAM SA, Rue Guimard 18, 1040 Brussels. These documents and data can also be viewed on the website *www.dpamfunds.com*.
- The turnover compares the capital volume of the transactions carried out in the portfolio with the average net assets taking account of the total subscriptions and redemptions. The turnover is calculated using the formula published in the Royal Decree of 2012 and can be considered as an additional indicator of the scale of the transaction fees.
- The portfolio turnover is shown in the latest annual report. The figure for previous periods can be obtained from Bank Degroof Petercam SA or DPAM SA, Rue Guimard 18, 1040 Brussels.
- Ongoing charges are calculated in accordance with the provisions of (EU) Directive 583/2010 of the Commission dated 1st July 2010 implementing Directive 2009/65/EC of the European Parliament and of the Council as regards key investor information documents and conditions to be met when providing key investor information or the prospectus in a durable medium other than paper or by means a website (hereinafter Regulation 583/2010) and are taken in the key investor information documents.
- The ongoing charges include operating costs apart from the transaction and delivery fees inherent to the investments, the financial costs and any performance fees. The ongoing charges are in the form of a single figure expressed as a percentage of the net assets. This figure is based on the fees for the previous financial year except in the case of a change in the fees during the financial year.
- Past performance figures are available in the latest annual report. **Investors must be aware that the figures reflect past performance and are not an indicator of future performance.**

## Annual General Meeting of Shareholders:

Third Wednesday in March at 11 a.m. at the office or any other place mentioned in the Meeting notice.

## Competent authority:

Autorité des Services et Marchés Financiers (Financial Services and Markets Authority), in short "FSMA", 12-14 Rue du Congrès, 1000 Brussels.

The prospectus is published after the approval of the FSMA, in accordance with article 60, §1 of the Law of 2012 on certain forms of collective investment portfolio management. This approval does not serve as an appraisal of the appropriateness or quality of the offer, or of the offeror's position. The official text of the articles of association was deposited with the clerk's office of the commercial court.

## Point of contact for any further explanations needed:

Bank Degroof Petercam SA or DPAM SA, Rue Guimard 18, 1040 Brussels (+32 2 287 93 36) between 8.30 a.m. and 5 p.m. on days on which the financial service is open, or by e-mailing: *DPAM@degroofpetercam.com*.

## Person responsible for the content of the prospectus and the key investor information:

DPAM SA, Rue Guimard 18, 1040 Brussels. Degroof Petercam Asset Management SA declares that to its knowledge, the information in the prospectus and the key investor information is realistic and contains no omissions likely to alter its scope.

## Legal consequences of subscription to shares in the SICAV - Judicial competence – Applicable law:

a) By subscribing to shares in the SICAV, the investor becomes a shareholder of the SICAV and of the sub-fund concerned.

b) The shareholding relationship between the investor and the SICAV is governed by Belgian law and in particular by the Law of 2012, as well as by the Belgian Companies and Associations Code, unless otherwise indicated in said Law of 2012. In general terms, the Belgian courts are competent to settle any disputes that might arise between a shareholder and the SICAV.

Regulation (EC) No. 593/2008 of the European Parliament and of the Council on the law applicable to contractual obligations (Rome I) and Regulation (EC) No. 864/2007 of the European Parliament and of the Council on the law applicable to non-contractual obligations (Rome II) (the "Rome Regulations") have the force of law in Belgium. Consequently, the choice of applicable law in any contract is subject to the provisions of the Rome Regulations. Regulation (EC) No. 44/2001 of the Council on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters has the force of law in Belgium. In accordance with these provisions, a judgment obtained before a court in another jurisdiction of the European Union will generally be recognised and enforced in Belgium without its substance being reviewed, except in certain exceptional circumstances.

## Shareholder voting rights:

Each share carries the right to one vote within its sub-fund, with the votes of capitalisation shares being weighted by the parity specific to that sub-fund. For votes on resolutions concerning all of the company's sub-funds, the vote of each share is weighted by the fraction of the share capital it represents based on the latest net asset value of the company determined before the Meeting. The total votes per shareholder will not include fractions of votes.

Except in cases where the law requires qualified majorities and quorums and within the limits set down by the law, decisions are taken by a simple majority of votes cast, regardless of the number of shares represented at the Meeting.

## Liquidation of a sub-fund:

The General Meeting, at the proposal of the Board of Directors, may decide to liquidate a sub-fund.

In this case, and in the event of the winding-up of the company, the liquidation will be carried out by the Board of Directors acting as liquidation committee, unless the relevant General Meeting has expressly appointed one or more liquidators for this purpose and determined their remuneration.

The allocation of the liquidation proceeds to shareholders of the one or more liquidated sub-funds will take the form of an identical and simultaneous share redemption for all shares in the same class and the same sub-fund. Subscription and redemption applications for shares in a sub-fund whose liquidation is planned will be suspended from the time of the publication of the notice of the General Meeting convened to approve this decision. DPAM SA, Rue Guimard 18, 1040 Brussels will contribute to the liquidation costs if, during the twelve months preceding the notice of the proposed liquidation, redemptions representing overall more than 30% of the net assets at the time of the winding-up have taken place.

DPAM SA reserves the right to claim this contribution from people who have applied for the redemption of shares in the sub-fund representing, overall, more than 5% of the total shares existing during this same period.

## Suspension of the redemption of shares:

In accordance with article 195 of the Royal Decree of 2012, subscription and redemption applications will be suspended at the initiative of and for the period of time decided by the Board of Directors of the SICAV if, in view of the circumstances, the processing of such applications may unreasonably prejudice the legitimate interests of all shareholders. Other exceptional circumstances, such as those described in article 196 of the Royal Decree of 2012, may also lead to the suspension of subscription and redemption applications.

## Existence of fee-sharing agreements:

Such agreements between, on the one hand, the SICAV or where applicable the distributor and the investment portfolio manager and, on the other hand, other distributors mentioned where relevant in the prospectus and third parties, including the shareholders of the undertaking for collective investment, may exist but are under no circumstances exclusive. These agreements do not affect the manager's ability to perform his/her duties freely in the interests of the shareholders of the SICAV. The management fee is split according to the market conditions.

## Specific liquidity mechanisms

The Board of Directors may use the following different techniques:

### ***SWING PRICING***

All sub-funds of the SICAV may use swing pricing.

#### *Description of the objective, operation and methodology of swing pricing:*

The objective is to reduce performance dilution due to net inputs or outputs. The performance of the SICAV may be eroded by frequent transactions due to large inflows or outflows and the SICAV may suffer from (in)direct trading costs involved in capital movements. Swing pricing offers investors already invested in the Sicav the possibility of not having to bear the transaction costs or the cost of illiquidity in the underlying financial markets generated by the entry or exit of investors.

With swing pricing, existing investors should, in principle, no longer indirectly incur the transaction fees, which will now be directly integrated into the calculation of the net asset value (NAV) and borne by the entering and exiting investors.

Swing pricing protects long-term investors, as an investor can only be affected by swing pricing on the day of subscription/redemption.

#### *Methodology and operation:*

The swing pricing method adopted is based on the following principles:

- It is a partial swing, which implies that a certain threshold must be crossed before the NAV is adjusted;
- It is a symmetrical swing, which is activated for both subscriptions and redemptions;
- The use of swing pricing is systematic, without favouring one or more categories of investors.

The swing threshold is the value determined as a trigger event for net subscriptions and redemptions. This threshold value is expressed as a percentage of the total net assets of the sub-fund in question.

The swing threshold is always applied.

Swing factor: the direction of the swing depends on the net flow of capital applicable to a NAV.

In the case of a net inflow of capital, the swing factor linked to subscriptions of shares in the sub-fund will be added to the NAV. For net redemptions, the swing factor linked to redemptions of shares in the sub-fund in question will be deducted from the NAV. In both cases, all entering/exiting investors on a given date will have the same NAV applied.

Maximum swing factor: set to a maximum of 5% of the unadjusted NAV.

The threshold and swing factor will be published on the website *www.dpamfunds.com* in the “Fees” section.

### ***ANTI-DILUTION LEVY***

All sub-funds of the SICAV may use the anti-dilution levy.

#### *Description of the objective, operation and methodology of the anti-dilution levy:*

The objective of this mechanism is to transfer the negative impact on the NAV of a sub-fund of the SICAV to the investors who generated this impact.

#### *Methodology and operation:*

If redemptions / subscriptions exceed a threshold, the SICAV may decide to impose an additional cost on incoming or outgoing investors, which will benefit the SICAV. Higher exit fees may be charged for large net outflows, and higher entry fees may be charged for large net inflows.

The anti-dilution levy will only be applied after an explicit decision of the Board of Directors of the SICAV. There is no automatic application of this mechanism. The Board of Director's decision relates both to the level of the threshold and the additional costs and whether or not to apply the mechanism if the threshold is exceeded.

It should be noted that these two mechanisms, swing pricing and the anti-dilution levy, cannot be applied to the same NAV.

### ***REDEMPTION GATES***

This mechanism allows the SICAV to partially suspend the execution of requests for the redemption and/or repayment of units (“redemption gates”) when the negative change in the balance of the liabilities of the company or sub-fund for a given day exceeds, for the day

in question, a percentage (or threshold) determined by the Board of Directors. The threshold above which this mechanism may be applied is set at 5% for all sub-funds.

The NAV calculation itself is not suspended as orders are partially executed.

Only the part of the requests for redemptions which exceeds the threshold is affected by this partial suspension. It must be applied proportionally to all requests for individual redemptions submitted by the closing date concerned.

The portion of the redemption requests not executed following this partial suspension will be postponed automatically to the next closing date, except in the event of revocation by the shareholder or if this mechanism is reapplied.

The partial suspension is always provisional.

This suspension will be carried out in accordance with the provisions of Article 198/1 of the Royal Decree of 2012.

In the event of a partial suspension of the execution of redemption and/or repayment requests, a notice to shareholders will be published on the website *www.dpamfunds.com* in the “News” section.

## Application of FATCA in Belgium:

The provisions of the U.S. Foreign Account Tax Compliance Act, the U.S. Hiring Incentives to Restore Employment Act of 2010 and related regulations and directives, more generally known under the name "**FATCA**", have introduced a new regime of disclosure of information and withholding at source applicable to

i) certain U.S. source payments,

ii) gross proceeds of disposal of assets that might generate U.S. source income in the form of interest or dividends and

iii) certain payments made by, and certain financial accounts held with, entities considered as foreign financial institutions for the purposes of FATCA, each of these entities being a Foreign Financial institution ("**FFI**").

FATCA was put in place with a view to putting an end to non-compliance with U.S. tax laws by U.S. taxpayers investing through foreign financial accounts. With a view to receiving information on financial accounts whose beneficial owners are U.S. taxpayers from FFIs, the FATCA regime applies a 30% withholding at source to certain U.S. source payments to FFIs that do not agree to comply with certain disclosure and at-source withholding obligations with regard to their account holders.

A large number of countries have entered into intergovernmental agreements transposing FATCA with a view to reducing the burden resulting from the obligations of compliance and withholding at source weighing on financial institutions established in these countries. On 23 April 2014, the United States and Belgium entered into such an Intergovernmental Agreement, hereinafter the "**IGA**".

In accordance with the IGA, an entity classified as an FFI, resident in Belgium, must make available to the Belgian tax authorities certain information concerning its shareholders and the payments it makes. The IGA provides for transmission and automatic exchange of information concerning "Financial Accounts" held with "Belgian Financial Institutions" by (i) certain U.S. persons, (ii) certain non-U.S. entities, the beneficial owners of which are U.S. persons, (iii) FFIs that do not comply with FATCA or (iv) persons refusing to provide documentation or information concerning their FATCA status.

The IGA in force between Belgium and the United States was transposed into Belgian tax law by the law of 16 December 2015. In addition, Guidance Notes relating to these regulations have been published on the FPS Finance website.

The SICAV has the status of deemed compliant FFI as it qualifies as a Sponsored Investment Entity within the meaning of the IGA. The SICAV has also appointed Bank Degroof Petercam S.A. as a sponsoring entity. As a “Sponsoring Entity”, Bank Degroof Petercam S.A. may (I) act on behalf of the SICAV in order to fulfil, where applicable, the SICAV’s registration obligations with the IRS; (II) fulfil, on behalf of the SICAV, the obligations resulting from the FATCA regulations, including in particular due diligence, reporting and withholding tax obligations where applicable.

Insofar as the SICAV complies with the conditions of the IGA (in particular those relating to its FATCA status) and with the law of 16 December 2015 transposing its obligations into Belgian legislation, no FATCA withholding at source should apply to the payments it receives.

To comply with its obligations in the framework of FATCA, the SICAV may request and obtain certain information, documents and attestations from its shareholders and (if applicable) their beneficial owners, including any information relating to their tax status, identity or residence. The non-disclosure of information requested may lead to (i) a liability on the part of the shareholder failing to provide the information requested ("**Recalcitrant Shareholder**") or possibly on the part of the SICAV, for all

resulting U.S. tax withheld at source, (ii) an increase in the SICAV's disclosure obligations or (iii) a forced redemption or transfer of the shares of the Recalcitrant Shareholder.

Shareholders will be deemed, by their subscription or holding of shares, to have authorised the automatic transmission (by the SICAV or any other person) of this information to the tax authorities. Shareholders who do not provide the required information or who otherwise prevent the SICAV from fulfilling its disclosure obligations under FATCA may be subject to forced redemption or transfer of their shares, a 30% withholding at source on certain payments and/or other penalties.

In relation to the foregoing, but without limiting the information, documents or attestations that the SICAV requires of a shareholder, each shareholder shall send to the SICAV (i) if this shareholder is a United States person in the meaning of the U.S. Internal Revenue Code of 1986 as amended (the "**IRC**"), an IRS Form W-9 or such other form as may replace it, fully and accurately completed ("**W-9**") or, (ii) if this shareholder is not a United States Person, an IRS Form W-8 fully and accurately completed (including Form W-8BEN, Form W-8BEN-E, Form W-8ECI, Form W-8EXP or Form W-8IMY or such forms as may replace them, including information concerning the status of the shareholder under Chapter 4 of the IRC) ("**W-8**"), and undertakes to provide the SICAV rapidly with an updated Form W-9 or W-8 as the case may be when a previous version of the form becomes obsolete or when the SICAV requests it.

**Furthermore, each shareholder agrees to inform the SICAV immediately in the event of any change in the information provided to the SICAV by the shareholder and to sign and send to the SICAV any form or any other additional information that the SICAV might reasonably request.**

Although the SICAV will strive to preserve its status of deemed-compliant FFI and to comply with all obligations incumbent upon it to avoid the application of FATCA withholding at source, it cannot guarantee that the SICAV will be able to meet these obligations and that thus it will not be treated by the United States as a non-compliant FFI subject to FATCA withholding at source on payments received by the SICAV. The application of FATCA withholding at source to payments made to the SICAV could appreciably affect the value of the shares held by all shareholders.

All potential shareholders should consult their own tax advisers regarding the possible impact of FATCA on an investment in the SICAV.

### Automatic exchange of information:

European Directive 2014/107/EU of 9 December 2014 (the "Directive") amending Directive 11/16/EU as regards mandatory automatic exchange of information in the field of taxation having regard to the automatic and mandatory exchange of information in the field of taxation, in addition to the other international agreements such as those reached now and in the future in relation to the standards for exchanging information exchange of information developed by the OECD (more generally under the name of "Common Reporting Standards" or "CRS"), obliges participating jurisdictions to obtain information about their financial institutions and to exchange this information as of 1 January 2016.

This Directive was transposed into Belgian by the Law of 16 December 2015 ("Law governing the communication of information on financial accounts by Belgian financial institutions and the Federal Public Service (FPS) Finance, in the framework of the automatic exchange of information at international level and for tax purposes").

Within the context of the Directive transposed into Belgian law, the investment funds, as Financial Institutions, must collect specific information aimed at correctly identifying their Investors.

The Directive also indicates that the personal and financial [5] data about Investors who are:

- individuals or corporations subject to declaration [6] or
- people who exercise control over passive non-financial organisations entities (NFEO) [7] and who are obliged to make a declaration,

shall be forwarded by the Financial Institution to the relevant local tax Authorities which in turn shall notify this information to the tax Authorities in the country or countries where the Investor resides.

If the SICAV shares are held in an account with a financial institution, this organisation entity is responsible for exchanging information.

Consequently, the SICAV, whether directly or indirectly (i.e. through a contact appointed for this purpose):

[5] Such as, in particular, but not exclusively: name, address, State of tax residence, tax identification number, date and place of birth, bank account number, amount of income, amount of proceeds from sale, buyout or reimbursement, valorisation of the "account" at the end of the calendar year or when it closes.

[6] Individual or corporation not residing in the country where the Fund is incorporated and residing in a participating country. The list of countries taking part in the automatic exchange of information may be consulted on the http://www.oecd.org/tax/automatic-exchange/ site

[7] Non-Financial Organisation Entity, i.e. an Organisation Entity which is not a Financial Organisation Entity according to the Directive.

- may, at any time and for whatever reason, ask for and obtain from each Investor an update of the documents and information already provided, as well as any other document or additional information;
- is obliged, to notify all or part of the information provided by the Investor regarding the investment in the SICAV to the relevant local tax Authorities.

The Investor is informed of the potential risk associated with exchanging inaccurate and/or incorrect information if the information he has provided is no longer accurate or complete. In the event of any changes affecting the information provided, the Investor undertakes to inform the SICAV (or any other contact appointed for this purpose), as soon as possible and must issue, if applicable, new certification within 30 days of the event which has rendered the information inexact or incomplete.

The mechanisms and fields of application of this system of exchanging information exchange of information may evolve over time. Each Investor is advised to consult his own tax adviser in order to determine the impact that the CRS provisions may have on an investment in the SICAV.

### Data protection

In order to comply with its legal and regulatory obligations, the SICAV processes information relating to certain persons with whom it is required to interact and which constitute "personal data". The SICAV considers the protection of this data to be an important matter and has therefore adopted a Personal Data Protection Charter available at the following address *www.dpamfunds.com* ('Regulatory Information' tab).

The SICAV invites you to read the Charter on the Protection of Personal Data carefully. It explains in more detail the context in which the SICAV processes personal data as well as the rights of the persons with whom it interacts (including the right of access, rectification and in certain circumstances, the right to erase data, processing limitations, data portability and the right to object to certain forms of processing) and the SICAV's obligations in this respect.

## INFORMATION ON THE RISK PROFILE AND THE INTEGRATION OF SUSTAINABILITY RISKS

Investors are advised that the value of their investment can increase or decrease and that they may receive less back than their initial stake. Investors should read the risk factors set out below and the risks relevant to each of the SICAV's sub-funds detailed in the information on the sub-funds and in the "Risk and Return Profile" section of the Key Investor Information.

The risks that may be considered relevant and significant for the various sub-funds of the SICAV are listed and defined below:

| | |
|---|---|
| Capital risk | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | Risk associated with a high concentration of investments in a given asset class or market. Any change in these markets or asset classes could therefore have a significant impact on the sub-fund's portfolio. |
| Credit risk | This is the risk that the creditworthiness of a bond or debt security issuer may deteriorate, thereby likely to reduce the value of investments. This risk is linked to an issuer's ability to honour its debts. The value of debt securities in which a sub-fund has invested may be reduced when the rating of an issue or issuer is downgraded. Bonds or debt securities issued by entities with a low credit rating are generally considered to have a higher credit risk and probability of issuer default than issuers with a higher rating. If an issuer of bonds or debt securities experiences financial or economic difficulties, the value of the bonds or debt securities and the payments made on those bonds or debt securities could be adversely affected and could even be reduced to zero. |

| | |
|---|---|
| Exchange risk | If a sub-fund has assets denominated in currencies other than its reference currency, it may be affected by any fluctuations in exchange rates between its reference currency and these other currencies, or by any change in exchange controls. If the currency in which a financial asset is denominated appreciates against the reference currency of the sub-fund, the value of the asset expressed in the reference currency will also appreciate. Conversely, a depreciation in the currency in which a financial asset is expressed will result in a decrease in its value expressed in the reference currency. If the sub-fund carries out currency hedging transactions, no guarantee can be given that they will be fully effective. |
| Hedging risk | For hedged share categories, the sub-fund will endeavor to hedge the currency risk linked to the fact that the assets are denominated in currencies other than the euro. The currency hedge used may not be fully collateralised and, as a result, the relevant currency risk may not be fully hedged. |
| Inflation risk | The net asset value of a sub-fund may be strongly influenced by rising or falling interest rates. As the market's expected inflation rate is factored into the actuarial rate of the bonds, changes in the inflation rate will be reflected in the actuarial rates and thus ultimately in the prices of the bonds. |
| Liquidity risk | The risk that a position cannot be closed at the right time at a reasonable price. If a market is too narrow, the ability of the sub-fund to buy/sell an investment quickly enough to avoid a loss in the sub-fund or to meet a redemption obligation at any time may be impaired. |
| Market risk | The risk that a market downturn will affect the value of the sub-fund's assets. |
| Risks relating to derivative products | A sub-fund may hold derivatives in its portfolio. These assets may be more volatile than the underlying instrument to which they relate, which may result in a decrease in the value of the portfolio. |
| Sustainability risk | The probability of occurrence of an environmental, social or governance event that could lead to an actual or potential material loss in the value of the sub-fund's assets as a result of that event. |

## Synthetic risk and reward indicator:

The risk and reward profile of an investment is reflected by a synthetic indicator which ranks the sub-fund on a risk/return scale from the lowest (1) to the highest (7) risk category. This indicator is calculated in accordance with the provisions of Regulation 583/2010 and is available, in its most recent version in the key investor information documents. This risk/return level is calculated on the basis of the portfolio's net asset value fluctuations (volatility) recorded over the past five years (or on the basis of the changes in value of an appropriate benchmark if the sub-fund or share class has existed for less than five years).It gives an indication of the sub-fund's potential performance and of the capital risk exposure, but it does not guarantee that the risk/reward profile currently published will remain unchanged. Historical data such as those used in calculating the synthetic indicator, may not be a reliable indication of the future profile of the sub-fund.

## Information on sustainability risk integration in accordance with Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "Regulation"):

Sustainability risk is defined as the probability of occurrence of an environmental, social or governance event that could lead to an actual or potential material loss in value of the SICAV as a result of that event.

Sustainability risks include two main risk factors: physical risk (related to climate change and environmental degradation) and transition risk (related to the process of adapting to a more sustainable economy in environmental, social or governance terms). These risks affect the resilience of institutions in the medium to long term, especially in sectors and markets vulnerable to climate and environmental risks.

Physical and transition risks can also lead to reputational risk as investors associate the company with negative environmental impacts.

The way in which sustainability risks are integrated by the Management Company in the investment decisions is described in the responsible and sustainable investment policy, which can be accessed via the website *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

The results of the Management Company's assessment of the likely impact of sustainability risks on the performance of the SICAV's sub-funds are detailed in the sub-fund information (Sub-fund risk profile) in the prospectus.

# INFORMATION ABOUT THE SHARES AND THEIR TRADING

## Type of shares offered and ISIN codes, initial subscription date and price:

This data is given in detail in the information for the sub-funds.

## Distribution of dividends:

A dividend will, in principle, be paid for distribution shares:

- Either at the decision of the Board of Directors during the financial year, in the form of an interim dividend;
- Or at the decision of the Ordinary General Meeting

if the distributable revenues allow it.

Shareholders are advised of payment and the amount of the dividend by a notice published on the websites *www.dpamfunds.com* and *www.beama.be*.

## Calculation of the net asset value:

The net asset value is calculated on each working day and is published on the websites *www.dpamfunds.com* and *www.beama.be*. This information is also available from the counters of the institutions providing the financial service.

## Subscription of shares, redemption of shares and change of sub-fund:

***For all sub-funds of the SICAV (with the exception of the sub-funds explicitly mentioned below):***

| | |
|---|---|
| Introduction of share subscription and redemption or change of sub-fund applications | Day D = Every business day on which the financial service is open to the public, before 3 p.m. |
| Asset valuation | D |
| Calculation of the net asset value and execution date of subscription and redemption applications received on D [8] | D + 1 |
| Payment of subscription and redemption applications | D + 2 |
| | |
| Date of the published net asset value | D |

***For the DPAM B Defensive Strategy, DPAM B Balanced Low Strategy, DPAM B Balanced Strategy, DPAM B Active Strategy et DPAM B Global Diversified World sub-funds***

| | |
|---|---|
| Introduction of subscription or redemption requests or change of sub-fund | Day D =<br>Every day on which the financial services department is open to the public, before midday (12 a.m.) |
| Asset valuation | D |
| Calculation of the net asset value and execution date of subscription and redemption applications received on D | D + 2 |
| Payment of subscription and redemption applications | D + 3 |
| | |

[8] For the sub-fund DPAM HORIZON B Balanced Growth, the net asset value is valued once a week on Monday.

| | |
|---|---|
| Date of the published net asset value | D |

***For the DPAM B Equities EMU Index, DPAM B Equities Europe Index, DPAM B Equities US Index et DPAM B Equities US ESG Leaders Index sub-funds***

| | |
|---|---|
| Reception of share subscription and redemption or change of sub-fund applications | Day D = Every business day on which the financial service is open to the public, before 1.30 p.m. |
| Asset valuation | D |
| Calculation of the net asset value and execution date of subscription and redemption applications received on D | D + 1 |
| Payment of subscription and redemption applications | D + 2 |
| | |
| Date of the published net asset value | D |

***For the DPAM B Equities World ex Japan, Europe & USA Index and DPAM B Equities Japan Index sub-funds***

| | |
|---|---|
| Reception of share subscription and redemption or change of sub-fund applications | Day D = Every business day on which the financial service is open to the public, before 1.30 p.m. |
| Asset valuation | D + 1 |
| Calculation of the net asset value and execution date of subscription and redemption applications received on D | D + 2 |
| Payment of subscription and redemption applications | D + 3 |
| | |
| Date of the published net asset value | D |

***For the DPAM B Equities DRAGONS Sustainable sub-fund***

| | |
|---|---|
| Introduction of subscription, redemption or change of sub-fund applications | Day D = Every business day on which the financial service is open to the public, before 3 p.m. |
| Asset valuation | D + 1 at 7 a.m. |
| Calculation of the net asset value and execution date of subscription and redemption applications received on D | D + 2 |
| Payment of subscription and redemption applications | D + 3 |
| | |
| Date of the published net asset value | D |

Share subscription and redemption or change of sub-fund applications received after 3 p.m., 1.30 p.m. or midday (12 a.m.) depending on the specific sub-fundon a business day will be deemed to have been received by that time on the next business day.

The prices used to value the assets on D or D + 1 must be unknown for at least 80% of the net asset value at the cut-off time for receiving share subscription and redemption or change of sub-fund applications. Otherwise, the prices of the next trading day will be used. In this case, the net asset value calculation and subscription and redemption payment dates will be extended accordingly.

The cut-off time for receiving orders stated here applies only to the institutions providing the financial service. Investors are advised to contact the distributors mentioned in the prospectus to enquire about the order reception cut-off time.

### Restrictions on subscription to and holding of shares:

The SICAV reserves the right, (A) when a potential or existing shareholder fails to provide it with the required information (concerning his tax status, identity or residence) to meet such disclosure or other requirements as might apply to the SICAV by virtue of laws in force, or (B) if it learns that a potential or existing shareholder (i) does not comply with the laws in force or (ii) might cause the SICAV to become non-compliant with its legal obligations (or to find itself subject, in any other way, to a FATCA withholding at source on payments it receives):

- to refuse the subscription to shares of the SICAV by said potential shareholder;
- to require said existing shareholder to sell his shares to a person eligible to subscribe to or to hold these shares; or
- to redeem the shares concerned at their net asset value as determined on the Asset Valuation Date following notification to the shareholder of the forced redemption.

Insofar as necessary, it is stipulated that any reference above to applicable laws or legal obligations includes the laws and obligations deriving from or otherwise imposed by the IGA transposed into Belgian by the Law of 16 December 2015.

## FEES AND CHARGES

### Non-recurring fees and charges borne by the investor (in EUR or as a percentage of the net asset value per share):

| | **Entry** | **Exit** | **Change of sub-fund** |
|---|---|---|---|
| **Marketing fee** | | | |
| Classes offered to the public | Max. 2% | - | Any difference between the marketing fee for the sub-funds in question |
| Classes offered to eligible investors | Max. 1% | - | Any difference between the marketing fee for the sub-funds in question |
| Class P – P EUR Hedged – Z | 0% | - | Any difference between the marketing fee for the sub-funds in question |
| **Administrative expenses** | - | - | - |
| **Amount covering the cost of acquiring/realising assets** | - | - | - |
| **Sub-funds** | | | |
| DPAM B Equities Europe Index | 0.25% | 0.10% | Sum of the entry and exit fee of the sub-funds concerned |
| DPAM B Equities EMU Index | 0.15% | 0.10% | Sum of the entry and exit fee of the sub-funds concerned |
| DPAM B Equities US Index | 0.10% | 0.10% | Sum of the entry and exit fee of the sub-funds concerned |
| DPAM B Equities Japan Index | 0.10% | 0.10% | Sum of the entry and exit fee of the sub-funds concerned |
| DPAM B Equities World ex Japan, Europe & USA Index | 0.15% | 0.15% | Sum of the entry and exit fee of the sub-funds concerned |

| | Entry | Exit | Change of sub-fund |
|---|---|---|---|
| DPAM B Equities US ESG Leaders Index | 0.10% | 0.10% | Sum of the entry and exit fee of the sub-funds concerned |
| All other sub-funds of the SICAV | - | - | Sum of the entry and exit fee of the sub-funds concerned |
| **Amount aimed at discouraging exits in the month following entry** | - | - | - |
| **Stock exchange tax (TOB)** | - | Capitalisation shares: 1.32% (max. € 4,000) | Cap. to Cap./Dis.: 1.32% with a maximum of € 4,000 |
| **Anti-dilution mechanism** | Max. 5% in the event of large net inflows (more than 5% of the total net asset value of the sub-fund) | Max. 5% in the event of large net inflows (more than 5% of the total net asset value of the sub-fund) | - |

## Recurring fees and charges borne by the sub-fund (in EUR or as a percentage of the net asset value):

***BONDS sub-funds***

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Finacial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Bonds Eur Short Term 1 Y** | A-B | Max. 0.20% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.10% | | | | | |
| | L | Max. 0.30% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.05% | | | | | |
| **DPAM B Bonds EUR** | A-B | Max. 0.40% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.20% | | | | | |
| | L | Max. 0.60% | | | | | |
| | P | 0% | | | | | |
| | Z | Max. 0.12% | | | | | |
| | J | Max. 0.10% | | | | | |

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Finacial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Bonds Eur IG** | A-B | Max. 0.40% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.20% | | | | | |
| | L | Max. 0.60% | | | | | |
| | P | 0% | | | | | |
| | Z | Max. 0.12% | | | | | |
| | J | Max. 0.10% | | | | | |
| **DPAM B Bonds EUR Corporate Sustainable** | A-B | Max. 0.40% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F | Max. 0.20% | | | | | |
| **DPAM B Bonds Global Inflation Linked** | A-B-A EUR Hedged–B EUR Hedged | Max.0.40% | 0.045% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max. € 20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-E EUR Hedged-F EUR Hedged-M-N–M EUR Hedged-N EUR Hedged-V- V EUR Hedged – W –W EUR Hedged | Max. 0.20% | | | | | |
| | P-P EUR Hedged | 0% | | | | | |
| | J-J EUR Hedged | Max.0.10% | | | | | |
| | B LC | Max 1.20% | | | | | |
| | F LC | Max 0.60% | | | | | |

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Finacial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Bonds Eur Quality Short Term** | A-B | Max. 0.30% | 0.045% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max. € 20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-M-N-V-W | Max. 0.15% | | | | | |
| | P | 0% | | | | | |
| | J | Max.0.11% | | | | | |
| | B LC | Max. 1.20% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| **DPAM B Bonds EUR Medium Term** | A-B | Max. 0.30% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.15% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.075% | | | | | |
| **DPAM B Corporate Bonds EUR 2023** | A-B | Max. 0.050% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-M-N | Max. 0.025% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.015% | | | | | |

***EQUITIES sub-funds***

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Financial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Equities Europe Small Caps Sustainable** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | B LC | Max. 1.20% | | | | | |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Financial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Equities Euroland** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-F USD Hedged-F CHF Hedged-V-W-M-N | Max. 0.80% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Real Estate Europe Sustainable** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | B LC | Max. 1.20% | | | | | |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Equities World Sustainable** | A-B- B USD | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | B LC | Max. 1.20% | | | | | |
| | E-F-F USD-V-W- W USD-M-N | Max. 0.80% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Equities Europe Dividend** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F- V-W-M-N | Max. 0.80% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Financial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Equities Europe Sustainable** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | B LC | Max. 1.20% | | | | | |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Equities NewGems Sustainable** | A-B B USD | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-F USD-V-W-W USD-M-N | Max. 0.80% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Equities Sustainable Food Trends** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Real Estate Europe Dividend Sustainable** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Financial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Equities DRAGONS Sustainable** | A-B-B USD-B EUR Hedged | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | B LC | Max. 1.20% | | | | | |
| | E-F-F USD –F EUR Hedged V-W-W USD-W EUR Hedged M-N | Max. 0.80% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Equities Euroland Sustainable** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | B LC | Max. 1.20% | | | | | |
| | E-F-F CHF Hedged F USD Hedged V-W-M-N | Max. 0.80% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| | L | Max. 2.13% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Equities Europe Index** | A-B | Max. 0.50% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-M-N | Max. 0.25% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.125% | | | | | |
| **DPAM B Equities EMU Index** | A-B | Max. 0.50% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-M-N | Max. 0.25% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.125% | | | | | |

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Financial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Equities US Index** | A-B-A USD-B USD | Max. 0.50% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-M-N–M USD-N USD | Max. 0.25% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.125% | | | | | |
| **DPAM B Equities Japan Index** | A-B- | Max. 0.50% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-M-N | Max. 0.25% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.125% | | | | | |
| **DPAM B Equities World ex Japan, Europe & USA Index** | A-B | Max. 0.50% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-M-N | Max. 0.25% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.125% | | | | | |
| **DPAM B Equities EMU Behavioral Value** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | P | 0% | | | | | |
| | L | Max. 2.40% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Equities US Behavioral Value** | A-B-A USD-B USD | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-E USD-F USD-V-W-M-N–M USD – N USD | Max. 0.80% | | | | | |
| | P | 0% | | | | | |
| | L-L USD | Max. 2.40% | | | | | |
| | J | Max. 0.40% | | | | | |

| Sub-fund | Share class | Portfolio management (i) | Administration (ii) | Financial service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Equities US Dividend Sustainable** | A-B-A USD-B USD-B EUR Hedged | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | B LC | Max. 1.20% | | | | | |
| | E-F-E USD-F USD-V-W-M-N-F EUR Hedged-W EUR Hedged | Max. 0.80% | | | | | |
| | F LC | Max. 0.60% | | | | | |
| | P | 0% | | | | | |
| | J | Max. 0.40% | | | | | |
| **DPAM B Real Estate EMU Dividend Sustainable** | A-B | Max. 1.60% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | J | Max. 0.40% | | | | | |
| | P | 0% | | | | | |
| **DPAM B Real Estate EMU Sustainable** | A-B | Max.1.60% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-V-W-M-N | Max. 0.80% | | | | | |
| | J | 0.40% | | | | | |
| | P | 0% | | | | | |
| **DPAM B Equities US ESG Leaders Index** | A-A USD-B-B USD | Max. 0.60% | 0.045% and a supplement of €2,000 per active share class | Banque Degroof Petercam: Max. €20 | Max. 0.025% | € 3,375 | 0.075% |
| | E-F-M-M USD-N-N USD | Max. 0.30% | | | | | |
| | J | Max. 0.20% | | | | | |
| | P | 0% | | | | | |

***BALANCED sub-funds***

| Sub-fund | Class | Portfolio management (i) | Administration (ii) | Financial Service (iii) | Custodian (iv) | Auditor (v) | Other charges (vi) |
|---|---|---|---|---|---|---|---|
| **DPAM B Balanced Growth** | A-B | Max. 0.25% | 0.045% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max.€20 | Max.0.025% | € 3,375 | 0.075% |
| **DPAM B Balanced Flexible** | B | Max. 1.00% | 0.045% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max.€20 | Max.0.025% | € 3,375 | 0.075% |
| | F | Max. 0.15% | | | | | |
| **DPAM B Defensive Strategy** | A-B | Max. 0.75% | 0.045% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max.€20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-M-N-V-W | Max. 0.375% | | | | | |
| **DPAM B Balanced Low Strategy** | A-B | Max. 0.90% | 0.0450% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max.€20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-M-N-V-W | Max. 0.45% | | | | | |
| **DPAM B Balanced Strategy** | A-B | Max. 1.15% | 0.0450% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max.€20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-M-N-V-W | Max. 0.58% | | | | | |
| **DPAM B Active strategy** | A-B | Max. 1.20% | 0.045% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max.€20 | Max.0.025% | € 3,375 | 0.075% |
| | E-F-M-N-V-W | Max. 0.60% | | | | | |
| **DPAM B Global Diversified World** | B | Max. 1.00% | 0.045% and a supplement of € 2,000 per active share class | Bank Degroof Petercam: Max. €20 | Max.0.025% | € 3,375 | 0.075% |
| | F-W | Max. 0.50% | | | | | |
| | P | 0% | | | | | |

i) Investment portfolio management remuneration, per year, deducted daily except for the DPAM B Balanced Growth sub-fund: per year, deducted whenever the capital is open.

The maximum management fee (weighted average) which may be charged to the sub-fund and to the undertaking for collective investment in which it intends to invest amounts to:

- 0.75% for the DPAM B Defensive Strategy sub-fund
- 0.90% for the DPAM B Balanced Low Strategy sub-fund
- 1.15% for the DPAM B Balanced Strategy sub-fund
- 1.20% for the DPAM B Active Strategy sub-fund
- 1.20% for the DPAM B Global Diversified World sub-fund

ii) Remuneration for administration, per year, deducted daily.

iii) Financial service remuneration, per transaction.

iv) Custodian's remuneration, per year, excluding sub-custodian fees. These fees are payable quarterly and are calculated on the basis of the average net assets of the quarter.

v) Auditor's remuneration, per sub-fund, per year, net of VAT, miscellaneous expenditure and contribution IRE/IBR.

vi) Estimated other expenses, per sub-fund, per year, excluding contributions to FSMA running costs (and potentially excluding additional costs that may be borne by the hedged classes for hedging the exchange risk).

### Other charges borne by the sub-fund and identical for all sub-funds:

Directors' fees: Max. € 10,000 per year, per director not tied to the Degroof Petercam group

# INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Short Term 1 Y

## PRESENTATION:

This sub-fund has obtained an exemption that authorises it to invest up to 100% of its assets in the various issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Economic Area which has adopted the euro as its currency and by its regional public bodies.

Name: DPAM B Bonds EUR Short Term 1 Y

Formation date: 22 May 1992

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer shareholders **exposure to the bond market**.

The portfolio of the sub-fund consists essentially of instruments issued by Investment grade [9] or Prime [10] issuers, as rated by a ratings agency such as Standard & Poor's, Moody's or Fitch. These issuers may be public authorities, companies or private issuers.

The portfolio is invested principally in bonds, treasury certificates and other debt securities or equivalent securities denominated in EUR.

The initial or residual maturity of the instruments making up the portfolio will not exceed twelve months.

This is an actively managed sub-fund. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market may be used for risk management and evaluation by the manager.

Shareholders of the sub-fund have no capital protection or guarantee.

### Investment policy of the sub-fund:

The sub-fund invests a maximum of 10% of its assets in undertakings for collective investment.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment.

As a result of an exemption granted by the Autorité des Services et Marchés Financiers, the sub-fund may invest up to 100% of its assets in the various issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Economic Area which has adopted the euro as its currency (listed below [11]), and by its regional public bodies. These undertakings for collective investment must hold transferable securities and money market instruments belonging to at least six different issues, and transferable securities and money market instruments belonging to a single issue must not exceed 30% of the total value of their assets.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

[9] Investment Grade: is an interpretation of the rating of the bond issuer in terms of the financial risks. Ratings agencies each use their own scale to evaluate the notion of risk. Investment grade" ratings are situated between AAA and BBB- according to the Standard & Poor's and Fitch scales and between Aaa and Baa3 according to the Moody's scale.

[10] Prime: is a short-term rating which rates the ability of the issuer to fulfill its commitments at a maximum of one year. Prime" ratings are situated between A-1+ and A-3 according to the Standard & Poor's scale, between F1+ and F3 according to the Fitch scale and between P-1 and P-3 according to the Moody's scale.

[11] Belgium, Germany, Finland, France, Greece, Luxembourg, Ireland, Italy, Netherlands, Austria, Portugal, Spain, Slovenia, Cyprus, Malta, Slovakia, Estonia.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social aspects of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance criteria (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social aspects, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not finance controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which can be accessed at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not meet the Global Standards described below or in companies with controversies that are deemed to be extremely serious.

***Investment strategy:***

*Methodology for selecting ESG investments:*

i) With regard to debt securities other than those issued by governments, their political bodies, institutions or supranational organisations, the sub-fund applies binding investment restrictions to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

   a) Compliance of the portfolio with the principles of the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (Engagement policy) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

   b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes securities of companies that have material exposure to the production or

distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).

c) The portfolio's exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

ii) With regard to debt securities issued by states, their political bodies or institutions, the sub-fund does not invest in states that are considered "not free" and "authoritarian" according to international sources i.e. the international NGO Freedom House and the Democracy Index published by The Economist Intelligence Unit at the time the position in purchased.

In the event that a country is downgraded to "not free" and "authoritarian" status, the Investment Manager will sell the relevant investment in the interest of the sub-fund's shareholders within three months.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

i) Portfolio compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests primarily in fixed income securities. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. A review of compliance with Global Standards and a negative screening of the seriousness of controversies is applied. Sustainability risk remains, however, and the impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Concentration risk | Moderate | As the portfolio of the sub-fund is mainly composed of debt securities issued or guaranteed by European companies, it is likely to be more specifically exposed to the economic performance of Europe. |
| Liquidity risk | Moderate | Investments mainly in investment grade bonds are considered to be readily marketable. Liquidity may fall during periods of market tension and transaction costs may rise significantly. |
| Credit risk | Low | The sub-fund invests primarily in investment grade bonds with a short remaining term. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Market risk | Low | The sub-fund invests primarily in investment grade corporate bonds with short maturities. |

## Risk profile of the typical investor:

Defensive

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital during the year (1 year ) of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0058190878 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0058191884 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948511457 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948510442 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE6330739341 | Registered/ dematerialized |

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| V | Distribution | EUR | BE6246085615 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246088643 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254406406 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299422483 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299424505 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299425510 | Registered/ dematerialized |

## Initial subscription date:

6 August 1992

## Initial subscription price:

Initial value on 06/08/92: € 123.98.

# INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR

## PRESENTATION:

This sub-fund has obtained an exemption that authorises it to invest up to 100% of its assets in the various issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Economic Area which has adopted the euro as its currency and by its regional public bodies.

Name: DPAM B Bonds EUR

Formation date: 18 September 1996

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer shareholders **exposure to the bond market.**

The portfolio of the sub-fund consists essentially of short-, medium- and long-term instruments such as bonds and other debt securities or equivalent securities denominated in EUR, at fixed or floating rates, offering periodic or capitalised income and issued or guaranteed by Member States of the European Union.

The portfolio may also include bonds and other debt securities or equivalent securities issued by other public authorities, companies or private issuers.

There is no rating requirement on the instruments making up the portfolio or their issuers. Shareholders of the sub-fund have no capital protection or guarantee.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment.

As a result of an exemption granted by the Autorité des Services et Marchés Financiers, the sub-fund may invest up to 100% of its assets in the various issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Economic Area which has adopted the euro as its currency (listed below [12]), and by its regional public bodies. These undertakings for collective investment must hold transferable securities and money market instruments belonging to at least six different issues, and transferable securities and money market instruments belonging to a single issue must not exceed 30% of the total value of their assets.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment**

[12] Belgium, Germany, Finland, France, Greece, Luxembourg, Ireland, Italy, Netherlands, Austria, Portugal, Spain, Slovenia, Cyprus, Malta, Slovakia, Estonia

**objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance criteria (ESG) – Sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**). This promotion consists of:

i) the exclusion of countries that do not respect a minimum of democratic requirements; and

ii) a policy for impact bonds (such as green and social bonds).

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which can be accessed at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. To do this, the sub-fund has an exclusion policy:

***Investment strategy***

*Methodology for selecting ESG investments:*

The sub-fund applies binding investment restrictions: i) exclusion of countries that do not meet minimum democratic requirements and ii) an impact bond policy:

i) **Exclusion of countries that do not meet minimum democratic requirements:** the sub-fund does not invest in countries that do not meet minimum democratic requirements. To determine whether a country does not meet this minimum requirement the manager applies a methodology that is mainly based on the classifications of the International NGO Freedom House ("not free") and The Economist Intelligence Unit ("authoritarian regime").

   This exclusion and the underlying methodology are detailed in DPAM's Sustainable and Responsible Investment Policy (section "Integration in Sovereign Bonds") which is available at *www.dpamfunds.com* (Sustainable & Responsible Investment policy).

   This exclusion applies both at the time of purchase of a position and during the holding of the position in the portfolio. In the event that a country is downgraded, the Investment Manager will sell the relevant investment in the interest of the sub-fund's shareholders within three months.

ii) **Impact bond policy:** the percentage of impact bonds ("Green, Social & Sustainability bonds") in the portfolio is higher than the benchmark investment universe. More information can be found in the "Green, Social Sustainability Government Bonds Policy" section of DPAM's Sustainable & Responsible Investment policy available at *www.dpamfunds.com*.

*Good governance criteria*

Good governance criteria such as the electoral process, civil liberties, national and local democratic governance are included in the models used by the International NGO Freedom House and the Economist Intelligence Unit.

***Company in charge of the evaluation of ESG selection criteria***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether an issuer complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: JPM EMU Government Bond Total Return.This index is a bond index representing bonds issued by the governments of European countries where the euro is the official currency. Performance is calculated by reinvesting the coupons paid by the debt securities included in the index.

***Index administrator:***

J.P. Morgan Securities PLC is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social aspects of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests primarily in fixed income securities. |
| Concentration risk | Moderate | As the portfolio of the sub-fund is mainly composed of debt securities issued and/or guaranteed by members of the EU, it is likely to be more specifically exposed to the economic performance of this area. |
| Credit risk | Moderate | The sub-fund invests mainly in government bonds. It cannot be ruled out that part of the portfolio is rated below investment grade. |
| Risks relating to derivative products | Moderate | The investment policy allows for derivatives. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. An exclusion of countries that do not respect a minimum of democratic requirements is applied. Sustainability risk remains, however, and the impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Market risk | Low | The sub-fund invests primarily in government bonds. |
| Liquidity risk | Low | Investments mainly in investment grade bonds are considered to be readily marketable. |

## Risk profile of the typical investor:

Defensive

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 3 years of the initial investment.

TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0943876665 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0943877671 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948509436 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948508420 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948651881 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246045213 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246046229 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254408428 | Registered/ dematerialized |
| Z | Capitalisation | EUR | BE6278083496 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299413391 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299414407 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299415412 | Registered/ dematerialized |

## Initial subscription date:

4 October 1996

## Initial subscription price:

€ 123.98. On 26.10.04, capitalisation and distribution shares were divided by four. On 30.12.04, the sub-fund absorbed the sub-fund Belginvest Bonds as part of the merger by absorption of the SICAV Belginvest SA by DPAM SA.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Small Caps Sustainable

## PRESENTATION:

Name: DPAM B Equities Europe Small Caps Sustainable

Formation date: 26 November 1997

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is investment in shares of European companies with a small market capitalisation (1) at European level, selected on the basis of compliance with environmental, social and governance (ESG) criteria, and any securities giving entitlement to the capital of these companies.

The following are considered to be equivalent companies: companies resident in non-European countries that have a significant proportion of their assets, activities and profit or decision-making centres in Europe and which meet the criteria stated above. The investment policy favours the selection of companies based on their specific qualities, with no particular rules as to geographic or sectoral distribution.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

(1) The sub-fund invests mainly in European companies with a small market capitalisation, i.e. companies whose market capitalisation does not exceed the largest stock market capitalisation of the companies making up the MSCI Europe Small Cap Net Return Index at the time of the initial investment.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities. The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertakings for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will

also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water saving and access solutions, energy efficiency solutions, digitalisation services, sustainable mobility services. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

– **Global Standards** (described below) compliance filter: Companies must comply with the principles of the Global Compact (human rights, labour, environmental protection, anti-corruption) and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
– Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities and that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
– Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions or services enabling digitalisation. Examples of indicators include the percentage of turnover that the company

generates from products or services that make a net positive [13] contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and microfinance services to minority communities not well covered by traditional banking networks. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

- A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
- A lower average ESG profile risk than this reference universe before the ESG and sustainable investment selection methodology was applied;
- Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
- Zero exposure to issuers deemed non-compliant with the Global Standards.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the "Methodology for selecting ESG and sustainable investments" section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.

iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM's controversial activities policy mentioned above which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to optimising the efficiency of healthcare through digitalisation.

[13] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI Europe Small Cap Net Return

This index is representative of the small-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in Europe.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance and to determine the maximum allowable market capitalisation of the underlying securities (see above "Objectives of the sub-fund"). The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Liquidity risk | High | The sub-fund invests primarily in small-cap stocks. |
| Market risk | High | It is essentially an equity sub-fund. |
| Concentration risk | Moderate | As the portfolio is mainly composed of equity securities issued by European companies, it is likely to be more specifically exposed to the economic development of Europe. |
| Exchange risk | Moderate | As the sub-fund invests primarily in Europe, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |

| | | |
|---|---|---|
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective.<br>Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0058183808 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0058185829 | Registered/ dematerialized |
| B LC | Capitalisation | EUR | BE6321400077 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948495297 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948494282 | Registered/ dematerialized |
| F LC | Capitalisation | EUR | BE6321401083 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948994430 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246050262 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246055311 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254409434 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299488179 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299489185 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299490191 | Registered/ dematerialized |

## Initial subscription date:

7 December 1997

## Initial subscription price:

€ 123.98. On 16.12.01 the shares were divided into three.

The sub-fund has received all the assets and liabilities of the DPAM CAPITAL B Equities Belgium sub-fund through a merger by absorption that took effect on 26 February 2021.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Euroland

## PRESENTATION:

Name: DPAM B Equities Euroland

Formation date: 5 February 1998

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The principal objective of this sub-fund is investment in shares of companies having their registered office in one of the Member States of the European Union which has the euro as its national currency, and any securities giving entitlement to the capital of these companies. The following are considered to be equivalent companies: other companies that have a significant proportion of their assets, activities and profit or decision-making centres in the aforementioned countries.

More precisely, the sub-fund invests at least two-thirds of its assets in shares of companies having their registered office or carrying out their primary economic activity in one of the Member States of the European Union which has the euro as its national currency, and any securities giving entitlement to the capital of these companies.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities. The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not fund controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

Finally, the sub-fund also has strong ESG integration, consisting of the consideration – flexibly according to the material challenges of the sectors of activity – of several ESG criteria. Please refer to the "Investment Strategy" section below for a description of this "ESG integration" approach and the criteria it covers.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not comply with the Global Standards described below or in companies with controversies deemed to be extremely serious.

***Investment Strategy:***

*Methodology for selecting ESG investments:*

The fund applies (i) binding investment restrictions in terms of company exposure to certain controversial activities and behaviours and (ii) a non-binding "ESG integration" investment approach:

i) Binding investment restrictions apply to (a) companies not in compliance with the Global Standards described below, (b) companies involved in controversial activities and (c) companies involved in extremely serious controversies:
   a) Compliance of the portfolio with the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;
   b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes the securities of companies that have a material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

      Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).
   c) The portfolio's exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

ii) The ESG integration approach consists of a flexible consideration of the following criteria:

a) The portfolio's exposure to ESG controversies, other than extremely serious controversies (which are formally excluded as in (i) above), i.e. controversies relating to a company's environmental or social impact or governance practices. The managers are informed of the sub-fund's potential exposure to companies involved in ESG controversies, and are encouraged (but not formally constrained) to limit the sub-fund's investments in these companies as much as possible;

b) the ESG rating of the portfolio based on the ESG ratings of the companies held, provided by non-financial rating agencies;

c) the carbon intensity of the portfolio;

d) generally speaking, sector analysts take into account the most material and relevant ESG elements and information in their research and investment recommendations and managers integrate (without formal exclusions) these material elements and issues in their investment decisions.

DPAM intends to maintain flexibility in the consideration of the four criteria outlined in the ESG integration section (ii) above. These criteria therefore do not lead to any formal or systematic exclusion (without prejudice to the exclusions arising from the controversial activities policy listed in point (i) above).

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

i) Portfolio compliance with the Global Standards principles: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Qualitative ESG approach: Much of DPAM's fundamental research is devoted to governance and corporate governance issues.

iv) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

The sub-fund may invest in units in other UCITS or other funds managed directly or indirectly by DPAM or by a company with which DPAM is associated as part of a co-management or co-control agreement or by means of a

direct or indirect holding of more than 10% of the capital or votes. No issue, redemption or management fees for the target funds may be deducted from the fund's assets in connection with such investments.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI EMU Net Return

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in the EMU zone.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equities issued by companies in the Eurozone, it is likely to be more specifically exposed to economic developments in the Eurozone. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. The sustainability risk remains, however, as the integration of compliance with these rules is strongly advised but not binding for investment decisions, except for the review of compliance with Global Standards and the negative screening of the seriousness of controversies that issuers may face. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Hedging risk (applicable only to "Hedged" share classes) | Low | Between 95% and 105% of the initial currency exposure of the "hedged" share classes is hedged. If the exposure is not fully (100%) hedged, there will be a residual exposure to the currency in which the instrument is denominated rather than to the currency being hedged. |
| Liquidity risk | Low | Investments made primarily in equity securities are considered readily marketable. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0058181786 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0058182792 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948485199 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948484184 | Registered/ dematerialized |
| F USD HEDGED [14] | Capitalisation | USD | BE6315787208 | Registered/ dematerialized |
| F CHF HEDGED [14] | Capitalisation | CHF | BE6315786192 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948984332 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246056327 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246057333 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254411455 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299439651 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299440667 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299441673 | Registered/ dematerialized |

## Initial subscription date:

19 April 1998

## Initial subscription price:

€ 123.98. On 16/12/2001, the shares of the sub-fund were divided into two.

[14] "Hedged" classes
- Between 95% and 105% of the exchange risk exposure of the original net asset value will be hedged into the reference currency of the sub-fund.
- Each class concerned may incur additional costs of 0.01% per month for this exchange risk hedging policy. The interest rate differential between the euro and the currencies hedged will have an influence on the net asset value of the hedged class via the exchange risk hedging transactions.

# INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate Europe Sustainable

## PRESENTATION:

Name: DPAM B Real Estate Europe Sustainable

Formation date: 16 December 1999

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer shareholders the highest possible long-term return through a balanced management policy, by investing its assets in securities representative of the real estate sector, in its broad sense, in Europe. These securities include but are not limited to shares of REITs, real estate certificates, shares of real estate companies and companies active in real estate promotion and development, shares in real estate debt investment funds etc. These companies are selected on the basis of compliance with environmental, social and governance (ESG) criteria.

More precisely, the sub-fund invests at least two-thirds of its assets in securities representative of the real estate sector issued by companies having their registered office or carrying out their primary economic activity in Europe.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, as well as units in undertakings for collective investment. The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertakings for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings dedicated to retirement homes, medical centres, life sciences and biotechnology research centres, etc. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the Global Compact (human rights, labour law, protection of the environment, fight against corruption) and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings for retirement homes, medical centres, life sciences and biotechnology research centres, etc. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [15] contribution to the UN Sustainable Development Goals 7 (clean and affordable energy), 9 (industry, innovation and infrastructure) or 11 (sustainable cities and communities); the commitment of issuers to environmental risk assessment and control; etc. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

– A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
– A lower average ESG profile risk than this reference universe before the ESG and sustainable investment selection methodology was applied;
– Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
– Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the “Methodology for selecting ESG and sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.
ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.
iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.
v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

[15] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion on the basis of the Global Standards: cases of fraud, embezzlement and scams, constituting violations of the 10th principle of the UN Global Compact.
- Example of exclusion on the basis of serious ESG controversies: cases of bribery of public decision-makers in order to obtain privileged access to plots of land and/or to regularise illegal real estate projects and/or to obtain the construction of public infrastructure that increases the value of real estate.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to gambling through investments in casinos representing an exposure as a percentage of turnover above the threshold defined in the controversial activities policy available at www.dpamfunds.com (*Controversial Activities Policy*).

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website www.dpamfunds.com.

## Benchmark:

The sub-fund uses the following index as its benchmark: GPR Europe UK 25% Capped Net Return

This index is representative of listed real estate companies in developed Europe. The GPR Europe UK 25% Capped Net Return is a custom index for DPAM calculated by Global Property Research. In this index, the weight of the United Kingdom is capped at 25%.

The performance is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

Global Property Research is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equity securities issued by European real estate companies, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Liquidity risk | High | The sub-fund invests primarily in equities issued by the real estate sector. Instruments in the real estate sector may have high liquidity risk. This risk mainly arises during periods of market tension |

| | | |
|---|---|---|
| Market risk | High | Investment in securities representative of the real estate market |
| Exchange risk | Moderate | As the sub-fund invests primarily in Europe, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0058186835 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0058187841 | Registered/ dematerialized |
| B LC | Capitalisation | EUR | BE6321402099 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948507414 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948506408 | Registered/ dematerialized |
| F LC | Capitalisation | EUR | BE6321403105 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948998472 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246058349 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246059354 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254413477 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299473023 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299474039 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299476059 | Registered/ dematerialized |

## Initial subscription date:

27 December 1999

## Initial subscription price:

€ 100

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities World Sustainable

## PRESENTATION:

Name: DPAM B Equities World Sustainable

Formation date: 29 October 2001

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer investors exposure to equities and/or equity-equivalent securities, issued by companies without any geographical restrictions, and to all securities giving entitlement to the capital of these companies, selected on the basis of a strict methodology in terms of compliance with environmental, social and governance (ESG) criteria.

The sustainable objective is to invest in companies that contribute through their products and services to the financing of the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water saving and access solutions, energy efficiency solutions, digitalisation services, sustainable mobility services. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. As a result, the investment universe is narrowed: the portfolio focuses on net positive companies, i.e. (1) those whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) those that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

No formal guarantee has been given either to the sub-fund or to its investors.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

The sub-fund invests mainly in equities and/or equity-equivalent securities issued by companies, without any geographical restrictions, and in all securities giving entitlement to the capital of these companies.

Securities are selected on the basis of economic and financial analyses as well as environmental, social and governance (ESG) considerations.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment. The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

The derivative products that may be employed will not be used for the purpose of achieving the sustainable investment objective described above.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sustainability approach is based on the following threefold commitment: (1) to defend fundamental rights (normative screening on the basis of the Global Standards described below), (2) not fund controversial activities that could affect the long-term reputation of investments (negative screening on the basis of DPAM's policy on controversial activities) and (3) to promote best practices and best efforts with regard to sustainability (best-in-class approach, commitment and integration of sustainability themes).

The sub-fund's environmental and social objectives are met by contributing to the financing of the UN's sustainable development goals, in particular the goals of poverty reduction, promotion of better health and well-being, quality education, improved energy efficiency and greater financial inclusion.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***Investment Strategy***

*Methodology for selecting sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the Global Compact (human rights, labour law, protection of the environment, fight against corruption) and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.
- **Quantitative ESG approach** (best-in-class)**:** DPAM filters the universe by screening based on the quality of the ESG profile of the companies, as assessed by non-financial rating agencies. The bottom quartile of the economic sector ranking is not eligible for investment.
- **Qualitative ESG approach:** The quantitative screening is complemented by qualitative analyses based on DPAM's fundamental research and dialogues with companies on financial issues relating to the companies' strategy and the most relevant and material ESG risks and issues to which they are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions, digitalisation services or financial inclusion. Examples of indicators include the percentage of turnover that

the company generates from products or services that make a net positive [16] contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and microfinance services to minority communities not well covered by traditional banking networks. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainability objective, the portfolio aims for both (1) a positive net contribution at the level of the overall portfolio and (2) a minimum of 50% of the invested companies making a positive net contribution.

This methodology for selecting sustainable investments aims to achieve:

- A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the sustainable investment selection methodology was applied;
- A lower average ESG profile risk than this reference universe before the sustainable investment selection methodology was applied;
- Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
- Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

Exclusions apply to the entire portfolio excluding cash, undertakings for collective investment and derivatives. More than half of the portfolio's investments target one of the environmental and social objectives mentioned above.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the various steps described in the “Methodology for selecting sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Quantitative ESG ("best-in-class") approach: governance criteria in the broad sense and corporate governance criteria in particular are an integral part of the "best-in-class" exercise, which uses external ESG ratings to define the eligible universe.

iv) Qualitative ESG approach: Much of DPAM's fundamental research is devoted to governance and corporate governance issues.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM’s

[16] The net impact contribution is the difference between the positive and negative impact contribution and is calculated at the level of the invested company and of the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impact associated with their activities along the value chain.

controversial activities policy mentioned above which is available at www.dpamfunds.com (*Controversial Activities Policy*)).

- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at www.dpamfunds.com (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to reducing mortality and increasing life expectancy.

***Company in charge of the evaluation of sustainability selection criteria***

DPAM is the company in charge of the evaluation of sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global sustainability criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website www.dpamfunds.com.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI AC World Net Return

This index is representative of the large- and mid-cap equity market of 23 developed countries and 26 emerging countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) around the world.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the sustainable investment objective of the sub-fund. Please refer to the section "Investment Strategy" above for an explanation of how the sub-fund's sustainable investment objective is achieved.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | High | It is essentially an equity sub-fund. |
| Concentration risk | Low | The portfolio of the sub-fund is invested in equity securities without any geographical or sectoral restrictions. |
| Liquidity risk | Low | Investments primarily in equities are considered to be readily marketable. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |

| | | |
|---|---|---|
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, as the sub-fund aims to achieve an environmental and social objective through its investment selection. Potential sustainability risks are therefore mitigated by a strict sustainability screening process (qualitative process), the application of exclusion filters and the monitoring of the "Best-in-class" approach, which integrates social and environmental aspects and thereby ensures that all portfolio investments aim to promote best social and environmental practices. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0058651630 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0058652646 | Registered/ dematerialized |
| B USD | Capitalisation | USD | BE6322802511 | Registered/ dematerialized |
| B LC | Capitalisation | EUR | BE6321381855 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948501359 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948500344 | Registered/ dematerialized |
| F USD | Capitalisation | USD | BE6322804533 | Registered/ dematerialized |
| F LC | Capitalisation | EUR | BE6321383877 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948996450 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246064404 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246068447 | Registered/ dematerialized |
| W USD | Capitalisation | USD | BE6322805548 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254414483 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299467934 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299468940 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299471977 | Registered/ dematerialized |

## Initial subscription date:

14 December 2001

## Initial subscription price:

€ 24.79; initial F.N.I.C. value on 25.02.93. On 16.12.01, all of the assets and liabilities of the SICAV F.N.I.C. were transferred to the sub-fund based on a ratio of one F.N.I.C. share per three DPAM INVEST B Equities World Sustainable shares in each share class.

The sub-fund has received all the assets and liaiblities of the DPAM INVEST B Equities World Dividend sub-fund through a merger by absorption that took effect on 26 February 2021.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Dividend

## PRESENTATION:

Name: DPAM B Equities Europe Dividend

Formation date: 5 September 2002

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer shareholders **exposure to the equity market.**

The portfolio of the sub-fund consists essentially of shares of companies having their registered office in a European country. The following are considered to be equivalent to shares of companies having their registered office in a European country: shares of other companies that have a significant proportion of their assets, activities and profit or decision-making centres in a European country.

The sub-fund may also invest in any other securities giving entitlement to the capital of the companies referred to above.

At least 50% of the portfolio must consist of the aforementioned shares and other securities generating a dividend yield or expected dividend yield higher than the average represented by the MSCI Europe index.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

Shareholders of the sub-fund have no capital protection or guarantee.

### Investment policy of the sub-fund:

The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sub-fund promotes environmental and social characteristics , as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG

investments) with the aim to defend fundamental rights, not fund controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

Finally, the sub-fund also has strong ESG integration, consisting of the consideration – flexibly according to the material challenges of the sectors of activity – of several ESG criteria. Please refer to the "Investment Strategy" section below for a description of this "ESG integration" approach and the criteria it covers.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not comply with the Global Standards described below or in companies with controversies deemed to be extremely serious.

***Investment Strategy:***

*Methodology for selecting ESG investments:*

The fund applies (i) binding investment restrictions in terms of company exposure to certain controversial activities and behaviours and (ii) a non-binding "ESG integration" investment approach:

i) Binding investment restrictions apply to (a) companies not in compliance with the Global Standards described below, (b) companies involved in controversial activities and (c) companies involved in extremely serious controversies:

   a) Compliance of the portfolio with the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

   b) Exclusion of companies involved in controversial activities: The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes the securities of companies that have a material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

      Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (Controversial Activities Policy).

   c) The portfolio's exposure to ESG extremely serious controversies: Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an

issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

ii) The ESG integration approach consists of a flexible consideration of the following criteria:

a) The portfolio's exposure to ESG controversies, other than extremely serious controversies (which are formally excluded as in (i) above), i.e. controversies relating to a company's environmental or social impact or governance practices. The managers are informed of the sub-fund's potential exposure to companies involved in ESG controversies, and are encouraged (but not formally constrained) to limit the sub-fund's investments in these companies as much as possible;

b) the ESG rating of the portfolio based on the ESG ratings of the companies held, provided by non-financial rating agencies;

c) the carbon intensity of the portfolio;

d) generally speaking, sector analysts take into account the most material and relevant ESG elements and information in their research and investment recommendations and managers integrate (without formal exclusions) these material elements and issues in their investment decisions.

DPAM intends to maintain flexibility in the consideration of the four criteria outlined in the ESG integration section (ii) above. These criteria therefore do not lead to any formal or systematic exclusion (without prejudice to the exclusions arising from the controversial activities policy listed in point (i) above).

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

i) Portfolio compliance with the **Global Standards**: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Qualitative ESG approach: Much of DPAM's fundamental research is devoted to governance and corporate governance issues.

iv) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI Europe Net Return

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in Europe.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Market risk | High | It is essentially an equity sub-fund. |
| Concentration risk | Moderate | As the portfolio is mainly composed of equity securities issued by European companies, it is likely to be more specifically exposed to the economic development of Europe. |
| Exchange risk | Moderate | As the sub-fund invests primarily in Europe, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. The sustainability risk remains, however, as the integration of compliance with these rules is strongly advised but not binding for investment decisions, except for the review of compliance with Global Standards and the negative screening of the seriousness of controversies that issuers may face. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Low | The sub-fund invests primarily in equities listed in Europe that are considered to be readily marketable. |

| | | |
|---|---|---|
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |

## Risk profile of the typical investor:

Dynamic

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0057450265 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0057451271 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948487211 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948486205 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948988374 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246070468 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246074502 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254416504 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299450765 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299451771 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299452787 | Registered/ dematerialized |

## Initial subscription date:

16 September 2002

## Initial subscription price:

€ 100

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Sustainable

## PRESENTATION:

Name: DPAM B Equities Europe Sustainable

Formation date: 5 September 2002

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to enable shareholders to benefit from the growth of shares of European companies or other equivalent securities, selected on the basis of a strict methodology in terms of compliance with environmental, social and governance (ESG) criteria.

The sustainable objective is to invest in companies that contribute through their products and services to the financing of the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water saving and access solutions, energy efficiency solutions, digitalisation services, sustainable mobility services. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. As a result, the investment universe is narrowed: the portfolio focuses on net positive companies, i.e. (1) whose core business consist of the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

To achieve its objective, the sub-fund invests in shares of European companies that meet certain environmental, social and governance criteria (ESG). The following are considered to be equivalent: other companies belonging to the aforementioned universe that have a significant proportion of their assets, activities and profit or decision-making centres in Europe. The sub-fund may also invest in any other securities giving entitlement to the capital of the companies referred to above.

The sub-fund may also hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities.

The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment**

**objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social aspects of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sustainability approach is based on the following threefold commitment: (1) to defend fundamental rights (normative screening on the basis of the Global Standards described below), (2) not to fund controversial activities that could affect the long-term reputation of investments (negative screening on the basis of DPAM's policy on controversial activities) and (3) to promote best practices and best efforts with regard to sustainability (best in class approach, commitment and integration of sustainability themes).

The sub-fund's environmental and social objectives are met by contributing to the financing of the UN's sustainable development goals, in particular the goals of poverty reduction, promotion of better health and well-being, quality education, improved energy efficiency and greater financial inclusion.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***Investment Strategy***

*Methodology for selecting sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must comply with the 10 principles of the Global Compact and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.
- **Quantitative ESG approach (best-in-class):** DPAM filters the universe by screening based on the quality of the ESG profile of the companies, as assessed by non-financial rating agencies. The bottom quartile of the economic sector ranking is not eligible for investment.
- **Qualitative ESG approach:** The quantitative screening is complemented by qualitative analyses based on DPAM's fundamental research and dialogues with companies on financial issues relating to the companies' strategy and the most relevant and material ESG risks and issues to which they are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions, digitalisation services or financial inclusion. Examples of indicators include the percentage of turnover that

the company generates from products or services that make a net positive [17] contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and/or microfinance services to minority communities not well covered by traditional banking networks. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainability objective, the portfolio aims for both (1) a positive net contribution at the level of the overall portfolio and (2) a minimum of 50% of the invested companies making a positive net contribution.

This methodology for selecting sustainable investments aims to achieve:

- A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the sustainable investment selection methodology was applied;
- A lower average ESG profile risk than this reference universe before the sustainable investment selection methodology was applied;
- Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
- Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

Exclusions apply to the entire portfolio excluding cash, undertakings for collective investment and derivatives. More than half of the portfolio's investments target one of the environmental and social objectives mentioned above.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the various steps described in the “Methodology for selecting sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Quantitative ESG ("best-in-class") approach: governance criteria in the broad sense and corporate governance criteria in particular are an integral part of the "best-in-class" exercise, which uses external ESG ratings to define the eligible universe.

iv) Qualitative ESG approach: Much of DPAM's fundamental research is devoted to governance and corporate governance issues.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at www.dpamfunds.com (Voting policy / Engagement policy).

***Examples of exclusion and selection criteria for sustainable investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.

[17] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM's controversial activities policy mentioned above which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to reducing mortality and increasing life expectancy.

***Company in charge of the evaluation of sustainability selection criteria***

DPAM is the company in charge of the evaluation of sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global sustainability criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI Europe Net Return

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in Europe.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the sustainable investment objective of the sub-fund. Please refer to the section "Investment Strategy" above for an explanation of how the sub-fund's sustainable investment objective is achieved.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Market risk | High | It is essentially an equity sub-fund. |
| Concentration risk | Moderate | As the portfolio is mainly composed of equity securities issued by European companies, it is likely to be more specifically exposed to the economic development of Europe. |
| Exchange risk | Moderate | As the sub-fund invests primarily in Europe, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Liquidity risk | Low | Investments made primarily in equities that are considered readily marketable. |

| | | |
|---|---|---|
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, as the sub-fund aims to achieve an environmental and social objective through its investment selection. Potential sustainability risks are therefore mitigated by a strict sustainability screening process (qualitative process), the application of exclusion filters and the monitoring of the "Best-in-class" approach, which integrates social and environmental aspects and thereby ensures that all portfolio investments aim to promote best social and environmental practices. |

## Risk profile of the typical investor:

Dynamic

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF UNITS OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0940001713 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0940002729 | Registered/ dematerialized |
| B LC | Capitalisation | EUR | BE6321384883 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948493276 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948492260 | Registered/ dematerialized |
| F LC | Capitalisation | EUR | BE6321385898 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948990396 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246076523 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246078545 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254417510 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299492213 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299493229 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299494235 | Registered/ dematerialized |

## Initial subscription date:

31 December 2002

## Initial subscription price:

€ 100

On 18 November 2020, the sub-fund received all the assets and liabilities of the DPAM INVEST B Equities Europe sub-fund through a merger by absorption. The merger took effect on 26 November 2020.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities NewGems Sustainable

## PRESENTATION:

Name: DPAM B Equities NewGems Sustainable

Formation date: 22 september 2006

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors exposure to equities and/or equity-equivalent securities issued by companies without geographical restriction and all securities giving access to the capital of such companies, which are selected on the basis of themes linked to the acronym NEWGEMS (trends and themes of activities linked to nanotechnology, ecology, wellbeing, generation Z, E-Society, industry 4.0 and security - see investment policy below). These companies are selected on the basis of a strict methodology for compliance with environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

The sub-fund invests mainly in equities and/or equity-equivalent securities issued by companies "of the future" without geographical restriction, and in all securities giving access to the capital of such companies.

These companies “of the future” are identified by the acronym NEWGEMS and include trends and themes of activities related to nanotechnology, ecology, well-being, generation Z, E-society, industry 4.0 and security; activities that can be defined as follows (list is not exhaustive):

- Nanotechnology encompasses companies operating at a nano scale level (production of semiconductor chips, smartphones, industrial machines, medical devices, etc. which require complex miniaturisation) and the companies that make these advances possible.
- Ecology includes companies whose activities relate to the environment and environmental protection.
- Well-being includes any company whose activity involves the well-being of humans and animals.
- Generation Z refers to the generation after the millennials.
- In this area, the manager will invest in companies that facilitate the lifestyle of this generation (mobility, social media, online activities, etc.).
- The E-society includes any company that is engaged in e-commerce, digitalisation and cloud computing and/or that offers this type of services.
- Industry 4.0 includes any company related to the new industrial revolution, robotics, automation, big data, the internet of things and artificial intelligence.
- Security includes any company that relates to cybersecurity and physical security.

Stock-picking is based on economic and financial analyses and on une méthodologie rigoureuse d’exclusions, d’intégration des facteurs ESG, d’actionnariat actif et d’engagement avec les entreprises.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment. The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative

instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX Forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertakings for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water saving and access solutions, energy efficiency solutions, digitalisation services, sustainable mobility services. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: The Fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities and that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the

most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions, digitalisation physical and virtual security and safety. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [18] contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and microfinance services to minority communities not well covered by traditional banking networks. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

- A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
- A lower average ESG profile risk than this reference universe before the ESG and sustainable investment selection methodology was applied;
- Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
- Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the “Methodology for selecting ESG and sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

[18] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.

iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM's controversial activities policy mentioned above which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at site *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to optimising the efficiency of healthcare through digitalisation.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI World Net Return

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) around the world.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|

| | | |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | High | It is essentially an equity sub-fund. |
| Concentration risk | Moderate | As the portfolio is mainly composed of securities from specific themes without any geographical restrictions, it is likely to be more specifically exposed to the economic development of these sectors. |
| Liquidity risk | Low | The portfolio is mainly composed of securities from specific themes that are considered to be readily marketable. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0946563377 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0946564383 | Registered/ dematerialized |
| B USD | Capitalisation | USD | BE6322806553 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948503371 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948502365 | Registered/ dematerialized |
| F USD | Capitalisation | USD | BE6322807569 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948982310 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246060360 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246061376 | Registered/ dematerialized |
| W USD | Capitalisation | USD | BE6322808575 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254420548 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299426526 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299430569 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299448744 | Registered/ dematerialized |

Initial subscription date:

2 October 2006

Initial subscription price:

€ 100

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Sustainable Food Trends

## PRESENTATION:

Name: DPAM B Equities Sustainable Food Trends

Formation date: 13 December 2007

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to provide investors with exposure to equities and/or equity-equivalent securities issued by companies that are active, directly or indirectly, in the food value chains in the broad sense of the term and in related or analogous sectors. These companies are selected on the basis of a strict methodology in terms of compliance with environmental, social and governance (ESG) criteria. The sustainable objective is to achieve a more sustainable agriculture, including more sustainable food production and better preservation of land and biodiversity, as well as the development of products, innovations and technologies to promote sustainable food consumption, facilitate the transition to healthy and sustainable diets and reduce food loss and waste. The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund.

No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market may be used for risk management and evaluation by the manager.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

The investments of this sub-fund mainly consist, without geographical limits, of shares or securities representing the share capital of companies that are active, directly or indirectly, in the agri-food value chains in the broad sense of the term and in related or analogous sectors. These agri-food value chains range from the production of food, including products and services that contribute to the production of food, to the sale of food products to the consumer. Companies whose activities such as storage, transport, packaging, processing etc., add value to food value chains, fall within the scope of the investment universe. Related sectors include, but are not limited to, plantations, storage, transport, packaging or agricultural businesses in general.

The selection of securities is based on economic and financial analyses as well as a rigorous methodology of exclusions, integration of ESG factors, active shareholding and engagement with companies.

All other securities giving access to the capital of these companies shall be treated as equivalent to these investments.

The sub-fund invests at least two thirds of its total assets in these investments.

The sub-fund may also hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities.

The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the

manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.

Derivative products, if any, will not be used to achieve the sustainable investment objective described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sustainability approach is based on the following threefold commitment: (1) to defend fundamental rights (normative screening on the basis of the Global Standards described below), (2) not fund controversial activities that could affect the long-term reputation of investments (negative screening on the basis of DPAM's policy on controversial activities) and (3) to promote best practices and best efforts with regard to sustainability (commitment and integration of sustainability themes).

The sub-fund's environmental and social objectives are met by contributing to the financing of a more sustainable agriculture, including more sustainable food production and better preservation of land and biodiversity, as well as products, innovations and technologies to promote sustainable food consumption, facilitate the transition to healthy and sustainable diets and reduce food loss and waste.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***Investment Strategy***

*Methodology for selecting sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must comply with the principles of the Global Compact (human rights, labour, environment, anti-corruption) and the UN Guiding Principles, ILO instruments, OECD Multinational Enterprises (MNE) Guidelines and underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies**: Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.
  - DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.
- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards for every issuer included in the portfolio. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – the promotion of sustainable agriculture, the preservation of land and biodiversity and the improvement of health, nutrition and well-being. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive contribution to UN sustainable development goals 2 (zero hunger) or 3 (good health and well-

being), i.e. better nutrition based on healthier diets and/or based on sustainable agriculture, and the commitment of issuers to environmental risk assessment and control, including their policies on sustainable land, forestry and agricultural practices. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

The exclusions apply to the entire portfolio excluding cash, undertakings for collective investment and derivatives. More than half of the portfolio's investments target one of the environmental and social objectives mentioned above.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the "Methodology for selecting ESG and sustainable investments" section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Analysis of the ESG profile of portfolio companies using ESG risk and opportunity scorecards: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.

iv) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion on the basis of companies involved in controversial activities: palm oil companies that do not have a minimum of 50% of their plantations compliant with RSPO (Roundtable Sustainable Palm Oil) requirements are excluded.
- Example of exclusion on the basis of serious ESG controversies: serious secondary effects of the product on the environment and/or the population, leading to a ban on the marketing of the product in certain countries (see DPAM's Controversial Activities Policy mentioned above which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of a positive selection criterion: innovation in the development of non-synthetic food preservatives to reduce food waste and preserve biodiversity.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

No index has been designated as a benchmark. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund's sustainable investment objective is achieved.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | High | It is essentially an equity sub-fund. |
| Concentration risk | Moderate | As the portfolio is mainly composed of securities from specific themes without any geographical restrictions, it is likely to be more specifically exposed to the economic development of these sectors. |
| Liquidity risk | Low | The portfolio is mainly composed of securities from specific themes that are considered to be readily marketable. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, as the sub-fund aims to achieve an environmental and social objective through its investment selection. Potential sustainability risks are therefore mitigated by a strict sustainability screening process using scorecards (qualitative process) and the application of exclusion filters, integrating social and environmental aspects and thereby ensures that all portfolio investments aim to promote best social and environmental practices. |

## Risk profile of the typical investor:

Dynamic

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0947763737 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0947764743 | Registered/ dematerialized |
| E | Distribution | EUR | BE0948505392 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948504387 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948980298 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246065419 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246067431 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254415498 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299429553 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299432581 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299433597 | Registered/ dematerialized |

Initial subscription date:

17 December 2007

Initial subscription price:

€ 100

# INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR IG

## PRESENTATION:

This sub-fund has obtained an exemption that authorises it to invest up to 100% of its assets in the various issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Economic Area which has adopted the euro as its currency and by its regional public bodies

Name: DPAM B Bonds EUR IG

Formation date: 10 June 2010

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer shareholders **exposure to the bond market**.

The portfolio of the sub-fund consists essentially of short-, medium- and long-term instruments such as bonds and other debt securities or equivalent securities denominated in EUR, at fixed or floating rates, offering periodic or capitalised income and issued or guaranteed by Member States of the European Union.

The portfolio may also include bonds and other debt securities or equivalent securities issued by other public authorities, companies or private issuers.

The issuers of the instruments in which the portfolio is invested must have a minimum rating corresponding to Investment grade [19] with each ratings agency (including Standards & Poor's, Moody's and Fitch) proposing the monitoring of the issuer.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

Shareholders of the sub-fund have no capital protection or guarantee.

### Investment policy of the sub-fund:

The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment.

As a result of an exemption granted by the Autorité des Services et Marchés Financiers, the sub-fund may invest up to 100% of its assets in the various issues of transferable securities and money market instruments issued or guaranteed by a Member State of the European Economic Area which has adopted the euro as its currency (listed below [20]), and by its regional public bodies. These undertakings for collective investment must hold transferable securities and money market instruments belonging to at least six different issues, and transferable securities and money market instruments belonging to a single issue must not exceed 30% of the total value of their assets.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture,

[19] Investment Grade: is an interpretation of the rating of the bond issuer in terms of the financial risks. Ratings agencies each use their own scale to evaluate the notion of risk. Investment grade" ratings are situated between AAA and BBB- according to the Standard & Poor's and Fitch scales and between Aaa and Baa3 according to the Moody's scale.

[20] Belgium, Germany, Finland, France, Greece, Luxembourg, Ireland, Italy, Netherlands, Austria, Portugal, Spain, Slovenia, Cyprus, Malta, Slovakia, Estonia

use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futuresFX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social aspects of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance criteria (ESG) – Sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**). This promotion consists of:

i) the exclusion of countries that do not respect a minimum of democratic requirements, and

ii) a policy for impact bonds (such as green and social bonds).

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which can be accessed at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. To do this, the sub-fund has an exclusion policy:

***Investment strategy***

*Methodology for selecting ESG investments:*

The sub-fund applies binding investment restrictions: i) exclusion of countries that do not meet minimum democratic requirements and ii) an impact bond policy:

i) **Exclusion of countries that do not meet minimum democratic requirements:** the sub-fund does not invest in countries that are considered "not free" and "authoritarian" according to the International NGO Freedom House and The Economist Intelligence Unit at the time the position is purchased.

   This exclusion and the underlying methodology are detailed in DPAM's Sustainable and Responsible Investment Policy (section "Integration in Sovereign Bonds") which is available at www.dpamfunds.com (Sustainable & Responsible Investment policy).

   This exclusion applies both at the time of purchase of a position and during the holding of the position in the portfolio. In the event that a country is downgraded, the Investment Manager will sell the relevant investment in the interest of the sub-fund's shareholders within three months.

ii) **Impact bond policy:** the percentage of impact bonds ("Green, Social & Sustainability bonds") in the portfolio is higher than the benchmark investment universe. More information can be found in the "Green, Social Sustainability Government Bonds Policy" section of DPAM's Sustainable & Responsible Investment policy available at www.dpamfunds.com.

*Good governance criteria*

Good governance criteria such as the electoral process, civil liberties, national and local democratic governance are included in the models used by the International NGO Freedom House and the Economist Intelligence Unit.

***Company in charge of the evaluation of ESG selection criteria***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves

the right to determine, on the basis of the information received, whether an issuer complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: JPM EMU Government Investment Grade Total Return.

This index is a bond index representing bonds issued by the governments of European countries where the euro is the official currency, rated "investment grade" by each of the three major rating agencies (Standard & Poor's, Moody's and Fitch). The performance is calculated by reinvesting the coupons paid by the debt securities included in the index.

***Index administrator:***

J.P.Morgan Securities PLC is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social aspects of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests primarily in fixed income securities. |
| Concentration risk | Moderate | As the portfolio of the sub-fund is mainly composed of debt securities issued and/or guaranteed by members of the EU, it is likely to be more specifically exposed to the economic performance of this area. |
| Risks relating to derivative products | Moderate | The investment policy allows for derivatives. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. An exclusion of countries that do not respect a minimum of democratic requirements is applied. Sustainability risk remains, however, and the impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Credit risk | Low | The sub-fund invests primarily in investment grade bonds. |
| Liquidity risk | Low | The sub-fund invests primarily in investment grade government bonds that are considered readily marketable. |
| Market risk | Low | The sub-fund invests primarily in government bonds. |

## Risk profile of the typical investor:

Defensive

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 3 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0935123431 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0935124447 | Registered/ dematerialized |
| E | Distribution | EUR | BE0935125451 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0935126467 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE6330740356 | Registered/ dematerialized |
| V | Distribution | EUR | BE6246069452 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6246071474 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6254412461 | Registered/ dematerialized |
| Z | Capitalisation | EUR | BE6278081474 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299418440 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299419455 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299420461 | Registered/ dematerialized |

## Initial subscription date:

30 June 2010

## Initial subscription price:

€ 50

# INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate Europe Dividend Sustainable

## PRESENTATION:

Name: DPAM B Real Estate Europe Dividend Sustainable

Formation date: 23 December 2010

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer shareholders the highest long-term return through a balanced management policy by investing its assets in securities representing the real estate sector in the broad sense of the term in Europe, mainly with higher distributable income than the average of the investment universe. These securities include, but are not limited to, shares of Real Estate Investment Trusts (REITs), real estate certificates, real estate companies and companies active in the promotion and development of real estate, as well as shares of real estate debt investment companies, etc. These companies are selected on the basis of compliance with environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

50% of the net assets must be composed of securities with a prospective yield over 3 years higher than the average of the investment universe.

The average is defined as being the dividend yield of the FTSE EPRA/NAREIT Developed Europe index.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark. No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, as well as units in undertakings for collective investment.

The sub-fund may invest a maximum of 10% of its assets in open-ended undertakings for collective investment.

If, following changes in market conditions or owing to specific information about a company, the securities no longer meet the criteria of higher than average yield, the situation will later be rectified in the interests of the shareholders of the sub-fund.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertakings for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088").

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings dedicated to retirement homes, medical centres, life sciences and biotechnology research centres, etc. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must be in compliance with the principles of the Global Compact (human rights, labour, environmental protection, anti-corruption) and the UN Guiding Principles, ILO instruments, OECD Multinational Enterprises (MNE) Guidelines and underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings for retirement homes, medical centres, life sciences and biotechnology research centres, etc. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [21] contribution to the UN Sustainable Development Goals 7 (clean and affordable energy), 9 (industry, innovation and infrastructure) or 11 (sustainable cities and communities); the commitment of issuers to environmental risk assessment and control; etc. These examples of indicators come from non-financial rating agencies and may evolve over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

– A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
– A lower average ESG profile risk than this reference universe before the ESG and sustainable investment selection methodology was applied;
– Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
– Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the “Methodology for selecting ESG and sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.
ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.
iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.

[21] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion on the basis of the Global Standards: cases of fraud, embezzlement and scams, constituting violations of the 10th principle of the UN Global Compact.
- Example of exclusion on the basis of serious ESG controversies: cases of bribery of public decision-makers in order to obtain privileged access to plots of land and/or to regularise illegal real estate projects and/or to obtain the construction of public infrastructure that increases the value of real estate.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to gambling through investments in casinos representing an exposure as a percentage of turnover above the threshold defined in the controversial activities policy available at *www.dpamfunds.com* (*Controversial Activities Policy*).

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

***Warning:***

The investment policy of the sub-fund focuses solely on part of the securities issued by companies of a single economic sector in a specific region, i.e. securities representative of the **real estate sector**, in its broad sense, in **Europe** with a prospective yield over 3 years higher than the average of the investment universe . Consequently, if the net assets of the sub-fund were to exceed a certain amount, shareholders could be adversely affected by additional net subscription flows, resulting in an excessively high net asset value with the following consequences:

1) risk of penalising shareholders if, in the event of redemption, the manager is obliged to liquidate part of the portfolio in a less liquid market,
2) the manager is no longer able to pursue the management strategy deployed to manage the sub-fund, which could have negative consequences on performance.

Taking the following three points into consideration on the sub-fund's launch date:

1) a possible sub-fund investment universe of approximately € 60 billion;
2) approximately € 44 billion freely available on the market;
3) a stock market turnover amounting to approximately € 115 million per day;

the Board of Directors reserves the right to temporarily stop accepting further subscription applications when the net asset value exceeds € 150 million, depending on the market circumstances at that time. The Board of Directors will publish a detailed report after a decision has been made to stop accepting further subscription applications.

## Benchmark:

The sub-fund uses the following index as its benchmark: FTSE EPRA/NAREIT Developed Europe Net Return.

This index is representative of the market for listed real estate companies in developed countries (as defined in the index methodology) in Europe. The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

FTSE International Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the fund promotes environmental and social characteristics.

***Unpublished or change of index:***
The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of the risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equities issued by European real estate companies, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Liquidity risk | High | The sub-fund invests primarily in equities issued by the real estate sector. Instruments in the real estate sector may have high liquidity risk. This risk mainly arises during periods of market tension |
| Market risk | High | Investment in securities representative of the real estate market |
| Exchange risk | Moderate | As the sub-fund invests primarily in Europe, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Credit risk | Low | The sub-fund is primarily an equity sub-fund. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6213828088 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE6213829094 | Registered/ dematerialized |
| E | Distribution | EUR | BE6213830100 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE6213831116 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE6330741362 | Registered/ dematerialized |
| V | Distribution | EUR | BE6275502878 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6275503884 | Registered/ dematerialized |

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| P | Capitalisation | EUR | BE6254410440 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299481109 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299482115 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299483121 | Registered/ dematerialized |

## Initial subscription date:

28 December 2010

## Initial subscription price:

€ 100

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities DRAGONS Sustainable

## PRESENTATION:

Name: DPAM B Equities DRAGONS Sustainable

Formation date: 27 August 2020

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer investors exposure to equities and/or equity-equivalent securities issued by companies whose registered office is located in the Asia-Pacific region [22] and to all securities giving entitlement to the capital of these companies, selected on the basis of their compliance with environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

The sub-fund principally invests in the equities and/or other securities giving access to so-called "companies of the future" located in the Asia-Pacific region.

These "companies of the future" are identified by the acronym DRAGONS for:

- Disruptive Technologies (artificial intelligence, robotics, computer-aided design software, etc.),
- Rising Middle Class (luxury, travel, retail chain, etc.),
- Ageing & Health (healthcare, healthy eating, animal health, etc.),
- Generation Z (social media, cell phones, game consoles, etc.),
- $O^2$ & Ecology (renewable energies, water management, energy efficiency, etc.),
- Nanotechnologies (biotechs, advanced materials, semiconductors, etc.),
- Security (physical security, cyber-security, etc.).

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment. The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions involving financial derivatives:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange

[22] Asia-Pacific or APAC is the part of the world located in or near the Western Pacific Ocean. Asia-Pacific includes East Asia, South Asia, Southeast Asia and Oceania.

transactions **both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertakings for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water saving and access solutions, energy efficiency solutions, digitalisation services, sustainable mobility services. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the United Nations Global Compact (human rights, labor law, environmental protection, anti-corruption) and the UN Guiding Principles, ILO instruments, OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities and meeting the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy

regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions, digitalisation physical and virtual security and safety. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [23] contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and microfinance services to minority communities not well covered by traditional banking networks. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

– A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
– A lower average ESG profile risk than this reference universe before the ESG and sustainable investment selection methodology was applied;
– Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
– Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the “Methodology for selecting ESG and sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.
ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.
iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.
v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

[23] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM's controversial activities policy mentioned above which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to optimising the efficiency of healthcare through digitalisation.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI AC Asia Pacific Net Return

This index is representative of the large- and mid-cap equity market of 5 developed countries and 9 emerging countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in the Asia-Pacific region. The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished change or index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of the risks deemed significant and relevant as assessed by the sub-fund:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Exchange risk | High | As the sub-fund invests primarily in securities from the Asia-Pacific area, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | High | It is essentially an equity sub-fund. |

| | | |
|---|---|---|
| Concentration risk | Moderate | As the portfolio is mainly composed of securities Asia-Pacific region and specific thematic sectors, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Hedging risk (applicable only to "Hedged" share classes) | Low | Between 95% and 105% of the initial currency exposure of the "hedged" share classes is hedged. If the exposure is not fully (100%) hedged, there will be a residual exposure to the currency in which the instrument is denominated rather than to the currency being hedged. This risk applies only to the hedged share categories of the sub-fund. |
| Liquidity risk | Low | The sub-fund invests primarily in equities from the Asia-Pacific area that are considered to be readily marketable. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasizing either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6324060480 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6324061496 | Registered/Dematerialized |
| B EUR Hedged [24] | Capitalisation | EUR | BE6324062502 | Registered/Dematerialized |
| B USD | Capitalisation | USD | BE6324063518 | Registered/Dematerialized |
| B LC | Capitalisation | EUR | BE6324071594 | Registered/Dematerialized |
| E | Distribution | EUR | BE6324074622 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6324075637 | Registered/Dematerialized |
| F EUR Hedged[22] | Capitalisation | EUR | BE6324076643 | Registered/Dematerialized |
| F USD | Capitalisation | USD | BE6324099876 | Registered/Dematerialized |
| F LC | Capitalisation | EUR | BE6324100880 | Registered/Dematerialized |
| L | Capitalisation | EUR | BE6324101896 | Registered/Dematerialized |
| V | Distribution | EUR | BE6324102902 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6324103918 | Registered/Dematerialized |
| W EUR Hedged[22] | Capitalisation | EUR | BE6324104924 | Registered/Dematerialized |

[24] Hedged classes
- Between 95% and 105% of the exchange risk exposure of the original net asset value will be hedged into the reference currency of the sub-fund.
- Each class concerned may incur additional costs of 0.01% per month for this exchange risk hedging policy. The interest rate differential between the euro and the currencies hedged will have an influence on the net asset value of the hedged class via the exchange risk hedging transactions.

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| W USD | Capitalisation | USD | BE6324105939 | Registered/Dematerialized |
| P | Capitalisation | EUR | BE6324106945 | Registered/Dematerialized |
| J | Capitalisation | EUR | BE6324107950 | Registered/Dematerialized |
| M | Distribution | EUR | BE6324108966 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6324109972 | Registered/Dematerialized |

## Initial subscription period:

From 30 November 2020 to 15 December 2020

## Initial subscription price:

€ 100.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Euroland Sustainable

## PRESENTATION:

Name: DPAM B Equities Euroland Sustainable

Formation date: 27 August 2020

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to enable shareholders to benefit from the growth of shares of European companies or other equivalent securities having their registered office in one of the Member States of the European Union, which use the euro as their national currency and that are selected on the basis of environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

To achieve this objective, the sub-fund invests mainly in shares of European companies or other equivalent securities, having their registered office in one of the Member States of the European Union, which use the euro as their national currency, and which meet certain environmental, social and governance (ESG) criteria.

Other companies that have a significant proportion of their assets, activities, profit centres or decision-making centres in the aforementioned countries are treated in the same way.

More specifically, at least two-thirds of the sub-fund's investments are invested in stocks of companies which have their registered office or which carry out their primary economic activity in one of the European Union Member States which use the Euro as their national currency and any securities giving entitlement to the capital of these companies.

The sub-fund may also hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities. The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions involving financial derivatives:***

The sub-fund may also use derivatives, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***
The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***
This sub-fund invests at least 90% of its assets (excluding cash, undertakings for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water saving and access solutions, energy efficiency solutions, digitalisation services, sustainable mobility services. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the Global Compact (human rights, labour law, protection of the environment, fight against corruption) and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.
- **Quantitative ESG approach** (best-in-class)**:** DPAM filters the universe by screening based on the quality of the ESG profile of the companies, as assessed by non-financial rating agencies. The bottom decile of the economic sector ranking is not eligible for investment.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy

regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Qualitative ESG approach:** The quantitative screening is complemented by qualitative analyses based on DPAM's fundamental research and dialogues with companies on financial issues relating to the companies' strategy and the most relevant and material ESG risks and issues to which they are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions, digitalisation services or financial inclusion. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [25] contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and microfinance services to minority communities not well covered by traditional banking networks. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

– A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
– A lower average ESG profile risk than this reference universe before the ESG and sustainable investment selection methodology was applied;
– Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
– Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the “Methodology for selecting ESG and sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.
ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) Quantitative ESG ("best-in-class") approach: governance criteria in the broad sense and corporate governance criteria in particular are an integral part of the "best-in-class" exercise, which uses external ESG ratings to define the eligible universe.
iv) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.
v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

[25] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM's controversial activities policy mentioned above which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at site *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to reducing mortality and increasing life expectancy.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: MSCI EMU Net Return

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in the EMU zone.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished change or index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of the risks deemed significant and relevant as assessed by the sub-fund:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equity securities issued by companies in the Eurozone, it is likely to be more specifically exposed to economic developments in the Eurozone. |
| Market risk | High | It is essentially an equity sub-fund. |

| | | |
|---|---|---|
| Hedging risk (applicable only to "Hedged" share classes) | Low | Between 95% and 105% of the initial currency exposure of the "hedged" share classes is hedged. If the exposure is not fully (100%) hedged, there will be a residual exposure to the currency in which the instrument is denominated rather than to the currency being hedged. |
| Liquidity risk | Low | Investments made primarily in equity securities that are considered readily marketable. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suited to investors envisaging withdrawing their contribution within 5 years of their investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Share class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6324121126 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6324122132 | Registered/Dematerialized |
| B LC | Capitalisation | EUR | BE6324123148 | Registered/Dematerialized |
| E | Distribution | EUR | BE6324124153 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6324125168 | Registered/Dematerialized |
| F LC | Capitalisation | EUR | BE6324126174 | Registered/Dematerialized |
| F USD HEDGED [26] | Capitalisation | USD | BE6324127180 | Registered/Dematerialized |
| F CHF HEDGED [264] | Capitalisation | CHF | BE6324128196 | Registered/Dematerialized |
| L | Capitalisation | EUR | BE6324129202 | Registered/Dematerialized |
| V | Distribution | EUR | BE6324130218 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6324131224 | Registered/Dematerialized |
| P | Capitalisation | EUR | BE6324133246 | Registered/Dematerialized |
| J | Capitalisation | EUR | BE6324135266 | Registered/Dematerialized |
| M | Distribution | EUR | BE6324136272 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6324137288 | Registered/Dematerialized |

[26] "Hedged" classes
- Between 95% and 105% of the exchange risk exposure of the original net asset value will be hedged into the reference currency of the sub-fund.
- Each class concerned may incur additional costs of 0.01% per month for this exchange risk hedging policy. The interest rate differential between the euro and the currencies hedged will have an influence on the net asset value of the hedged class via the exchange risk hedging transactions.

## Initial subscription period:

From 30 November 2020 to 15 December 2020

## Initial subscription price:

€ 100

# INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Corporate Sustainable

## PRESENTATION:

Name: DPAM B Bonds EUR Corporate Sustainable

Formation date: 18 May 2021

Term: unlimited

## INVESTMENT INFORMATION:

### Objectives of the sub-fund:

The objective of this sub-fund is to offer shareholders exposure to debt securities denominated in euros with at least an investment grade rating [27] These securities are selected on the basis of a strict methodology for compliance with environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

The sub-fund's shareholders do not benefit from any capital protection or guarantee.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

The sub-fund invests mainly in bonds and/or other fixed-rate or floating-rate debt securities (including, but not limited to, perpetual notes and zero-coupon bonds), denominated in euros, issued by companies and with (or whose issuers have) an investment grade rating [27].

- Stock-picking is based on economic and financial analyses and a strict exclusions methodology, the integration of ESG factors, active shareholding and business engagement.

The sub-fund invests a maximum of 10% of its assets in open-ended undertakings for collective investment.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits or securities and in the form of undertakings for collective investment.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

***Authorised transactions involving financial derivatives:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX forwards, credit derivatives and forward exchange transactions **both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social aspects of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

[27] Investment Grade: is an interpretation of the rating of the bond issuer in terms of the financial risks. Ratings agencies each use their own scale to assess risk. Investment grade ratings are between AAA and BBB- on the Standard & Poor's and Fitch scale and between Aaa and Baa3 on the Moody's scale.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertaking for collective investment and derivatives) in securities that meet the environmental and social criteria it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social aspects aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practice and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water saving and access solutions, energy efficiency solutions, services enabling digitalisation or financial inclusion, sustainable mobility services, etc. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable portion of the portfolio focuses on net positive companies, i.e. (1) those whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) those that are the most advanced in terms of sustainability and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment Policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

- **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the Global Compact (human rights, labour law, protection of the environment, fight against corruption) and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
- Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities and meeting the exclusion criteria set out in the policy are excluded from the investment portfolio.
- Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.
- **Quantitative ESG approach** (best-in-class)**:** DPAM filters the universe by screening based on the quality of the ESG profile of the companies, as assessed by non-financial rating agencies. The bottom decile of the economic sector ranking is not eligible for investment.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the Manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable portion of investments, the additional criteria that companies must meet are as follows:

- **Qualitative ESG approach:** The quantitative screening is complemented by qualitative analyses based on DPAM's fundamental research and dialogues with

companies on financial issues relating to the companies' strategy and the most relevant and material ESG risks and issues to which they are exposed.

- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions, digitalisation services or financial inclusion. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [28] contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and microfinance services to minority communities not well covered by traditional banking networks. These examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainability objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

– A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
– A lower average ESG profile risk than this benchmark universe before the ESG and sustainable investment selection methodology was applied;
– Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
– Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the “Methodology for selecting ESG and sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.
ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) Quantitative ESG ("best-in-class") approach: governance criteria in the broad sense and corporate governance criteria in particular are an integral part of the "best-in-class" exercise, which uses external ESG ratings to define the eligible universe.
iv) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.
v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at www.dpamfunds.com (Voting policy / Engagement policy

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.

[28] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM's controversial activities policy mentioned above which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at *www.dpamfunds.com* (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to reducing mortality and increasing life expectancy.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG and sustainability criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: iBoxx Euro Corporate Bond All Maturities index.

This index reflects the market performance of bonds denominated in EUR and issued by companies with an investment grade rating. The performance of the index is calculated by reinvesting gross coupons (Total Return index).

***Index administrator:***

IHS Markit Benchmark Administration Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social aspects of the fund. Please refer to the "Investment Strategy" section above for an explanation of how the fund promotes environmental and social characteristics.

***Unpublished change or index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of the risks deemed significant and relevant as assessed by the sub-fund:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests primarily in fixed income securities. |
| Concentration risk | Moderate | The portfolio is concentrated on euro-denominated corporate bonds. |
| Liquidity risk | Moderate | The sub-fund invests primarily in investment grade bonds that are considered readily marketable. Liquidity may fall during periods of market tension and transaction costs may rise significantly. |
| Credit risk | Low | The sub-fund invests primarily in investment grade bonds. |

| | | |
|---|---|---|
| Market risk | Low | The sub-fund invests primarily in investment grade corporate bonds. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Defensive

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 3 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6328642713 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6328643729 | Registered/Dematerialized |
| E | Distribution | EUR | BE6328644735 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6328645740 | Registered/Dematerialized |

## Initial subscription date:

16/08/2021

## Initial subscription price:

€100.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Europe Index

## PRESENTATION:

Name: DPAM B Equities Europe Index

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide shareholders with as high a global return as possible, with an accent on investments in European equities.

This is a passively managed sub-fund, which means that the portfolio manager aims to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other transferable securities equivalent to equities) in European companies, sicafis, warrants, convertible bonds, rights, VVPR strips, and liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments**.

### Benchmark:

MSCI Europe Net Return published by MSCI Inc. This benchmark is used in managing the sub-fund.

MSCI Europe Net Return covers approximately 85% of the floating market capitalisation of the countries in EUROPE zone. Additional information on this index and its composition can be found at *www.msci.com*.

The performance of the benchmark index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Index tracking:***

Passive investment management strategy investing physically and non-synthetically in all stocks in the index or a representative sample of these stocks, holding each stock in a proportion approximately identical to its weight in the index. Each sector is represented in a proportion approximately identical to its weight in the index.

The tracking error is of the order of 1.3%.

The tracking of the index may be influenced by transaction costs, reinvestment of dividends and general expenses borne by the sub-fund. A risk optimization and control model is used ex ante and ex post. Optimization is aimed at building a portfolio which follows the reference index as closely as possible whilst minimizing ex ante tracking error. The index is rebalanced every six months. The higher the frequency of index rebalancing, the greater the potential impact on trading costs within the sub-fund may be.

The sub-fund sets out to reproduce the composition of an equities index within the meaning of article 63 of the Royal Decree of 12 November4 March 2012 concerning undertakings for collective investment meeting the conditions of Directive 2009/65/EC. If the index does not satisfy the conditions set by the above-mentioned Royal Decree, it will be replaced by a similar index such as the Dow Jones Stoxx600.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***General strategy for hedging the foreign exchange risk:***

The sub-fund does not intend hedging the foreign exchange risk.

***Environmental, social and governance (ESG) considerations:***

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

The investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | High | The objective of the sub-fund is to track the performance of its index. Sustainability risk is considered substantial, as sustainability aspects are not systematically part of the sub-fund's investment selection process, with the exception of companies exposed to controversial activities such as the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium ammunition and armour, which are automatically excluded. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Exchange risk | Moderate | As the sub-fund is mainly invested in Europe, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Concentration risk | Moderate | As the portfolio is mainly composed of equities issued by European companies, it is likely to be more specifically exposed to the economic developments of Europe. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests mainly in equities companies included in the MSCI Europe index. |

By its nature this sub-fund is liable to be exposed to “market timing” practices. The sub-fund does not authorize such practices and the following measures have been taken to counter “market timing” attempts:

- Proper procedures have been introduced to ensure that subscription applications are received before the cut-off time for order acceptance.
- The acceptance cut-off time is several hours ahead of the closing prices used to calculate the applicable net asset value.

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289131391 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE6278393689 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289132407 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947566700 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6249809029 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299531606 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299532612 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299533628 | Registered/ dematerialized |

### Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities Europe Index sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

### Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Equities Europe Index sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities US Index

## PRESENTATION:

Name: DPAM B Equities US Index

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide shareholders with as high a global return as possible, with an accent on investments in U.S. equities.

This is a passively managed sub-fund, which means that the portfolio manager's objective is to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other transferable securities equivalent to equities) in American companies, warrants, convertible bonds, subscription rights and liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

### Benchmark:

MSCI USA Net Return published by MSCI Inc. This benchmark is used in managing the sub-fund.

MSCI USA Net Return covers approximately 85% of the floating market capitalization of the countries in the US zone included in the index. Additional information on this index and its composition can be found at *www.msci.com*.

The performance of the benchmark index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Index tracking:***

Passive investment management strategy investing physically and non-synthetically in all stocks in the index or a representative sample of these stocks, holding each stock in a proportion approximately identical to its weight in the index. Each sector is represented in a proportion approximately identical to its weight in the index.

The tracking error is of the order of 1.50%.

The tracking of the index may be influenced by transaction costs, reinvestment of dividends and general expenses borne by the sub-fund. A risk optimization and control model is used ex ante and ex post. Optimization is aimed at building a portfolio which follows the reference index as closely as possible whilst minimizing ex ante tracking error.

The index is rebalanced every six months. The higher the frequency of index rebalancing, the greater the potential impact on trading costs within the sub-fund may be.

The sub-fund sets out to reproduce the composition of an equities index within the meaning of article 63 of the Royal Decree of 12 November 2012 concerning undertakings for collective investment meeting the conditions of Directive 2009/65/EC. If the index does not satisfy the conditions set by the above-mentioned Royal Decree, it will be replaced by a similar index such as the S&P 500.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***General strategy for hedging the foreign exchange risk:***

The sub-fund does not intend hedging the foreign exchange risk.

***Environmental, social and governance (ESG) considerations:***

The sub-fund limits its choice of investments to securities included its investment policy; investments in securities of companies whose activity consists in the manufacture, use

or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

The investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of US securities, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Exchange risk | High | As the assets are denominated in US dollars, their value fluctuates according to the euro/US dollar exchange rate. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | High | The objective of the sub-fund is to track the performance of its index. Sustainability risk is considered substantial, as sustainability aspects are not systematically part of the sub-fund's investment selection process, with the exception of companies exposed to controversial activities such as the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium ammunition and armour, which are automatically excluded. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests mainly in equities companies included in the MSCI US index. |

By its nature this sub-fund is liable to be exposed to “market timing” practices. The sub-fund does not authorize such practices and the following measures have been taken to counter “market timing” attempts:

- Proper procedures have been introduced to ensure that subscription applications are received before the cut-off time for order acceptance.
- The acceptance cut-off time is several hours ahead of the closing prices used to calculate the applicable net asset value.

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289146548 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE6278404791 | Registered/ dematerialized |
| A USD | Distribution | USD | BE6289147553 | Registered/ dematerialized |

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| B USD | Capitalisation | USD | BE6278409840 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289150581 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947570744 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6249811041 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299548774 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299549780 | Registered/ dematerialized |
| M USD | Distribution | USD | BE6304437195 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299550796 | Registered/ dematerialized |
| N USD | Capitalisation | USD | BE6304438201 | Registered/ dematerialized |

## Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities US Index sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Equities US Index sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities Japan Index

## PRESENTATION:

Name: DPAM B Equities Japan Index

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide shareholders with as high a global return as possible, with an accent on investments in Japanese equities.

This is a passively managed sub-fund, which means that the portfolio manager's objective is to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other transferable securities equivalent to equities) in Japanese companies, warrants, convertible bonds, subscription rights and liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

### Benchmark:

MSCI Japan Net Return published by MSCI Inc. This benchmark is used in managing the sub-fund.

MSCI Japan Net Return covers approximately 85% of the floating market capitalization of the countries in the JAPAN zone included in the index. Additional information on this index and its composition can be found at *www.msci.com*.

The performance of the benchmark index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Index tracking:***

Passive investment management strategy investing physically and non-synthetically in all stocks in the index or a representative sample of these stocks, holding each stock in a proportion approximately identical to its weight in the index. Each sector is represented in a proportion approximately identical to its weight in the index.

The tracking error is of the order of 2.0%.

The tracking of the index may be influenced by transaction costs, reinvestment of dividends and general expenses borne by the sub-fund. A risk optimization and control model is used ex ante and ex post. Optimization is aimed at building a portfolio which follows the reference index as closely as possible whilst minimizing ex ante tracking error.

The index is rebalanced every six months. The higher the frequency of index rebalancing, the greater the potential impact on trading costs within the sub-fund may be.

The sub-fund sets out to reproduce the composition of an equities index within the meaning of article 63 of the Royal Decree of 12 November 2012 concerning undertakings for collective investment meeting the conditions of Directive 2009/65/CE. If the index does not satisfy the conditions set by the above-mentioned Royal Decree, it will be replaced by a similar index such as the Nikkei 300.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***General strategy for hedging the foreign exchange risk:***

The sub-fund does not intend hedging the foreign exchange risk.

***Environmental, social and governance (ESG) considerations:***

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

The investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of Japanese securities, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Exchange risk | High | As the assets are denominated in yen, their value fluctuates according to the euro/yen exchange rate. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | High | The objective of the sub-fund is to track the performance of its index. Sustainability risk is considered substantial, as sustainability aspects are not systematically part of the sub-fund's investment selection process, with the exception of companies exposed to controversial activities such as the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium ammunition and armour, which are automatically excluded. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests mainly in equities companies included in the MSCI Japan index. |

By its nature this sub-fund is liable to be exposed to “market timing” practices. The sub-fund does not authorize such practices and the following measures have been taken to counter “market timing” attempts:

- Proper procedures have been introduced to ensure that subscription applications are received before the cut-off time for order acceptance.
- The acceptance cut-off time is several hours ahead of the closing prices used to calculate the applicable net asset value.

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 6 years of the initial investment.

TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289154625 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE6278394695 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289157651 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947568722 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6249812056 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299535649 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299536654 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299537660 | Registered/ dematerialized |

## Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities Japan Index sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B DPAM CAPITAL B Equities Japan Index sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities EMU Index

## PRESENTATION:

Name: DPAM B Equities EMU Index

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide shareholders with as high a global return as possible, with an accent on investments in equities from European Union member countries participating in the European Monetary Union (EMU).

This is a passively managed sub-fund, which means that the portfolio manager's objective is to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other transferable securities equivalent to equities) in EMU zone companies, warrants, convertible bonds, subscription rights and liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

### Benchmark:

MSCI EMU Net Return published by MSCI Inc. This benchmark is used in managing the sub-fund.

MSCI EMU Net Return covers approximately 85% of the floating market capitalization of the countries in the EMU zone included in the index. Additional information on this index and its composition can be found at *www.msci.com*.

The performance of the benchmark index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Index tracking:***

Passive investment management strategy investing physically and non-synthetically in all stocks in the index or a representative sample of these stocks, holding each stock in a proportion approximately identical to its weight in the index. Each sector is represented in a proportion approximately identical to its weight in the index.

The tracking error is of the order of 0.80%.

The tracking of the index may be influenced by transaction costs, reinvestment of dividends and general expenses borne by the sub-fund. A risk optimization and control model is used ex ante and ex post. Optimization is aimed at building a portfolio which follows the reference index as closely as possible whilst minimizing ex ante tracking error.

The index is rebalanced every six months. The higher the frequency of index rebalancing, the greater the potential impact on trading costs within the sub-fund may be.

The sub-fund sets out to reproduce the composition of an equities index within the meaning of article 63 of the Royal Decree of 12 November 2012 concerning undertakings for collective investment meeting the conditions of Directive 2009/65/EC. If the index does not satisfy the conditions set by the above-mentioned Royal Decree, it will be replaced by a similar index such as the Dow Jones EuroStoxx.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, social and governance (ESG) considerations:***

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

The investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equities issued by companies in the Eurozone, it is likely to be more specifically exposed to economic developments in the Eurozone. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | High | The objective of the sub-fund is to track the performance of its index. Sustainability risk is considered substantial, as sustainability aspects are not systematically part of the sub-fund's investment selection process, with the exception of companies exposed to controversial activities such as the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium ammunition and armour, which are automatically excluded. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests mainly in equities companies included in the MSCI EMU index. |

By its nature this sub-fund is liable to be exposed to “market timing” practices. The sub-fund does not authorize such practices and the following measures have been taken to counter “market timing” attempts:

- Proper procedures have been introduced to ensure that subscription applications are received before the cut-off time for order acceptance.
- The acceptance cut-off time is several hours ahead of the closing prices used to calculate the applicable net asset value.

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289162701 | Registered/ dematerialized |

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| B | Capitalisation | EUR | BE6278392673 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289163717 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947573771 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6249813062 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299527562 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299528578 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299529584 | Registered/ dematerialized |

## Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities EMU Index sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Equities EMU Index sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities World ex Japan, Europe & USA Index

## PRESENTATION:

Name: DPAM B Equities World ex Japan, Europe & USA Index

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide shareholders with as high a global return as possible, with an accent on investments in equities from Pacific Basin countries (ex-Japan), Canada and Israel.

This is a passively managed sub-fund, which means that the portfolio manager's objective is to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other transferable securities equivalent to equities) in companies from the Pacific Basin (ex-Japan), Canada and Israel, warrants, convertible bonds, subscription rights and liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

### Benchmark:

MSCI World ex JEU Net Return :

Composite index based on the MSCI Australia, Canada, Hong Kong, New Zealand, Singapore and Israel [Daily Total Return Net] indices published by MSCI Inc. This benchmark is used in managing the sub-fund.

The MSCI World ex JEU Net Return covers approximately 85% of the floating market capitalization of the countries in the Australia, Canada, Hong Kong, New Zealand, Singapore and Israel zone included in the index.

Additional information on this index and its composition can be found at *www.msci.com*.

The performance of the benchmark index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Index tracking:***

Passive investment management strategy investing physically and non-synthetically in all stocks in the index or a representative sample of these stocks, holding each stock in a proportion approximately identical to its weight in the index. Each sector is represented in a proportion approximately identical to its weight in the index.

The tracking error is of the order of 1.4%.

The tracking of the index may be influenced by transaction costs, reinvestment of dividends and general expenses borne by the sub-fund. A risk optimization and control model is used ex ante and ex post. Optimization is aimed at building a portfolio which follows the reference index as closely as possible whilst minimizing ex ante tracking error.

The index is rebalanced every six months. The higher the frequency of index rebalancing, the greater the potential impact on trading costs within the sub-fund may be.

The sub-fund sets out to reproduce the composition of an equities index within the meaning of article 63 of the Royal Decree of 12 November 2012 concerning undertakings for collective investment meeting the conditions of Directive 2009/65/EC. If the index does not satisfy the conditions set by the above-mentioned Royal Decree, it will be replaced by a similar composite index including the Dow Jones Australia, Canada, Hong Kong, New Zealand, Singapore and Israel.

***Lending of financial instruments:***
The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***General strategy for hedging the foreign exchange risk:***
The sub-fund does not intend hedging the foreign exchange risk.

***Environmental, social and governance (ESG) considerations:***
The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

The investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Sustainability risk | High | The objective of the sub-fund is to track the performance of its index. Sustainability risk is considered substantial, as sustainability aspects are not systematically part of the sub-fund's investment selection process, with the exception of companies exposed to controversial activities such as the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium ammunition and armour, which are automatically excluded. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Exchange risk | High | As the assets are denominated in various Asia-Pacific currencies, their value fluctuates according to the exchange rate of the euro with these currencies. |
| Market risk | High | It is essentially an equity sub-fund. |
| Concentration risk | Moderate | The objective of the sub-fund is to track the performance of its index. The index invests in a limited number of countries without much international diversification. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests mainly in equities companies included in the MSCI World ex Japan, Europe & USA index. |

By its nature this sub-fund is liable to be exposed to “market timing” practices. The sub-fund does not authorize such practices and the following measures have been taken to counter “market timing” attempts:

- Proper procedures have been introduced to ensure that subscription applications are received before the cut-off time for order acceptance.
- The acceptance cut-off time is several hours ahead of the closing prices used to calculate the applicable net asset value.

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 7 years of the initial investment.

TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289164723 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE6278413883 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289165738 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947574787 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6249814078 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299335586 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299336592 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299342657 | Registered/ dematerialized |

## Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities World ex Japan, Europe & USA Inde sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Equities World ex Japan, Europe & USA Inde sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities EMU Behavioral Value

## PRESENTATION:

Name: DPAM B Equities EMU Behavioral Value

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide the shareholders with as high a global return as possible. The sub-fund invests at least 50% in listed equities (without sector limitation) from the European Union member countries participating in the European Monetary Union (EMU). The investment policy embraces the principles of Behavioral Finance, a psychology-based academic field that analyses the financial markets.

The sub-fund invests in equities which are deemed undervalued and exhibit a good price momentum. The fund will continue to widely spread the risks, mainly by a large sector diversification.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other transferable securities equivalent to equities) in EMU zone companies, warrants, subscription rights and liquid assets.

Minimum eighty percent of the gross assets of the sub-fund are invested in equities and other securities and certificates of companies with their registered office in the European Union member countries participating in the European Monetary Union (EMU) or exercising the majority of their activities in the European Union member countries participating in the European Monetary Union (EMU). The remaining twenty percent may be invested in liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not fund controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to assess their environmental and/or social characteristics.

Finally, the sub-fund also has strong ESG integration, consisting of the consideration – flexibly according to the material challenges of the sectors of activity – of several ESG criteria. Please refer to the "Investment Strategy" section below for a description of this "ESG integration" approach and the criteria it covers.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*)**.**

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not comply with the Global Standards described below or in companies with controversies deemed to be extremely serious.

***Investment Strategy:***

*Methodology for selecting ESG investments:*

The fund applies (i) binding investment restrictions in terms of company exposure to certain controversial activities and behaviours and (ii) a non-binding "ESG integration" investment approach:

i) Binding investment restrictions apply to (a), companies not in compliance with the Global Standards described below, (b) companies involved in controversial activities, and (c) companies involved in extremely serious controversies:

   a) Compliance of the portfolio with the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

   b) Exclusion of companies involved in **controversial activities:** The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes the securities of companies that have a material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

      Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies) available at *www.dpamfunds.com* (*Controversial Activities Policy*)..

   c) The portfolio's exposure to **extremely serious ESG controversies:** Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

ii) The ESG integration approach consists of a flexible consideration of the following criteria:

a) The portfolio's exposure to ESG controversies, other than extremely serious controversies (which are formally excluded as in (i) above), i.e. controversies relating to a company's environmental or social impact or governance practices. The managers are informed of the sub-fund's potential exposure to companies involved in ESG controversies, and are encouraged (but not formally constrained) to limit the sub-fund's investments in these companies as much as possible;

b) the ESG rating of the portfolio based on the ESG ratings of the companies held, provided by non-financial rating agencies;

c) the carbon intensity of the portfolio;

d) generally speaking, sector analysts take into account the most material and relevant ESG elements and information in their research and investment recommendations and managers integrate (without formal exclusions) these material elements and issues in their investment decisions.

DPAM intends to maintain flexibility in the consideration of the four criteria outlined in the ESG integration section (ii) above. These criteria therefore do not lead to any formal or systematic exclusion (without prejudice to the exclusions arising from the controversial activities policy listed in point (i) above).

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

i) Portfolio compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Qualitative ESG approach: Much of DPAM's fundamental research is devoted to governance and corporate governance issues.

iv) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

**Examples of exclusion criteria:**

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or

redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

## Benchmark:

The sub-fund uses the following index as its benchmark: **MSCI EMU Net Return**

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in the EMU zone.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equities issued by companies in the Eurozone, it is likely to be more specifically exposed to economic developments in the Eurozone. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. The sustainability risk remains, however, as the integration of compliance with these rules is strongly advised but not binding for investment decisions, except for the review of compliance with Global Standards and the negative screening of the seriousness of controversies that issuers may face. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. Issuing companies exposed to controversial activities (such as landmines, cluster munitions, depleted uranium or tobacco manufacturers) are automatically excluded from the investment universe. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests primarily in equities listed in the Eurozone that are considered to be readily tradable. |

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 5 years of the initial investment.

TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289166744 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0948777207 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289167759 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0948779229 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0948778213 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6249815083 | Registered/ dematerialized |
| V | Distribution | EUR | BE6289168765 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6289169771 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299523520 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299524536 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299525541 | Registered/ dematerialized |

## Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities EMU Behavioral Value sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Equities EMU Behavioral Value sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities US Behavioral Value

## PRESENTATION:

Name: DPAM B Equities US Behavioral Value

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide the shareholders with as high a global return as possible. The sub-fund invests in listed American equities. The investment policy embraces the principles of Behavioral Finance, a psychology-based academic field that analyses the financial markets.

The sub-fund invests in equities which are deemed undervalued and exhibit a good price momentum. The fund will continue to widely spread the risks, mainly by a large sector diversification.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other transferable securities equivalent to equities) of U.S. companies, warrants, subscription rights and liquid assets.

Minimum eighty percent of the gross assets of the sub-fund are invested in equities and other securities and certificates of companies with their registered office in America or exercising the majority of their activities in America. The remaining twenty percent may be invested in liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***General strategy for hedging the foreign exchange risk:***

The sub-fund does not intend hedging the foreign exchange risk.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not finance controversial activities that could affect the long-term reputation of investments and to promote best practice and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective

investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to assess their environmental and/or social characteristics.

Finally, the sub-fund also has strong ESG integration, consisting of the consideration – flexibly according to the material challenges of the sectors of activity – of several ESG criteria. Please refer to the "Investment Strategy" section below for a description of this "ESG integration" approach and the criteria it covers.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*)**.**

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not comply with the Global Standards described below or in companies with controversies deemed to be extremely serious.

***Investment Strategy:***

*Methodology for selecting ESG investments:*

The fund applies (i) binding investment restrictions in terms of company exposure to certain controversial activities and behaviours and (ii) a non-binding "ESG integration" investment approach:

i) Binding investment restrictions apply to (a) companies not in compliance with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

   a) Compliance of the portfolio with the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrading is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

   b) Exclusion of companies involved in **controversial activities:** The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes the securities of companies that have a material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

   Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies) available at *www.dpamfunds.com* (*Controversial Activities Policy*).

   c) The portfolio's exposure to **extremely serious ESG controversies:** Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrading is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

ii) The ESG integration approach consists of a flexible consideration of the following criteria:

a) The portfolio's exposure to ESG controversies, other than extremely serious controversies (which are formally excluded as in (i) above), i.e. controversies relating to a company's environmental or social impact or governance practices. The managers are informed of the sub-fund's potential exposure to companies involved in ESG controversies, and are encouraged (but not formally constrained) to limit the sub-fund's investments in these companies as much as possible;

b) the ESG rating of the portfolio based on the ESG ratings of the companies held, provided by non-financial rating agencies;

c) the carbon intensity of the portfolio;

d) generally speaking, sector analysts take into account the most material and relevant ESG elements and information in their research and investment recommendations and managers integrate (without formal exclusions) these material elements and issues in their investment decisions.

DPAM intends to maintain flexibility in the consideration of the four criteria outlined in the ESG integration section (ii) above. These criteria therefore do not lead to any formal or systematic exclusion (without prejudice to the exclusions arising from the controversial activities policy listed in point (i) above).

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

i) Portfolio compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Qualitative ESG approach: Much of DPAM's fundamental research is devoted to governance and corporate governance issues.

iv) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

**Examples of exclusion criteria:**

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding

of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

## Benchmark:

The sub-fund uses the following index as its benchmark: **MSCI USA Net Return**.

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in the United States.

The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of US securities, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Exchange risk | High | As the assets are denominated in US dollars, their value fluctuates according to the euro/US dollar exchange rate. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. The sustainability risk remains, however, as the integration of compliance with these rules is strongly advised but not binding for investment decisions, except for the review of compliance with Global Standards and the negative screening of the seriousness of controversies that issuers may face. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. Issuing companies exposed to controversial activities (such as landmines, cluster munitions, depleted uranium or tobacco manufacturers) are automatically excluded from the investment universe. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests primarily in equities listed in the US that are considered to be readily tradable. |

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289193045 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE6278396716 | Registered/ dematerialized |
| A USD | Distribution | USD | BE6289194050 | Registered/ dematerialized |
| B USD | Capitalisation | USD | BE6278399744 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289197087 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947579836 | Registered/ dematerialized |
| E USD | Distribution | USD | BE6289198093 | Registered/ dematerialized |
| F USD | Capitalisation | USD | BE0947581857 | Registered/ dematerialized |
| L | Capitalisation | EUR | BE0945682293 | Registered/ dematerialized |
| L USD | Capitalisation | USD | BE0947583879 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6249816099 | Registered/ dematerialized |
| V | Distribution | EUR | BE6289203141 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6289204156 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299540698 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299541704 | Registered/ dematerialized |
| M USD | Distribution | USD | BE6304435173 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299542710 | Registered/ dematerialized |
| N USD | Capitalisation | USD | BE6304436189 | Registered/ dematerialized |

## Initial subscription period:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities US Behavioral Value sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Equities US Behavioral Value sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate EMU Dividend Sustainable

## PRESENTATION:

Name: DPAM B Real Estate EMU Dividend Sustainable

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of this sub-fund is to offer shareholders the highest long-term return by investing its assets in securities representative of the real estate sector in the broad sense in the EMU zone. The weighted average dividend yield of the sub-fund's assets must exceed the dividend yield of the FTSE EPRA/NAREIT Eurozone Capped Net Return Index. These companies are selected on the basis of compliance with environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

The sub-fund will not invest more than 10% of its net assets in units of other undertakings for collective investment.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Without limitation, the sub-fund invests in securities representing the real estate sector in the broad sense in the EMU zone, notably including securities of REITS (real estate investment trusts), property companies, companies involved in property promotion and development and companies investing in real estate receivables.

These companies must be domiciled or incorporated in the EMU zone or be listed on an organised market of the EMU zone. A significant portion of their assets or activities, or their profit centres or decision-making centres must be located in the EMU zone. Cash and cash equivalents may represent up to 25% of net assets.

The EMU zone comprises all countries that have adopted the euro as their national currency.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertakings for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section "Methodology for selecting ESG and sustainable investments" below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings dedicated to retirement homes, medical centres, life sciences and biotechnology research centres, etc. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the

portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

– **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the Global Compact (human rights, labour law, protection of the environment, fight against corruption) and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.
– Exclusion filter for companies involved in **controversial activities:** The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.
– Exclusion filter for companies involved in major **ESG controversies:** Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues:** DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings for retirement homes, medical centres, life sciences and biotechnology research centres, etc. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [29] contribution to the UN Sustainable Development Goals 7 (clean and affordable energy), 9 (industry, innovation and infrastructure) or 11 (sustainable cities and communities); the commitment of issuers to environmental risk assessment and control; etc. These examples of indicators come from non-financial rating agencies and

[29] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

may evolve over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

- A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
- A lower average ESG profile risk than this reference universe before the ESG and sustainable investment selection methodology was applied;
- Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
- Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the “Methodology for selecting ESG and sustainable investments” section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.

iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at www.dpamfunds.com (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion on the basis of the Global Standards: cases of fraud, embezzlement and scams, constituting violations of the 10th principle of the UN Global Compact.
- Example of exclusion on the basis of serious ESG controversies: cases of bribery of public decision-makers in order to obtain privileged access to plots of land and/or to regularise illegal real estate projects and/or to obtain the construction of public infrastructure that increases the value of real estate.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to gambling through investments in casinos representing an exposure as a percentage of turnover above the threshold defined in the controversial activities policy available at www.dpamfunds.com (*Controversial Activities Policy*).

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website www.dpamfunds.com.

## Benchmark:

The sub-fund uses the following index as its benchmark: FTSE EPRA/NAREIT Eurozone Capped Net Return index.

This index is representative of the market for listed real estate companies in developed countries (as defined in the index methodology) in the EMU zone. The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

FTSE International Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equities issued by European real estate companies, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Liquidity risk | High | The sub-fund invests primarily in equities issued by the real estate sector. Instruments in the real estate sector may have high liquidity risk. This risk mainly arises during periods of market tension |
| Market risk | High | It is essentially an equity sub-fund. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289205161 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0942186256 | Registered/ dematerialized |
| E | Distribution | EUR | BE0947578820 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947577814 | Registered/ dematerialized |
| V | Distribution | EUR | BE6299566958 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6299567964 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299346690 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299347706 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299348712 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6304439217 | Registered/ dematerialized |

### Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Real Estate EMU Dividend Sustainable sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

### Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Real Estate EMU Dividend Sustainable sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Medium Term

## PRESENTATION:

Name: DPAM B Bonds EUR Medium Term

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective is to provide shareholders with as high a global return as possible, with an accent on investments in bonds (without sector limitation) denominated in one or more European currencies and issued or guaranteed by debtors with "Investment Grade" quality.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Bonds and other debt securities in European currencies and liquid assets.

Whilst the portfolio composition is required to respect general rules and limits prescribed by law or by the articles of incorporation, a concentration of risks can still occur in more limited asset categories or economic or geographic sectors.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments**.

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social aspects of the sub-fund, as described below.

***Characteristics of the bonds:***

Government, quasi-government and supranational bonds and covered bonds. These are "Investment Grade" bonds, i.e. their rating is between and including AAA and BBB-.

Duration of the bonds: on average between 3 and 8 years.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**). This promotion consists of:

the exclusion of countries that do not respect a minimum of democratic requirements; and

a policy for impact bonds (such as green and social bonds)

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which can be accessed at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. To do this, the sub-fund has an exclusion policy:

***Investment strategy***

*Methodology for selecting ESG investments:*

The sub-fund applies binding investment restrictions: i) exclusion of countries that do not meet minimum democratic requirements and ii) an impact bond policy:

**Exclusion of countries that do not meet minimum democratic requirements:** the sub-fund does not invest in countries that do not meet minimum democratic requirements. To determine whether a country does not meet this minimum requirement the manager applies a methodology that is mainly based on the classifications of the International NGO Freedom House ("not free") and The Economist Intelligence Unit ("authoritarian regime").

This exclusion and the underlying methodology are detailed in DPAM's Sustainable and Responsible Investment Policy (section on "Sovereign Bonds") which is available at *www.dpamfunds.com* (Sustainable & Responsible Investment policy).

This exclusion applies both at the time of purchase of a position and during the holding of the position in the portfolio. In the event that a country is downgraded, the Investment Manager will sell the relevant investment in the interest of the sub-fund's shareholders within three months.

**Impact bond policy:** the percentage of impact bonds ("Green, Social & Sustainability bonds") in the portfolio is higher than the benchmark investment universe. More information can be found in the "Green, Social Sustainability Government Bonds Policy" section of DPAM's Sustainable & Responsible Investment policy available at www.dpamfunds.com.

*Good governance criteria*

Good governance criteria such as the electoral process, civil liberties, national and local democratic governance are included in the models used by the International NGO Freedom House and the Economist Intelligence Unit.

***Company in charge of the evaluation of ESG selection criteria***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether an issuer complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

## Benchmark:

The sub-fund uses the following index as its benchmark: **JPM EMU Government Investment Grade 1-10 years**.

This index is a bond index representing bonds issued by the governments of European countries where the euro is the official currency, rated "investment grade" by each of the three major rating agencies (Standard & Poor's, Moody's and Fitch). The performance is calculated by reinvesting the coupons paid by the debt securities included in the index. The index contains bonds with a residual maturity between a minimum of 1 year and a maximum of 10 years.

***Index administrator:***

J.P. Morgan Securities PLC is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social aspects of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund iinvests primarily in fixed income securities. |
| Concentration risk | Moderate | As the portfolio of the sub-fund is mainly composed of debt securities issued or guaranteed by European States, it is likely to be more specifically exposed to the economic performance of Europe. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. An exclusion of countries that do not respect a minimum of democratic requirements is applied. Sustainability risk remains, however, and the impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Low | The sub-fund invests primarily in investment grade bonds that are considered readily marketable. |
| Market risk | Low | The sub-fund invests primarily in government bonds. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Credit risk | Low | The sub-fund invests primarily in investment grade bonds. |

## Risk profile of the typical investor:

Defensive

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 2 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6261452054 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0944432401 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289206177 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947567716 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6289207183 | Registered/ dematerialized |
| V | Distribution | EUR | BE6289208199 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6289209205 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299509388 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299510394 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299511400 | Registered/ dematerialized |

## Initial subscription day:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Bonds EUR Medium Term sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Bonds EUR Medium Term sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities US Dividend Sustainable

## PRESENTATION:

Name: DPAM B  Equities US Dividend Sustainable

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to provide the shareholders with as high a global return as possible. The sub-fund invests in American listed equities as well as any security giving entitlement to the capital of these companies, selected on the basis of compliance with environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

The risks are widely spread, among others by a broad sector diversification. The allocation of the portfolio will change depending on the assessment of the macroeconomic outlook and the situation on the financial markets. The sub-fund can for example prefer or avoid certain sectors or investment styles based among others on the economic outlook.

At least 50% of the portfolio must be composed of equities and other securities referred to above generating a higher actual or expected dividend yield than the market average.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Shares of American companies (and other transferable securities comparable to equities), warrants, subscription rights and liquid assets.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and **for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social aspects of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertaking for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section “Methodology for selecting ESG and sustainable investments” below) to uphold fundamental rights, not fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as health products and services, education services, water

saving and access solutions, energy efficiency solutions, digitalisation services, sustainable mobility services. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

– **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the Global Compact (human rights, labour law, protection of the environment, fight against corruption) and the UN Guiding Principles, ILO instruments, OECD Multinational Enterprises (MNE) Guidelines and underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.

– Exclusion filter for companies involved in **controversial activities**: The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.

– Exclusion filter for companies involved in **major ESG controversies**: Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

  **Quantitative ESG approach** ("best-in-class"): DPAM filters the universe by screening based on the quality of the ESG profile of the companies, as assessed by non-financial rating agencies. The bottom quartile of the economic sector ranking is not eligible for investment.

- In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the **interest** of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Qualitative ESG approach:** The quantitative screening is complemented by qualitative analyses based on DPAM's fundamental research and dialogues with companies on financial issues relating to the companies' strategy and the most relevant and material ESG risks and issues to which they are exposed.
- **Impact research and sustainability issues**: DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as health products and services, education services, energy efficiency solutions, digitalisation services or financial inclusion. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive contribution to UN sustainable development goals 1 (end poverty), 3 (good health and wellbeing) or 7 (clean and affordable energy); the commitment of issuers to environmental risk assessments and controls; companies offering lending and microfinance services to minority communities not well covered by traditional banking networks. These

examples of indicators come from non-financial rating agencies and may change over time depending on the methodologies and standards developed. To achieve its sustainable objective, the portfolio aims for both (1) a positive net contribution at the level of the overall portfolio and (2) a minimum of 50% of the invested companies making a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

- A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
- A lower average ESG profile risk than this benchmark universe before the ESG and sustainable investment selection methodology was applied;
- Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
- Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the "Methodology for selecting ESG and sustainable investments" section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.

iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at www.dpamfunds.com (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to thermal coal i.e. exclusion of companies involved in activities related to thermal coal mining, or which have plans to expand thermal coal mining assets, or to create new thermal coal mining assets (see DPAM's controversial activities policy mentioned above which is available at www.dpamfunds.com (*Controversial Activities Policy*)).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures (see DPAM's controversial activities policy which is available at www.dpamfunds.com (*Controversial Activities Policy*)).
- Example of a positive selection criterion: main activity related to reducing mortality and increasing life expectancy.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the

basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: **MSCI USA Net Return**.

This index is representative of the large- and mid-cap equity market of developed countries (as defined by MSCI and mainly based on the country of incorporation and the country of primary listing of its securities) in the United States. The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social aspects.

***Unpublished or change of index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of North American securities, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Exchange risk | High | As the assets are denominated in US dollars, their value fluctuates according to the euro/US dollar exchange rate. |
| Market risk | High | It is essentially an equity sub-fund. |
| Liquidity risk | Low | The sub-fund invests primarily in equities listed in the US that are considered to be readily tradable. |
| Hedging risk (applicable only to "Hedged" share classes) | Low | Between 95% and 105% of the initial currency exposure of the "hedged" share classes is covered. If the exposure is not fully (100%) hedged, there will be a residual exposure to the currency in which the instrument is denominated rather than to the currency being hedged. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289210211 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE0947853660 | Registered/ dematerialized |
| B LC | Capitalisation | EUR | BE6321404111 | Registered/ dematerialized |
| A USD | Distribution | USD | BE6289211227 | Registered/ dematerialized |
| B USD | Capitalisation | USD | BE0947865789 | Registered/ dematerialized |
| B EUR Hedged | Capitalisation | EUR | BE6328637663 | Registered/ dematerialized |
| E | Distribution | EUR | BE6289214254 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE0947854676 | Registered/ dematerialized |
| F EUR Hedged | Capitalisation | EUR | BE6328638679 | Registered/ dematerialized |
| F LC | Capitalisation | EUR | BE6321405126 | Registered/ dematerialized |
| E USD | Distribution | USD | BE6289215269 | Registered/ dematerialized |
| F USD | Capitalisation | USD | BE0947866795 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6289222331 | Registered/ dematerialized |
| V | Distribution | EUR | BE6289226373 | Registered/ dematerialized |
| W | Capitalisation | EUR | BE6289227389 | Registered/ dematerialized |
| W EUR Hedged | Capitalisation | EUR | BE6328639685 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299544732 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299545747 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299546752 | Registered/ dematerialized |

## *"Hedged" share classes

The exchange risk exposure to the reference currency of the sub-fund will be hedged for between 95% and 105% of the part of the net asset value of the hedged class that must be hedged.

Each class concerned may incur additional costs of 0.01% per month for this exchange risk hedging policy. The interest rate differential between the euro and the currencies hedged will have an influence on the net asset value of the hedged class via the exchange risk hedging transactions.

## Initial subscription period:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B US Dividend Sustainable sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B US Dividend Sustainable sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Corporate Bonds EUR 2023

## PRESENTATION:

Name: DPAM B Corporate Bonds EUR 2023

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: limited until 30 June 2023

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of this sub-fund is to offer shareholders exposure to the corporate bonds market.

The sub-fund is a sub-fund of limited duration, the maturity of which is set at 30 June 2023. The objective of the sub-fund is to achieve, over a period of six years, a capital gain on maturity. On maturity, the sub-fund will be dissolved automatically. At least one month before 30 June 2023, the Board of Directors will propose to the shareholders to subscribe to a new sub-fund with a similar objective and investment policy. Any shareholders not wishing to invest in the new sub-fund will be reimbursed at the last net asset value of the sub-fund applicable as at 30 June 2023.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

### Investment policy of the sub-fund:

The sub-fund's portfolio will consist principally of euro-denominated corporate bonds whose issuers have an Investment grade [30] rating with one of the rating agencies such as Standard & Poor's, Moody's or Fitch. "Non-rated" corporate bonds may also account for up to 10% of the portfolio's net assets.

Corporate bonds denominated in a currency other than the Euro are in principle covered, all or in part, against the Euro, but the Manager may decide, based on his assessment of the evolution of the markets not to cover a position in a currency other than the Euro. Cash and other liquid assets and short-term fixed income instruments may also be held, particularly during the period preceding the maturity of the sub-fund.

Whilst the portfolio composition is required to respect general rules and limits prescribed by law or by the articles of incorporation, a concentration of risks can still occur in more limited asset categories or economic or geographic sectors.

The sub-fund will not invest more than 10% of its assets in other units for collective investment.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Lending of financial instruments:***

The sub-fund envisages having recourse to the lending of financial instruments.

***Environmental, social and governance (ESG) considerations* – sustainability transparency*:***

The sub-fund promotes environmental and social aspects, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not finance controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, , undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

[30] Investment grade is a financial risk rating of the quality of the bond's issuer. Rating agencies use their own scale to assess the notion of risk. "Investment grade" ratings are between AAA and BBB- in the scales used by Standard & Poor's and Fitch, and between Aaa and Baa3 in Moody's scale.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which can be accessed at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not meet the Global Standards described below or in companies with controversies that are deemed to be extremely serious.

***Investment strategy:***

***Methodology for selecting ESG investments:***

With regard to debt securities other than those issued by governments, their political bodies, institutions or supranational organisations, the sub-fund applies binding investment restrictions to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

Compliance of the portfolio with the principles of the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (Engagement policy) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion of companies involved in **controversial activities**: The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).

The portfolio's exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

With regard to debt securities issued by states, their political bodies or institutions, the sub-fund does not invest in states that are considered "not free" and "authoritarian" according to international sources i.e. the international NGO Freedom House and the Democracy Index published by The Economist Intelligence Unit at the time the position in purchased.

In the event that a country is downgraded to "not free" and "authoritarian" status, the Investment Manager will sell the relevant investment in the interest of the sub-fund's shareholders within three months.

***Good governance criteria:***

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

Portfolio compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.

The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

***Examples of exclusion criteria:***

Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.

Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).

Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of risks considered and assessed by the sub-fund to be significant and pertinent:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests primarily in fixed income securities. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. A review of compliance with Global Standards and a negative screening of the seriousness of controversies is applied. Sustainability risk remains, however, and the impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Moderate | The sub-fund invests primarily in investment grade bonds that are considered readily marketable. Liquidity may fall during periods of market tension and transaction costs may rise significantly. |
| Concentration risk | Moderate | The portfolio is concentrated on euro-denominated corporate bonds. |
| Market risk | Low | The sub-fund invests primarily in investment grade corporate bonds. |
| Credit risk | Low | The sub-fund invests primarily in investment grade bonds. |

## Risk profile of the typical investor:

Defensive

Investment Horizon: This sub-fund may not be appropriate for investors who intend to withdraw their capital within 3 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6292995238 | Registered/ dematerialized |
| B | Capitalisation | EUR | BE6296101254 | Registered/ dematerialized |
| E | Distribution | EUR | BE6296102260 | Registered/ dematerialized |
| F | Capitalisation | EUR | BE6292994223 | Registered/ dematerialized |
| P | Capitalisation | EUR | BE6292996244 | Registered/ dematerialized |
| J | Capitalisation | EUR | BE6299513422 | Registered/ dematerialized |
| M | Distribution | EUR | BE6299514438 | Registered/ dematerialized |
| N | Capitalisation | EUR | BE6299515443 | Registered/ dematerialized |

## Initial subscription period:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Corporate Bonds EUR 2023 sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Corporate Bonds EUR 2023 sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Real Estate EMU Sustainable

## PRESENTATION:

Name: DPAM B Real Estate EMU Sustainable

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective is to provide its shareholders with the highest possible overall return over the long term, with a focus on representative investments in the real estate sector in the euro zone. The sub-fund will not invest more than 40% of its assets in receivables of any kind. The companies in which the sub-fund invests are selected on the basis of compliance with environmental, social and governance (ESG) criteria.

The sub-fund uses a rigorous ESG methodology and strict exclusions in order not to undermine other environmental and social objectives and to ensure the required good governance practices.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

The sub-fund will not invest more than 10% of its net assets in units of other undertakings for collective investment.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Shares of property companies (including real estate investment trusts and regulated property companies and investment companies that invest in real estate, as well as companies active in promoting and developing property), convertible bonds or bonds with warrants issued by property companies, land and property certificates and any analogous securities). Investments representative of the real estate sector in Belgium may form the majority of investments. Cash and cash equivalents may represent up to 25% of net assets.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions involving financial derivatives:***

Futures contracts on European stock market indices of property companies (euro zone) in order to achieve the investment objectives. These contracts (such as the **FTSE EPRA/NAREIT Eurozone Capped Net Return**) are intended to supplement equity positions and to enable full investment without disrupting the structure of the portfolio when issuing and redeeming units. This does not lead to significant changes in the risk profile.

While the composition of the portfolio must comply with general rules and limits prescribed by law or the Articles of Association, the fact remains that a concentration of risk may occur in asset classes or in more restricted economic or geographic sectors.

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund will not lend financial instruments.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

This sub-fund invests at least 90% of its assets (excluding cash, undertaking for collective investment and derivatives) in securities that meet the environmental and social characteristics it promotes. 20% of these assets will also pursue a sustainable investment objective, as defined by Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

The promotion of environmental and social characteristics aims, through a rigorous methodology (see the section “Methodology for selecting ESG and sustainable investments” below) to uphold fundamental rights, not

fund controversial activities that could affect the long-term reputation of the investments, and promote best practices and best efforts on ESG issues.

The sub-fund also has in part a sustainable objective. The sustainable objective is to invest in companies that contribute through their products and services to the 17 sustainable goals defined by the United Nations (UN), such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings dedicated to retirement homes, medical centres, life sciences and biotechnology research centres, etc. It also aims to help companies make progress in their contribution to sustainable development and ESG issues, by engaging in regular dialogue and sharing with them specific areas for improvement that are monitored over time. Therefore, the sustainable objective portion of the portfolio focuses on net positive companies, i.e. (1) whose core business is the development of products and services that contribute to the achievement of the sustainable development goals (SDGs) and (2) that are the most advanced in terms of sustainable development and engagement on environmental, social and governance risks.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* **(***Sustainable & Responsible Investment policy***).**

***Investment Strategy:***

*Methodology for selecting ESG and sustainable investments:*

The criteria which the companies must meet in order to be included in the investment universe are determined through independent external research and/or internal research at DPAM. These selection criteria are as follows:

– **Global Standards** (described below) compliance filter: Companies must comply with the founding principles of the United Nations Global Compact (human rights, labour law, protection of the environment, fight against corruption) and the UN Guiding Principles, ILO instruments, OECD Multinational Enterprises (MNE) Guidelines and underlying conventions and treaties. DPAM uses specific ESG research from non-financial rating agencies to determine whether or not a company is in compliance with these standards.

– Exclusion filter for companies involved in **controversial activities**: The policy of excluding controversial activities defined by DPAM covers several sectors and economic activities that are subject to debate as to whether or not they are ethical and sustainable. For each of these sectors and economic activities, the exclusion policy for controversial activities defines the exclusion criteria and thresholds. Companies involved in these controversial sectors and activities that meet the exclusion criteria set out in the policy are excluded from the investment portfolio.

– Exclusion filter for companies involved in **major ESG controversies**: Companies should not be involved in major ESG controversies, such as incidents or allegations related to environmental, social or governance issues.

  DPAM uses ESG research of non-financial rating agencies to assess the seriousness of the controversies to which companies are exposed and excludes the most serious controversies. DPAM also produces internal analyses of the ESG controversies to which companies are exposed. DPAM reserves the right to also exclude companies that it considers to be involved in sufficiently serious controversies.

In the event that a company's ESG profile deteriorates, leading it to be downgraded to Global Standards non-compliant status or an extremely serious controversy regarding the company emerges, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months.

For the sustainable objective portion of investments, the additional criteria that companies must meet are as follows:

- **Analysis and rating of the ESG profile** of the companies in the portfolio using ESG scorecards: DPAM completes the various ESG exclusion filters using ESG risk and opportunities scorecards. These analysis grids help identify the most relevant and material ESG risks and opportunities to which issuers are exposed.
- **Impact research and sustainability issues**: DPAM ensures that the company's products and/or services finance – as a proportion of its turnover – sustainable development such as the development of sustainable infrastructure, green buildings, energy efficient buildings or buildings with green certificates, companies that own and/or operate buildings for

retirement homes, medical centres, life sciences and biotechnology research centres, etc. Examples of indicators include the percentage of turnover that the company generates from products or services that make a net positive [31] contribution to the UN Sustainable Development Goals 7 (clean and affordable energy), 9 (industry, innovation and infrastructure) or 11 (sustainable cities and communities); the commitment of issuers to environmental risk assessment and control; etc. These examples of indicators come from non-financial rating agencies and may evolve over time depending on the methodologies and standards developed. To achieve its sustainability objective, the portfolio aims for a minimum of 20% of the invested companies to make a positive net contribution.

This methodology for selecting ESG and sustainable investments aims to achieve:

- A carbon intensity (direct scope 1 and 2 emissions) below the average carbon intensity of the reference universe before the ESG and sustainable investment selection methodology was applied;
- A lower average ESG profile risk than this benchmark universe before the ESG and sustainable investment selection methodology was applied;
- Zero exposure to issuers facing major controversies of maximum severity on environmental or social issues;
- Zero exposure to issuers deemed non-compliant with the Global Standards described below.

The target has a rolling three-year horizon. The analysis of these data is based on a variety of data sources, including data from issuers and external data providers.

Different regions and asset classes present different challenges in terms of the quality and coverage of the data that need to be taken into account, especially in emerging markets. Investors should be aware that some data sets are based on modelled data rather than reported data. The indicators used, like any other quantitative or qualitative model, are inherent to model risk and may fail to capture anticipated changes in the sustainability risk profile of issuers.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and sustainable and responsible investment policies, are included in the investment decision process through the different steps described below and in the "Methodology for selecting ESG and sustainable investments" section above:

i) Exclusion filter based on compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) Exclusion filter for companies involved in controversial activities: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Fundamental and qualitative ESG approach with a strong focus on governance and corporate governance issues.

iv) For the portion of investments with a sustainable objective: the ESG risk and opportunity scorecards include an analysis and rating of the companies' corporate governance, including compliance with the principles set out in DPAM's voting policy.

v) Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at www.dpamfunds.com (*Voting policy* / *Engagement policy*).

***Examples of exclusion and selection criteria for sustainable and ESG investments:***

- Example of exclusion on the basis of the Global Standards: cases of fraud, embezzlement and scams, constituting violations of the 10th principle of the UN Global Compact.
- Example of exclusion on the basis of serious ESG controversies: cases of bribery of public decision-makers in order to obtain privileged access to plots of land and/or to regularise illegal real estate projects and/or to obtain the construction of public infrastructure that increases the value of real estate.
- Example of exclusion on the basis of companies involved in controversial activities: material exposure to gambling through investments in casinos representing an exposure as a percentage of turnover above the threshold defined in the controversial activities policy available at www.dpamfunds.com ((*Controversial Activities Policy*).

[31] The net impact contribution is the difference between the positive and negative impact contributions and is calculated at the level of the invested company and the overall portfolio. Based on the UN SDG framework, the impact contribution takes into account both (1) the extent to which the products and services of the invested company contribute to the achievement of the SDGs and (2) the negative impacts associated with their activities along the value chain.

***Company in charge of the evaluation of ESG and sustainability selection criteria:***

DPAM is the company in charge of the evaluation of ESG and sustainability selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG and sustainability criteria.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Benchmark:

The sub-fund uses the following index as its benchmark: **FTSE EPRA/NAREIT Eurozone Capped Net Return**.

This index is representative of the market for listed real estate companies in developed countries (as defined in the index methodology) in the EMU zone. The performance of this index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

FTSE International Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished change or index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of the risks deemed significant and relevant as assessed by the sub-fund:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of equity securities issued by real estate companies in the Eurozone, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Liquidity risk | High | The sub-fund invests primarily in equities issued by the real estate sector. Instruments in the real estate sector may have high liquidity risk. This risk mainly arises during periods of market tension |
| Market risk | High | It is essentially an equity sub-fund. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Sustainability risk | Low | Sustainability considerations are an inherent part of the sub-fund's investment process, with the sub-fund emphasising either environmental and/or social aspects or a sustainable objective. Potential sustainability risks are therefore mitigated by the sustainability screening and exclusion filters that are applied to the investment universe of the sub-fund. |

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6289023283 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6271654228 | Registered/Dematerialized |
| E | Distribution | EUR | BE6289024299 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6271655233 | Registered/Dematerialized |
| P | Capitalisation | EUR | BE6289025304 | Registered/Dematerialized |
| V | Distribution | EUR | BE6289026310 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6289027326 | Registered/Dematerialized |
| J | Capitalisation | EUR | BE6299324473 | Registered/Dematerialized |
| M | Distribution | EUR | BE6299320430 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6299325488 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Real Estate EMU Sustainable sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Real Estate EMU Sustainable sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Equities US ESG Leaders Index

## PRESENTATION:

Name: DPAM B Equities US ESG Leaders Index

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: unlimited

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective is to obtain the highest possible overall return for shareholders, with emphasis on investments in US equities.

The sub-fund is a tracker fund implementing a passive investment management strategy whose objective is to replicate physically and not synthetically the "Net Dividends Reinvested" performance of the MSCI USA ESG LEADERS Index in Euro.

This is a passively managed sub-fund, which means that the portfolio manager's objective is to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

***Authorised asset classes:***

Equities (and other analogous transferable securities) of companies, warrants, convertible bonds, subscription rights and cash and cash equivalents.

The sub-fund will not invest more than 10% of its net assets in units of other undertakings for collective investment.

The sub-fund limits its choice of investments to securities included in the universe defined above; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions involving financial derivatives:***

The sub-fund may also make use, subject to the legal regulations in force, of derivative products such as, for example, futures contracts on US stock market indices in order to achieve the investment objectives. These contracts are intended to supplement equity positions and enable the sub-fund to be fully invested without disrupting the structure of the portfolio when issuing and redeeming units. **Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

### Benchmark:

MSCI USA ESG Leaders index. This benchmark is used within the framework of managing the sub-fund.

More information about the index, its composition, calculation and the rules governing its periodic review and rebalancing, as well as the general methodology of the MSCI Indices, is available at *www.msci.com*.

The performance of the benchmark index is calculated by reinvesting net dividends (Net Return).

***Index administrator:***

MSCI Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***General description of the index:***

The MSCI USA ESG Leaders index is constructed by applying a combination of values based exclusions and a Best-in-Class selection process to companies in the MSCI USA parent index. The exclusion process concerns companies directly involved in controversial and nuclear arms systems, or companies that generate the majority of their revenues (over 15%) from activities such as firearms, tobacco, alcohol, gambling, nuclear power, fossil fuel extraction, and coal-fired power generation. Then, the MSCI Best-in-Class selection process is applied to the remaining eligible securities in the selection universe.

MSCI is in charge of the ESG selection on the basis of ESG analysis, ratings, scores and exposure as provided by MSCI ESG Research.

The MSCI USA ESG Leaders index targets sector weights consistent with those of the parent index (MSCI USA) to limit the systematic risk introduced by the ESG selection process. The methodology aims to include the securities of companies with the highest ESG ratings making up 50% of

the market capitalisation of the parent index. Additional information on this index and its composition can be found at *www.msci.com*.

The weight of stocks included in the index will depend on their market capitalisation adjusted for free float. The ESG indices are reviewed every year in May. The eligible investment universe is updated at the time of this review. The ESG indices are also reviewed in August, September and February. They may also be rebalanced at other times to reflect operations such as mergers and acquisitions.

The benchmark index is calculated in EURO on the basis of the daily closing prices. The index is a total net return index. A total net return index calculates the performance of the components of the Index on the basis that all dividends and distributions are reinvested after deduction of any applicable taxes.

The MSCI USA ESG Leaders index fact sheet and explanatory note on the methodology are available at the following links:

*https://www.msci.com/www/fact-sheet/msci-usa-esg-index/07365669*

*https://www.msci.com/index-methodology*

***Index tracking:***

Passive investment management strategy investing physically and non-synthetically in all stocks in the index or a representative sample of these stocks, holding each stock in a proportion approximately identical to its weight in the index. Each sector is represented in a proportion approximately identical to its weight in the index.

The tracking error relative to the benchmark is around 1.50%.

Index tracking may be influenced by trading costs, reinvestment of dividends and general costs incurred by the sub-fund. An ex ante and ex post optimisation and risk control model is used. The aim of optimisation is to contract a portfolio that best tracks the benchmark index while also minimising the ex-ante tracking error.

The sub-fund aims to reproduce the composition of an equity index within the meaning of Article 63 of the Royal Decree of 12 November 2012 on Undertakings for Collective Investment meeting the conditions of Directive 2009/65/EC. If the index no longer meets the conditions set by the abovementioned Royal Decree, it shall be replaced by a similar index such as the STOXX USA 500 ESG-X or FTSE4GOOD US Select.

***Lending of financial instruments:***

The sub-fund does not intend to lend financial instruments.

***General foreign exchange risk hedging strategy:***

The sub-fund does not intend to hedge foreign exchange risk.

***Environmental, social and governance (ESG) considerations – Sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not finance controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The objective of the sub-fund is to replicate the performance of the MSCI USA ESG LEADERS index. This benchmark has an ESG selection process and is therefore consistent with the environmental and social characteristics promoted by the sub-fund:

The promotion of environmental and social aspects applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to assess their environmental and/or social aspects.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*)**.**

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). In addition, it follows the sector exclusions and company behaviour rules as defined by its benchmark MSCI USA ESG Leaders index.

***Investment Strategy:***

*Methodology for selecting ESG investments:*

The objective of the sub-fund is to replicate the performance of the MSCI USA ESG LEADERS index. This index is constructed by applying a process combining stock exclusion and "Best-in-Class" selection as described above in "General description of the index" and detailed in the MSCI ESG Leaders Index methodology which is available at *www.msci.com/index-*

In addition, the sub-fund adopts the following constraints:

a) Compliance of the portfolio with the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the UN Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties for which the ESG controversies outlook is neutral or negative.

b) Exclusion of companies involved in **controversial activities:** The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes securities of companies that are exposed to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

   Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies) available at *www.dpamfunds.com* (*Controversial Activities Policy*).

c) The portfolio's exposure to **extremely serious ESG controversies:** The sub-fund does not invest in companies facing extremely serious controversies for which the ESG controversies outlook is neutral or negative.

In the event that a company that is non-compliant with the Global Standards or that faces extremely serious controversies has a positive ESG controversies outlook, the company is granted a grace period and remains eligible for investment until the next update of its profile (by the ESG provider that declared the issuer non-compliant), or for a maximum of 12 months If, at the end of this grace period, the company is still not compliant with the Global Standards or is still facing extremely serious controversies, DPAM will declare that company ineligible for investment for this sub-fund and the manager will sell the relevant position in the best interest of the shareholders of the sub-fund. For more details, please refer to DPAM's controversial activities policy which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

*Good governance criteria:*

The best-in-class screening of the MSCI USA ESG Leaders index is largely devoted to governance and corporate governance issues.

i) In addition, good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are also included in the investment decision process through the other steps described in the "Methodology for selecting ESG investments" section above: Portfolio compliance with the Global Standards: prevention of corruption is one of the four main themes of the 10 principles of the UN Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* **(***Voting policy* **/** *Engagement policy***).**

**Examples of exclusion criteria:**

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds

as a percentage of sales, as defined in the policy on controversial activities accessible via www.dpamfunds.com (*Controversial Activities Policy*).

- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

Securities selection is primarily based on MSCI's index methodology using MSCI ESG Research as the primary source of external ESG data.

In addition, DPAM uses ESG research provided by non-financial rating agencies and has its own internal ESG research capabilities. DPAM therefore also reserves the right to determine, on the basis of the information received, whether or not a company complies with the global ESG criteria.

***Further information:***

More specific information on the product can be found on the website www.dpamfunds.com.

The sub-fund may invest in units of another UCITS or another fund managed directly or indirectly by DPAM or by a company with which DPAM is linked by common management or control or by a direct or indirect holding of more than 10% of the capital or votes. No issue or redemption fees for target funds or management fees may be debited from the SICAV's assets where such investments have been made.

## Risk profile of the sub-fund:

The value of a unit may go up or down, and investors may therefore get back less than they invested.

Description of the risks deemed significant and relevant as assessed by the sub-fund:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Concentration risk | High | As the portfolio is mainly composed of US securities, it is likely to be more specifically exposed to the economic development of this sector and area. |
| Exchange risk | High | As the assets are denominated in U.S. dollars or other currencies, their value fluctuates according the euro exchange rate. |
| Market risk | High | It is essentially an equity sub-fund. |
| Sustainability risk | Moderate | The investment universe of the sub-fund is limited to the investments of its index. The index takes into account sustainability aspects by establishing exclusion lists and applying the "best-in-class" selection process within the benchmark. This method allows for the inclusion of companies with the highest sustainability scores, which represent 50% of the market capitalization of the benchmark. Nevertheless, the sustainability risk remains, as the objective of the sub-fund is to track the performance of its index. The impact of adverse sustainability events may have a negative effect on the performance of the sub-fund. Investments in companies whose business is the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium ammunition and armour are automatically excluded from the sub-fund. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Liquidity risk | Low | The sub-fund invests primarily in companies included in the MSCI US ESG Leaders index. |

Due to its nature, this sub-fund may be exposed to market timing practices. The sub-fund does not authorise such practices and the following measures have been taken to counter attempts at market timing:

- Adequate procedures have been implemented to ensure that subscription applications are received prior to the deadline for acceptance of orders.
- The acceptance deadline is several hours before the price closing time used to calculate the applicable net asset value.

## Risk profile of the typical investor:

Dynamic

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 6 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6317165403 | Registered/Dematerialized |
| A USD | Distribution | USD | BE6317466504 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6317166419 | Registered/Dematerialized |
| B USD | Capitalisation | USD | BE6317167425 | Registered/Dematerialized |
| E | Distribution | EUR | BE6317168431 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6317169447 | Registered/Dematerialized |
| J | Capitalisation | EUR | BE6317170452 | Registered/Dematerialized |
| P | Capitalisation | EUR | BE6317171468 | Registered/Dematerialized |
| M | Distribution | EUR | BE6317172474 | Registered/Dematerialized |
| M USD | Distribution | USD | BE6317467510 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6317173480 | Registered/Dematerialized |
| N USD | Capitalisation | USD | BE6317174496 | Registered/Dematerialized |

## Initial subscription period:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM CAPITAL B Equities US ESG Leaders Index sub-fund of the DPAM CAPITAL B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM CAPITAL B Equities US ESG Leaders Index sub-fund of the DPAM CAPITAL B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Growth

## PRESENTATION:

Name: DPAM B Balanced Growth

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors, by means of a balanced managed portfolio, a long-term capital gain by investing in equity securities and/or debt securities of issuers throughout the world. No formal guarantee has been given either to the sub-fund or to its investors.

The sub-fund is actively managed. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

### Investment policy of the sub-fund:

The sub-fund invests mainly, without sector or geographical restriction, but mainly in Europe in (i) shares and/or other securities giving access to capital of companies and (ii) in fixed or floating rate short, medium and long-term bonds and/or debt securities.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX Forwards, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, Social and Governance themes:***

The sub-fund will invest in instruments issued by public authorities, companies or private issuers and selected by including environmental, social and governance (ESG) criteria. DPAM intends to maintain flexibility in the consideration of these criteria. These criteria therefore do not lead to any formal or systematic exclusion of certain assets.

These criteria are integrated according to material issues determined on the basis of independent internal and external research and related to environmental, demographic, educational and social (health, equality, etc.) aspects.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

The investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

### Investment restrictions:

The sub-fund is subject to the investment restrictions stipulated in articles 74 and 81 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests in both equities and fixed income securities. |
| Sustainability risk | High | Sustainability considerations are not systematically part of the sub-fund's investment selection process, with the exception of investments in companies with exposure to controversial activities such as tobacco, the manufacture, use or possession of anti-personnel mines, cluster munitions, and depleted uranium ammunition and armour which are basically excluded. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Credit risk | High | The sub-fund invests in both equities and fixed income securities. The sub-fund may potentially be exposed to bonds from issuers that do not have an investment grade rating. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | Moderate | The sub-fund invests in both equities and fixed income securities. |
| Liquidity risk | Moderate | The sub-fund invests in both equities and fixed income securities that are considered readily marketable. However, the sub-fund may also be exposed to issuers from the real estate sector and/or small caps and/or corporate bonds. The liquidity of such assets may decrease during periods of market stress and transaction costs may increase significantly. |
| Concentration risk | Low | The sub-fund invests in both equities and fixed income securities without any geographical or sectoral restrictions. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |

## Risk profile of the typical investor:

Balanced

Investment horizon: This sub-fund may not be suited to investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0171618250 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE0171619266 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Balanced Growth sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Balanced Growth sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Flexible

## PRESENTATION:

Name: DPAM B Balanced Flexible

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors a long-term capital gain by investing in equity securities, fixed income securities of issuers from all parts of the world or undertakings for collective investment.

This is an actively managed sub-fund.

No benchmark is used in the management of the sub-fund. Quantitative information from a broader market may be used for risk management and evaluation by the manager.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

The sub-fund invests principally in shares and/or other securities giving access to capital of companies (to a maximum amount of 60% of its net assets) and in bonds and/or other fixed-rate or floating-rate debt securities with an investment grade [32] rating on the scale used by one of the three rating agencies, Standard & Poor's (S&P)/ Moody's/Fitch, and offering a periodic or capitalised yield. The sub-fund invests a maximum of 3% of its net assets in bonds and/or other fixed-rate or floating-rate debt securities with an inferior rating to investment grade.

In the event that the aforementioned investment criteria are exceeded passively, an adjustment will be made, taking into consideration the interests of the investors.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts, deposits, money market instruments and/or short-term instruments with an investment grade rating. Liquid assets are considered to be fixed rate.

The sub-fund may invest up to 10% of its assets in open-ended undertakings for collective investment in EUR in order to indirectly achieve the objectives listed above or to invest its liquidity.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX Forwards, credit derivatives and forward exchange transactions **both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

[32] Investment Grade: is an interpretation of the rating of the bond issuer in terms of the financial risks. Ratings agencies each use their own scale to assess risk. Investment grade ratings are situated between AAA and BBB- according to the Standard & Poor's (S&P) and Fitch scale and between Aaa and Baa3 according to the Moody's scale. For bonds without an external rating, the manager is responsible for determining whether the issuer satisfies the requirements of an investment grade rating.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, Social and Governance themes (ESG) - sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not fund controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

Finally, the sub-fund also has strong ESG integration, consisting of the consideration – flexibly according to the material challenges of the sectors of activity – of several ESG criteria. Please refer to the "Investment Strategy" section below for a description of this "ESG integration" approach and the criteria it covers.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not meet the Global Standards described below or in companies with controversies that are deemed to be extremely serious.

***Investment strategy:***

*Methodology for selecting ESG investments:*

The sub-fund applies (i) binding investment restrictions in terms of company exposure to certain controversial activities and behaviours and (ii) a non-binding "ESG integration" investment approach:

i) The binding investment restrictions apply to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:
   a) Compliance of the portfolio with the principles of the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and Guiding Principles of the United Nations, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (Engagement policy) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;
   b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at www.dpamfunds.com (*Controversial Activities Policy*).

c) The portfolio's exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at www.dpamfunds.com (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

ii) The ESG integration approach consists of a flexible consideration of the following criteria:

a) The portfolio's exposure to ESG controversies, other than extremely serious controversies (which are formally excluded as in (i) above), i.e. controversies relating to a company's environmental or social impact or governance practices. The managers are informed of the sub-fund's potential exposure to companies involved in ESG controversies, and are encouraged (but not formally constrained) to limit the sub-fund's investments in these companies as much as possible;

b) The ESG rating of the portfolio based on the ESG ratings of the companies held, provided by non-financial rating agencies;

c) The carbon intensity of the portfolio;

d) Generally speaking, sector analysts take into account the most material and relevant ESG elements and information in their research and investment recommendations and managers integrate (without formal exclusions) these material elements and issues in their investment decisions.

DPAM intends to maintain flexibility in the consideration of the four criteria outlined in the ESG integration section (i) above. These criteria therefore do not lead to any formal or systematic exclusion (without prejudice to the exclusions arising from the controversial activities policy listed in point (i) above).

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

i) Portfolio compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) Qualitative ESG approach: Much of DPAM's fundamental research is devoted to governance and corporate governance issues.

iv) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at www.dpamfunds.com (*Voting policy* / *Engagement policy*).

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at www.dpamfunds.com (*Controversial Activities Policy*).

- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Investment restrictions

The sub-fund is subject to the investment restrictions stipulated in articles 74 and 81 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests in both equities and fixed income securities, with the debt component representing a significant proportion of its assets and consisting mainly of investment grade securities. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | Moderate | The sub-fund invests in both equities and fixed income securities, with equities representing a maximum of 60% of its assets. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. The sustainability risk remains, however, as the integration of compliance with these rules is strongly advised but not binding for investment decisions, except for the review of compliance with Global Standards and the negative screening of the seriousness of controversies that issuers may face. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Moderate | The sub-fund invests in both equities and fixed income securities that are considered readily marketable. However, the sub-fund may also be exposed to issuers from the real estate sector and/or small caps and/or corporate bonds. The liquidity of such assets may decrease during periods of market stress and transaction costs may increase significantly. |
| Concentration risk | Low | The sub-fund invests in both equities and fixed income securities without any geographical or sectoral restrictions. |
| Credit risk | Low | The sub-fund invests in both equities and fixed income securities, with the debt component consisting primarily of investment grade securities. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |

## Risk profile of the typical investor:

Prepared to accept a moderate to high level of risk.

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 4 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| B | Capitalisation | EUR | BE0940785794 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6248455063 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Balanced Flexible sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Balanced Flexible sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Bonds Global Inflation Linked

*This sub-fund has been granted exemption by the FSMA and may invest, in accordance with the principle of risk spreading, up to 100% of its assets in various issues of marketable securities and money market instruments issued or guaranteed by one of the following countries: Germany, France, the United States, the United Kingdom, Canada, Japan, Australia, Sweden, Denmark or Italy. These marketable securities and money market instruments will be represented by at least six different issues, none of which may exceed 30% of the sub-fund's total assets.*

## PRESENTATION:

Name: DPAM B Bonds Global Inflation Linked

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors exposure to debt securities denominated in any currency, whose interest payments and/or capital redemption depend on the movement in inflation in a given country or geographical region.

No formal guarantee has been given either to the sub-fund or to its investors.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark.

### Investment policy of the sub-fund:

The sub-fund invests principally, without any form of sector restriction, a minimum of 75% of its net assets , in fixed or floating rate bonds and/or other debt securities, denominated in any currency and for which the payment of interest and/or redemption of capital depends on the movement in inflation in a given country or a geographical region, which may include, but is not limited to the following list: credit-linked notes* and fiduciary notes** with underlying instruments that have identical characteristics.

The sub-fund may, on an ancillary basis, invest in money market instruments such as for example, certificates of deposit, treasury notes and/or promissory notes, and bonds and/or other debt securities, including fixed or floating rate credit-linked notes and fiduciary notes denominated in any currency and on which the payment of interest and/or the redemption of principal is not dependent on the movement in inflation in a given country or geographical region.

In order to be eligible, those marketable securities forming the principal part and the ancillary part of the portfolio, must be (i) issued or guaranteed by a country, including, where applicable, its regional public authorities or by international or supranational public bodies, or (ii) issued by (governmental, public, semi public or private) institutions held or financed by one or several public players, such as countries, regional public authorities or public international law or supranational bodies and undertakings entrusted with the provision of services of public or general interest, or (iii) benefit from a mechanism guaranteeing a priority redemption in the event of default by the issuer.

The payment flows from bonds and/or other debt or equivalent securities, whose interest payments and/or redemption of principle are determined by inflation, generally have the following configuration:

- Coupon payment = coupon in%* nominal amount * (Index t/Index°)
- Reimbursement = nominal amount * (Index T/Index°)

in which:

- Coupon in% = fixed coupon of the bond (which is normally equal to the actual yield on the issue date of the bond)
- Index° = a 3-month inflation index before the issue date of the bond (base index)
- Index T = a 3-month inflation index before the payment date
- Index T = a 3-month inflation index before the due date

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

The sub-fund may invest a maximum of 10% of its assets in open-ended undertakings for collective investment in order to indirectly achieve the above-mentioned target or place its liquidity.

* Credit-Linked Note: financial instrument issued by a financial institution in the form of a debt security on which the payment is connected to another bond or loan.

** Fiduciary Note: differs from a credit linked note in that the buyer does not bear risk of the financial institution which issues it.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, FX Forwards, credit derivatives and forward exchange futures transactions **both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social aspects of the sub-fund, as described below.

***Credit linked notes (CLN) and fiduciary notes:***

Given that the sub-fund may invest in credit-linked notes it is exposed to the risk of credit deterioration of the underlying reference as well as a separate risk of default by the issuer which could result in a total loss of the amount invested. The sub-fund may also invest in fiduciary notes, it will in such cases be exposed only to a risk of deterioration of the underlying reference credit.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, Social and Governance themes (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**). This promotion consists of the exclusion of countries that do not respect a minimum of democratic requirements.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. To do this, the sub-fund has an exclusion policy.

***Investment strategy***

*Methodology for selecting ESG investments:*

**Exclusion of countries that do not meet minimum democratic requirements:** the sub-fund does not invest in countries that do not meet minimum democratic requirements. To determine whether a country does not meet this minimum requirement the manager applies a methodology that is mainly based on the classifications of the International NGO Freedom House ("not free") and The Economist Intelligence Unit ("authoritarian regime").

This exclusion and the underlying methodology are detailed in DPAM's Sustainable and Responsible Investment Policy (section on "Sovereign Bonds") which is available at www.dpamfunds.com (Sustainable & Responsible Investment policy).

This exclusion applies both at the time of purchase of a position and during the holding of the position in the portfolio. In the event that a country is downgraded, the Manager will sell the relevant investment in the interest of the sub-fund's shareholders within three months.

*Good governance criteria*

Good governance criteria such as the electoral process, civil liberties, national and local democratic governance are included in the models used by the International NGO Freedom House and the Economist Intelligence Unit.

***Company in charge of the evaluation of ESG selection criteria***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether an issuer complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website www.dpamfunds.com.

## Benchmark:

The sub-fund uses the following index as its benchmark: Bloomberg Universal Inflation Linked GDP Weighted IG.

This index represents the global market for inflation-linked bonds. This is a custom index for DPAM calculated by Bloomberg Index Services Limited. The index includes inflation-linked bonds issued by countries with an investment-grade rating. Countries are weighted according to their GDP (gross domestic product). The performance is calculated by reinvesting the coupons paid by the debt securities included in the index.

***Index administrator:***

Bloomberg Index Services Limited is listed in the register held by ESMA (European Securities and Markets Authority).

***Use of the benchmark:***

The benchmark is used to compare performance. The selection and weighting of the assets in the sub-fund's portfolio may differ significantly from the composition of the benchmark.

The benchmark is not aligned with the promotion of the environmental and social characteristics of the sub-fund. Please refer to the "Investment Strategy" section above for an explanation of how the sub-fund promotes environmental and social characteristics.

***Unpublished change or index:***

The management company has put in place sound written plans that cover the assumptions in the event that the index is no longer published or in the event of a substantial change in its composition. The board of directors of the SICAV will, if necessary, choose another index in accordance with these plans.

## Investment restrictions

The sub-fund is subject to the investment restrictions stipulated in articles 74 and 81 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |

| | | |
|---|---|---|
| Concentration risk | Moderate | The sub-fund's portfolio is largely composed of debt securities (any currency) for which the payment of interest and/or the repayment of principal depends on the evolution of inflation in a given country or geographical region, which may make the portfolio particularly sensitive to the economic evolution of this area. |
| Risks relating to derivative products | Moderate | The investment policy allows for derivatives. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. An exclusion of countries that do not respect a minimum of democratic requirements is applied. Sustainability risk remains, however, and the impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Credit risk | Low | The sub-fund invests primarily in bonds issued/guaranteed by governments or related institutions. |
| Hedging risk (applicable only to "Hedged" share classes) | Low | Between 95% and 105% of the initial currency exposure of the "hedged" share classes is covered. If the exposure is not fully (100%) hedged, there will be a residual exposure to the currency in which the instrument is denominated rather than to the currency being hedged. |
| Liquidity risk | Low | The sub-fund invests primarily in government or government-guaranteed bonds that are considered readily marketable. |
| Market risk | Low | The sub-fund invests primarily in government bonds. |

## Risk profile of the typical investor:

Defensive

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 3 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE0948790333 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE0948791349 | Registered/Dematerialized |
| B LC | Capitalisation | EUR | BE6321376806 | Registered/Dematerialized |
| A EUR HEDGED* | Distribution | EUR | BE6252761448 | Registered/Dematerialized |
| B EUR HEDGED * | Capitalisation | EUR | BE6252762453 | Registered/Dematerialized |
| E | Distribution | EUR | BE0948792354 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE0948793360 | Registered/Dematerialized |
| F LC | Capitalisation | EUR | BE6321377812 | Registered/Dematerialized |
| E EUR HEDGED* | Distribution | EUR | BE6252763469 | Registered/Dematerialized |
| F EUR HEDGED* | Capitalisation | EUR | BE6252764475 | Registered/Dematerialized |
| J | Capitalisation | EUR | BE6299354777 | Registered/Dematerialized |
| J EUR HEDGED* | Capitalisation | EUR | BE6304412917 | Registered/Dematerialized |
| M | Distribution | EUR | BE6299356798 | Registered/Dematerialized |

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| N | Capitalisation | EUR | BE6299357804 | Registered/Dematerialized |
| M EUR HEDGED* | Distribution | EUR | BE6304413923 | Registered/Dematerialized |
| N EUR HEDGED* | Capitalisation | EUR | BE6304414939 | Registered/Dematerialized |
| V | Distribution | EUR | BE6309886362 | Registered/Dematerialized |
| V EUR HEDGED* | Distribution | EUR | BE6328640691 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6309887378 | Registered/Dematerialized |
| W EUR HEDGED* | Capitalisation | EUR | BE6328641707 | Registered/Dematerialized |
| P | Capitalisation | EUR | BE6253170656 | Registered/Dematerialized |
| P EUR HEDGED* | Capitalisation | EUR | BE6264039700 | Registered/Dematerialized |

** "Hedged" classes*

- The exchange risk exposure to the reference currency of the sub-fund will be hedged for between 95% and 105% of the part of the net asset value of the hedged class that must be hedged.
- Each class concerned may incur additional costs of 0.01% per month for this exchange risk hedging policy. The interest rate differential between the euro and the currencies hedged will have an influence on the net asset value of the hedged class via the exchange risk hedging transactions.

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Bonds Global Inflation Linked sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Bonds Global Inflation Linked sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Bonds EUR Quality Short Term

## PRESENTATION:

Name: DPAM B Bonds EUR Quality Short Term

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors exposure to debt securities denominated in euros, whose issuers have (i) a minimum investment grade rating* and (iii) a residual term of no more than three years.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

The sub-fund invests mainly, without sector or geographical restriction, in fixed or floating rate bonds and/or debt securities, or equivalents denominated in euros. The securities or, failing this, the issuers, must have a minimum rating of BBB-/Baa3 ('investment grade') on the scale used by S&P and Moody's rating agencies and the residual term of which does not exceed 3 years at the time of acquisition.

The sub-fund may also hold liquid assets on a secondary or temporary basis in the form of current accounts and deposits in a maximum of 25%.

The sub-fund may invest a maximum of 10% of its assets in open-ended undertakings for collective investment in order to indirectly achieve the above-mentioned target or place its liquidity.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

* Investment Grade: is an interpretation of the rating of the bond issuer in terms of the financial risks. Ratings agencies each use their own scale to assess risk. "Investment grade" ratings are situated between AAA and BBB- according to the Standard & Poor's (S&P) scale and between Aaa and Baa3 according to the Moody's scale.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, without sector restriction both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

If, following changes in market conditions or owing to specific information about an issuer, the securities no longer meet the criteria mentioned above, the situation will later be rectified in the interest of the shareholders of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, FX Forwards, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, Social and Governance themes (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("Regulation 2019/2088"), through a rigorous methodology (see Methodology for selecting ESG investments) with the aim to defend fundamental rights, not finance controversial activities that could affect the long-term reputation of investments and to promote best practices and best efforts in sustainability.

The promotion of environmental and social characteristics applies to the entire portfolio with the exception of cash, potential derivatives, undertakings for collective investment and issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

DPAM's due diligence policies in relation to the main negative impacts of investment decisions are set out in the policy on sustainable and responsible investment which is available at *www.dpamfunds.com* (*Sustainable & Responsible Investment policy*).

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

Nevertheless, the sub-fund aims to apply a precautionary principle so as not to "cause significant harm" to the environment or society. In doing so, the sub-fund applies DPAM's controversial activities policy for "conventional" strategies as detailed in the section "Methodology for selecting ESG investments" below and available at *www.dpamfunds.com* (*Controversial Activities Policy*). The sub-fund does not invest in companies that do not meet the Global Standards described below or in companies with controversies that are deemed to be extremely serious.

***Investment strategy:***

*Methodology for selecting ESG investments:*

i) With regard to debt securities other than those issued by governments, their political bodies, institutions or supranational organisations, the sub-fund applies binding investment restrictions to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

   a) Compliance of the portfolio with the principles of the **Global Standards** described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the Guiding Principles of the United Nations, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased. In the event of an issuer being downgraded to non-compliant status, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (Engagement policy) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

   b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal. These exclusions apply both at the time of purchase of a position and during the holding of the position in the portfolio.

Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at www.dpamfunds.com (*Controversial Activities Policy*).

c) The portfolio's exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment at the time the position is purchased. In the event of an issuer being exposed to an extremely serious controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy (available at www.dpamfunds.com (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision;

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

ii) With regard to debt securities issued by states, their political bodies or institutions, the sub-fund does not invest in states that are considered "not free" and "authoritarian" according to international sources i.e. the international NGO Freedom House and the Democracy Index published by The Economist Intelligence Unit at the time the position in purchased.

In the event that a country is downgraded to "not free" and "authoritarian" status, the Investment Manager will sell the relevant investment in the interest of the sub-fund's shareholders within three months.

*Good governance criteria:*

Good governance criteria, which are an integral part of active shareholding, engagement and responsible and sustainable investment policies, are included in the investment decision process through the various steps described in the "Methodology for selecting ESG investments" section above:

i) Portfolio compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.

ii) The portfolio's exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at www.dpamfunds.com (*Voting policy* / *Engagement policy*).

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at www.dpamfunds.com (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

DPAM is the company in charge of the evaluation of ESG selection criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website www.dpamfunds.com.

## Investment restrictions

The sub-fund is subject to the investment restrictions stipulated in articles 74 and 81of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests primarily in fixed income securities. |
| Concentration risk | Moderate | As the portfolio is mainly composed of debt securities issued or guaranteed by Eurozone companies, it is likely to be more specifically exposed to the economic performance of the Eurozone. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. A review of compliance with Global Standards and a negative screening of the seriousness of controversies is applied. Sustainability risk remains, however, and the impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Moderate | The sub-fund invests primarily in investment grade corporate bonds with short maturities that are considered readily marketable. Liquidity may fall during periods of market tension and transaction costs may rise significantly. |
| Market risk | Low | The sub-fund invests primarily in investment grade corporate bonds with short maturities. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |
| Credit risk | Low | The sub-fund invests primarily in investment grade bonds. |

## Risk profile of the typical investor:

Defensive

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 3 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6214976894 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6214977900 | Registered/Dematerialized |
| B LC | Capitalisation | EUR | BE6321378828 | Registered/Dematerialized |
| E | Distribution | EUR | BE6214978916 | Registered/Dematerialized |

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| F | Capitalisation | EUR | BE6214979922 | Registered/Dematerialized |
| F LC | Capitalisation | EUR | BE6321380840 | Registered/Dematerialized |
| P | Capitalisation | EUR | BE6253169641 | Registered/Dematerialized |
| J | Capitalisation | EUR | BE6299360832 | Registered/Dematerialized |
| M | Distribution | EUR | BE6299362853 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6299363869 | Registered/Dematerialized |
| V | Distribution | EUR | BE6309883336 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6309885356 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Bonds EUR Quality Short Term sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Bonds EUR Quality Short Term sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Defensive Strategy

## PRESENTATION:

Name: DPAM B Defensive Strategy

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors, through investment respectively in undertakings for collective investment in debt securities, undertakings for collective investments in equity securities and/or debt securities, undertakings for collective investment in equity securities and/or debt or real estate securities a medium-term capital gain by investing in debt securities of issuers from throughout the world.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

No formal capital protection or guarantee is given to the investors of the sub-fund.

### Investment policy of the sub-fund:

The sub-fund principally invests, without any sector or geographical restriction, in bond investment funds (undertakings for collective investment in marketable securities and/or other undertakings for collective investment (undertakings for collective investment in marketable securities and/or other undertakings for collective investment).

The sub-fund may also invest directly in shares, bonds or other debt securities up to a maximum of 20% of its net assets.

The sub-fund aims to limit its (direct and indirect) investments in shares and other equity securities to approx. 30% of its net assets. Under certain circumstances relating to market conditions or the efficiency of the investment strategy, the sub-fund may be justified in exceeding this threshold.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

On the other hand, the manager of the sub-fund will use DPAM's undertakings for collective investment and third-party undertakings for collective investment, the selection of which is based on a qualitative analysis focusing on five points: investment philosophy and process, performance, risks, transparency and costs. This selection also takes into account the environmental, social and governance (ESG) aspects below.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX Forwrads, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Environmental, Social and Governance themes (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**Regulation 2019/2088**").

Environmental and social characteristics are promoted through investments in undertakings for collective investment ("UCI") managed by DPAM or third-party managers and through direct portfolio investments.

This sub-fund invests at least 75% of its net assets in:

- UCIs which promote, inter alia, environmental or social characteristics within the meaning of Regulation 2019/2088 and/or UCIs which have a sustainable investment objective within the meaning of Regulation 2019/2088 (indirect investments); and/or
- securities that meet the environmental and social characteristics it promotes (direct investments).

The remaining 25% of the assets may be invested in (i) UCIs that do not promote environmental or social characteristics and/or do not have a sustainable investment objective of Regulation 2019/2088, (ii) UCIs that are not subject to Regulation 2019/2088, (iii) cash, (iv) derivatives, and (v) issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

***Investment strategy:***

*Methodology for selecting ESG investments:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*

The binding investment restrictions applicable to the direct lines or underlying investments of the UCIs managed by DPAM apply to securities involved in controversial activities (a) securities which do not comply with the Global Standards described below (b), and securities involved in extremely serious controversies (c):

a) Compliance with the principles of the **Global Standards** described below: The sub-fund does not invest, either directly or indirectly through its investments in UCIs managed by DPAM, in companies which do not meet the Global Standards described below: The sub-fund does not invest in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased.

b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes, directly or indirectly via its investments in UCIs managed by DPAM, companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes, directly or indirectly from its investments in UCIs managed by DPAM, securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal.

   Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).

c) The exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment by the sub-fund or by the DPAM-managed UCI in which the sub-fund invests at the time the position is purchased.

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

In its investments in sovereign bonds, the sub-fund does not invest, either directly or via its investments in UCIs managed by DPAM, in countries considered not to meet a democratic minimum.

The exclusion of securities on the basis of the binding criteria of the investment strategy are those which apply to the underlyings of the UCIs managed by DPAM and the direct lines. These are therefore the rules that apply both at the time of purchase of a position and during the holding of the position in the portfolio.

For direct investments, in the event of an issuer being downgraded to non-compliant status or exposed to an extremely serious ESG controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement

and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision; The same engagement policy applies to the underlying investments of the UCIs managed by DPAM in which the sub-fund is invested.

*Investments in UCIs managed by third party managers:*
As mentioned above, the sub-fund's ESG investments may include investments in UCIs managed by third-party managers, which are classified as UCIs that promote, inter alia, environmental and/or social characteristics within the meaning of Regulation 2019/2088 and/or have a sustainable investment objective within the meaning of Regulation 2019/2088.

In its selection of these UCIs for the sub-fund, DPAM therefore takes into account the integration of environmental, social and/or governance criteria by the third-party manager in the management of these funds. The investment strategy and methodology for selecting ESG and/or sustainable investments by third-party managers may vary from UCI to UCI.

If a UCI no longer has the above-mentioned classification (article 8 or article 9 according to Regulation 2019/2088) according to the information declared in its prospectus or information document, DPAM will sell the investment in the UCI concerned in the interest of the shareholders of the sub-fund within six months if such a sale is necessary in order to comply, at the global level of the sub-fund, with the environmental and social characteristics promoted.

*Good governance criteria:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*
The criteria of good governance, which are an integral part of the active shareholding, the engagement and the responsible and sustainable investment policies, are an integral part of the investment decision process of the sub-fund in the direct lines as well as of the investment decision process of the UCIs managed by DPAM in which the sub-fund is invested, through the different stages described above of the investment decision process:

i) Compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.
ii) The exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

*Investments in UCIs managed by third party managers:*
The promotion of environmental and social characteristics through investments in UCIs managed by third party managers is done through UCIs which promote, among other things, environmental or social characteristics within the meaning of Regulation 2019/2088 or have a sustainable investment objective within the meaning of Regulation 2019/2088. In accordance with Regulation 2019/2088, the companies in which investments are made by these UCIs must apply good governance practices. The way in which compliance with this requirement is verified may vary from UCI to UCI.

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

For direct investments or underlying investments of the UCIs managed by DPAM, DPAM is the company in charge of assessing the ESG screening criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM

therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Investment restrictions:

The sub-fund is subject to the investment restrictions stipulated in articles 74 and 81 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests in both equities and fixed income securities. This risk may also be associated with the funds in which the sub-fund invests. |
| Credit risk | High | The sub-fund invests in both equities and fixed income securities. The sub-fund may potentially be exposed to bonds from issuers that do not have an investment grade rating. This risk may also be associated with the funds in which the sub-fund invests. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. Nevertheless, the risk of sustainability remains. In addition to the risk arising from the positions the sub-fund holds directly, sustainability risk may materialise indirectly. The sub-fund is mainly invested via other UCIs managed either by DPAM or by third parties, each of which carries out its own sustainability controls. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Moderate | The portfolio of the sub-fund invests in both equities and fixed income securities that are considered readily marketable. However, the sub-fund may also be exposed to issuers from the real estate sector and/or small caps and/or corporate bonds. The liquidity of such assets may decrease during periods of market stress and transaction costs may increase significantly. This risk may also be associated with the funds in which the sub-fund invests. |
| Market risk | Low | The sub-fund invests in both equities and fixed income securities, mainly through investments in other funds, and aims to limit its investment in equities (through direct or indirect investments) to approximately 30% of its assets. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. This risk may also be associated with the funds in which the sub-fund invests. |
| Concentration risk | Low | The portfolio of the sub-fund invests in both equities and fixed income securities without any geographical or sectoral restrictions. |

## Risk profile of the typical investor:

Prepared to accept a low to moderate level of risk.

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 2 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6227491915 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6227492921 | Registered/Dematerialized |
| E | Distribution | EUR | BE6299349728 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6299350734 | Registered/Dematerialized |
| M | Distribution | EUR | BE6299351740 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6299352755 | Registered/Dematerialized |
| V | Distribution | EUR | BE6309888384 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6309889390 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Defensive Strategy sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Defensive Strategy sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Low Strategy

## PRESENTATION:

Name: DPAM B Balanced Low Strategy

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors, through investment respectively in undertakings for collective investment in debt securities, undertakings for collective investments in equity securities and/or debt securities, undertakings for collective investment in equity securities and/or debt or real estate securities a moderate medium-term and long-term capital gain by investing in equities and/or debt securities of issuers from throughout the world.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

No formal capital protection or guarantee is given to the investors of the sub-fund.

### Investment policy of the sub-fund:

The sub-fund principally invests, without any sector or geographical restriction, in bonds and equities investment funds (undertakings for collective investment in marketable securities and/or other undertakings for collective investment (undertakings for collective investment n marketable securities and/or other undertakings for collective investment).

The sub-fund may also invest directly in shares, bonds or other debt securities up to a maximum of 20% of its net assets.

The sub-fund aims to limit its (direct and indirect) investments in shares and other equity securities to approx. 50% of its net assets. Under certain circumstances relating to market conditions or the efficiency of the investment strategy, the sub-fund may be justified in exceeding this threshold.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

On the other hand, the manager of the sub-fund will use DPAM's undertakings for collective investment and third party undertakings for collective investment whose selection is based on a qualitative analysis focusing on five points: investment philosophy and process, performance, risks, transparency and costs. This selection also takes into account the environmental, social and governance (ESG) aspects below.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX Forwards, credit derivatives and forward exchange transactions **both for the purpose of achieving the investment objectives and for the purpose of risk**

**hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Environmental, Social and Governance themes (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**).

Environmental and social characteristics are promoted through investments in undertakings for collective investment ("UCI") managed by DPAM or third-party managers and through direct portfolio investments.

This sub-fund invests at least 75% of its net assets in:

- UCIs which promote, inter alia, environmental or social characteristics within the meaning of Regulation 2019/2088 and/or UCIs which have a sustainable investment objective within the meaning of Regulation 2019/2088 (indirect investments); and/or
- securities that meet the environmental and social characteristics it promotes (direct investments).

The remaining 25% of the assets may be invested in (i) UCIs that do not promote environmental or social characteristics and/or do not have a sustainable investment objective of Regulation 2019/2088, (ii) UCIs that are not subject to Regulation 2019/2088, (iii) cash, (iv) derivatives, and (v) issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

***Investment strategy:***

*Methodology for selecting ESG investments:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*

The binding investment restrictions applicable to the direct lines or underlying investments of the UCIs managed by DPAM apply to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

a) Compliance with the principles of the **Global Standards** described below: The sub-fund does not invest, directly or indirectly via its investments in UCIs managed by DPAM, in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased.

b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes, directly or indirectly via its investments in UCIs managed by DPAM, companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes, directly or indirectly from its investments in UCIs managed by DPAM, securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal.

   Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).

c) The exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment by the sub-fund or by the DPAM-managed UCI in which the sub-fund invests at the time the position is purchased.

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

In its investments in sovereign bonds, the sub-fund does not invest, either directly or via its investments in UCIs managed by DPAM, in countries considered not to meet a democratic minimum.

The exclusion of securities on the basis of the binding criteria of the investment strategy are those which apply to the underlyings of the UCIs managed by DPAM and the direct lines. These are therefore the rules that apply both at the time of purchase of a position and during the holding of the position in the portfolio.

For direct investments, in the event of an issuer being downgraded to non-compliant status or exposed to an extremely serious ESG controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is

available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision; The same engagement policy applies to the underlying investments of the UCIs managed by DPAM in which the sub-fund is invested.

*Investments in UCIs managed by third party managers:*
As mentioned above, the sub-fund's ESG investments may include investments in UCIs managed by third-party managers, which are classified as UCIs that promote, inter alia, environmental and/or social characteristics within the meaning of Regulation 2019/2088 and/or have a sustainable investment objective within the meaning of Regulation 2019/2088.

In its selection of these UCIs for the sub-fund, DPAM therefore takes into account the integration of environmental, social and/or governance criteria by the third-party manager in the management of these funds. The investment strategy and methodology for selecting ESG and/or sustainable investments by third party managers may vary from UCI to UCI.

If a UCI no longer has the above-mentioned classification (article 8 or article 9 according to Regulation 2019/2088) according to the information declared in its prospectus or information document, DPAM will sell the investment in the UCI concerned in the interest of the shareholders of the sub-fund within six months if such a sale is necessary in order to comply, at the global level of the sub-fund, with the environmental and social characteristics promoted.

*Good governance criteria:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*
The criteria of good governance, which are an integral part of the active shareholding, the engagement and the responsible and sustainable investment policies, are an integral part of the investment decision process of the sub-fund in the direct lines as well as of the investment decision process of the UCIs managed by DPAM in which the sub-fund is invested, through the different stages described above of the investment decision process:

i) Compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.
ii) The exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

*Investments in UCIs managed by third party managers:*
The promotion of environmental and social characteristics through investments in UCIs managed by third party managers is done through UCIs which promote, among other things, environmental or social characteristics within the meaning of Regulation 2019/2088 or have a sustainable investment objective within the meaning of Regulation 2019/2088. In accordance with Regulation 2019/2088, the companies in which investments are made by these UCIs must apply good governance practices. The way in which compliance with this requirement is verified may vary from UCI to UCI.

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of major ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

For direct investments or underlying investments of the UCIs managed by DPAM, DPAM is the company in charge of assessing the ESG screening criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM

has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Investment restrictions

The sub-fund is subject to the investment restrictions stipulated in articles 84 and 71 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests in both equities and fixed income securities. This risk may also be associated with the funds in which the sub-fund invests. |
| Credit risk | High | The sub-fund invests in both equities and fixed income securities. The sub-fund may potentially be exposed to bonds from issuers that do not have an investment grade rating. This risk may also be associated with the funds in which the sub-fund invests. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | Moderate | The sub-fund invests in both equities and fixed income securities, mainly through investments in other funds, and aims to limit its investment in equities (through direct or indirect investments) to approximately 45% of its assets. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. Nevertheless, the risk of sustainability remains. In addition to the risk arising from the positions the sub-fund holds directly, sustainability risk may materialise indirectly. The sub-fund is mainly invested via other UCIs managed either by DPAM or by third parties, each of which carries out its own sustainability controls. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Moderate | The sub-fund invests in both equities and fixed income securities that are considered readily marketable. However, the sub-fund may also be exposed to issuers from the real estate sector and/or small caps and/or corporate bonds. The liquidity of such assets may decrease during periods of market stress and transaction costs may increase significantly. This risk may also be associated with the funds in which the sub-fund invests. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. This risk may also be associated with the funds in which the sub-fund invests. |
| Concentration risk | Low | The sub-fund invests in both equities and fixed income securities without any geographical or sectoral restrictions. |

## Risk profile of the typical investor:

Prepared to accept a moderate to average level of risk.

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 3 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6264045764 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6264046770 | Registered/Dematerialized |
| E | Distribution | EUR | BE6299367902 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6299368918 | Registered/Dematerialized |
| M | Distribution | EUR | BE6299369924 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6299370930 | Registered/Dematerialized |
| V | Distribution | EUR | BE6309879292 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6309880308 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Balanced Low Strategy sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Balanced Low Strategy sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Balanced Strategy

## PRESENTATION:

Name: DPAM B Balanced Strategy

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors, through investment respectively in undertakings for collective investment in debt securities, undertakings for collective investments in equity securities and/or debt securities, undertakings for collective investment in equity securities and/or debt or real estate securities a moderate medium-term and long-term capital gain by investing in equities and/or debt securities of issuers from throughout the world.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

No formal capital protection or guarantee is given to the investors of the sub-fund.

### Investment policy of the sub-fund:

The sub-fund principally invests, without any sector or geographical restriction, in bonds and equities investment funds (undertakings for collective investment in marketable securities and/or other undertakings for collective investment (undertakings for collective investment n marketable securities and/or other undertakings for collective investment).

The sub-fund may also invest directly in shares, bonds or other debt securities up to a maximum of 20% of its net assets.

The sub-fund aims to limit its (direct and indirect) investments in shares and other equity securities to approx. 65% of its net assets. Under certain circumstances relating to market conditions or the efficiency of the investment strategy, the sub-fund may be justified in exceeding this threshold.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

On the other hand, the manager of the sub-fund will use DPAM's undertakings for collective investment and third-party undertakings for collective investment, the selection of which is based on a qualitative analysis focusing on five points: investment philosophy and process, performance, risks, transparency and costs. This selection also takes into account the environmental, social and governance (ESG) aspects below.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX Forwards, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Environmental, Social and Governance themes (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**).

Environmental and social characteristics are promoted through investments in undertakings for collective investment ("UCI") managed by DPAM or third-party managers and through direct portfolio investments.

This sub-fund invests at least 75% of its net assets in:

- UCIs which promote, inter alia, environmental or social characteristics within the meaning of Regulation 2019/2088 and/or UCIs which have a sustainable investment objective within the meaning of Regulation 2019/2088 (indirect investments); and/or
- securities that meet the environmental and social characteristics it promotes (direct investments).

The remaining 25% of the assets may be invested in (i) UCIs that do not promote environmental or social characteristics and/or do not have a sustainable investment objective of Regulation 2019/2088, (ii) UCIs that are not subject to Regulation 2019/2088, (iii) cash, (iv) derivatives, and (v) issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

***Investment strategy:***

*Methodology for selecting ESG investments:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*

The binding investment restrictions applicable to the direct lines or underlying investments of the UCIs managed by DPAM apply to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

a) Compliance with the principles of the **Global Standards** described below: The sub-fund does not invest, directly or indirectly via its investments in UCIs managed by DPAM, in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased.

b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes, directly or indirectly via its investments in UCIs managed by DPAM, companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes, directly or indirectly from its investments in UCIs managed by DPAM, securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal.

   Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).

c) The exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment by the sub-fund or by the DPAM-managed UCI in which the sub-fund invests at the time the position is purchased.

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

In its investments in sovereign bonds, the sub-fund does not invest, either directly or via its investments in UCIs managed by DPAM, in countries considered not to meet a democratic minimum.

The exclusion of securities on the basis of the binding criteria of the investment strategy are those which apply to the underlyings of the UCIs managed by DPAM and the direct lines. These are therefore the rules that apply both at the time of purchase of a position and during the holding of the position in the portfolio.

For direct investments, in the event of an issuer being downgraded to non-compliant status or exposed to an extremely serious ESG controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the

interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision. The same engagement policy applies to the underlying investments of the UCIs managed by DPAM in which the sub-fund is invested.

*Investments in UCIs managed by third party managers:*
As mentioned above, the sub-fund's ESG investments may include investments in UCIs managed by third-party managers, which are classified as UCIs that promote, inter alia, environmental and/or social characteristics within the meaning of Regulation 2019/2088 and/or have a sustainable investment objective within the meaning of Regulation 2019/2088.

In its selection of these UCIs for the sub-fund, DPAM therefore takes into account the integration of environmental, social and/or governance criteria by the third-party manager in the management of these funds. The investment strategy and methodology for selecting ESG and/or sustainable investments by third party managers may vary from UCI to UCI.

If a UCI no longer has the above-mentioned classification (article 8 or article 9 according to Regulation 2019/2088) according to the information declared in its prospectus or information document, DPAM will sell the investment in the UCI concerned in the interest of the shareholders of the sub-fund within six months if such a sale is necessary in order to comply, at the global level of the sub-fund, with the environmental and social characteristics promoted.

*Good governance criteria:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*
The criteria of good governance, which are an integral part of the active shareholding, the engagement and the responsible and sustainable investment policies, are an integral part of the investment decision process of the sub-fund in the direct lines as well as of the investment decision process of the UCIs managed by DPAM in which the sub-fund is invested, through the different stages described above of the investment decision process:

i) Compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.

ii) The exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

*Investments in UCIs managed by third party managers:*
The promotion of environmental and social characteristics through investments in UCIs managed by third party managers is done through UCIs which promote, among other things, environmental or social characteristics within the meaning of Regulation 2019/2088 or have a sustainable investment objective within the meaning of Regulation 2019/2088. In accordance with Regulation 2019/2088, the companies in which investments are made by these UCIs must apply good governance practices. The way in which compliance with this requirement is verified may vary from UCI to UCI.

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

For direct investments or underlying investments of the UCIs managed by DPAM, DPAM is the company in charge of assessing the ESG screening criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM

therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Investment restrictions

The sub-fund is subject to the investment restrictions stipulated in articles 74 and 81 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Inflation risk | High | The sub-fund invests in both equities and fixed income securities. This risk may also be associated with the funds in which the sub-fund invests. |
| Credit risk | High | The sub-fund invests in both equities and fixed income securities. The sub-fund may potentially be exposed to bonds from issuers that do not have an investment grade rating. This risk may also be associated with the funds in which the sub-fund invests. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Market risk | Moderate | The sub-fund invests in both equities and fixed income securities, mainly through investments in other funds, and aims to limit its investment in equities (through direct or indirect investments) to approximately 65% of its assets. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. Nevertheless, the risk of sustainability remains. In addition to the risk arising from the positions the sub-fund holds directly, sustainability risk may materialise indirectly. The sub-fund is mainly invested via other UCIs managed either by DPAM or by third parties, each of which carries out its own sustainability controls. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Moderate | The sub-fund invests in both equities and fixed income securities that are considered readily marketable. However, the sub-fund may also be exposed to issuers from the real estate sector and/or small caps and/or corporate bonds. The liquidity of such assets may decrease during periods of market stress and transaction costs may increase significantly. This risk may also be associated with the funds in which the sub-fund invests. |
| Concentration risk | Low | The sub-fund invests in both equities and fixed income securities without any geographical or sectoral restrictions. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. This risk may also be associated with the funds in which the sub-fund invests. |

## Risk profile of the typical investor:

Prepared to accept a moderate to high level of risk.

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 4 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6227493937 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6227494943 | Registered/Dematerialized |
| E | Distribution | EUR | BE6299371946 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6299372951 | Registered/Dematerialized |
| M | Distribution | EUR | BE6299373967 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6299374973 | Registered/Dematerialized |
| V | Distribution | EUR | BE6309881314 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6309882320 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Balanced Strategy sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Balanced Strategy sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Active Strategy

## PRESENTATION:

Name: DPAM B Active Strategy

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors, through investment respectively in undertakings for collective investment in debt securities, undertakings for collective investments in equity securities and/or debt securities, undertakings for collective investment in equity securities and/or debt or real estate securities a medium-term capital gain by investing in equities and/or debt securities of issuers from throughout the world. No formal capital protection or guarantee is given to the investors of the sub-fund.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

### Investment policy of the sub-fund:

The sub-fund principally invests, without any sector or geographical restriction, in equity investment funds (undertakings for collective investment in marketable securities and/or other undertakings for collective investment (undertakings for collective investment in marketable securities and/or other undertakings for collective investment).

The sub-fund may also invest directly in shares, bonds or other debt securities up to a maximum of 20% of its net assets.

The sub-fund aims to limit its (direct and indirect) investments in shares and other equity securities to approx. 85% of its net assets. Under certain circumstances relating to market conditions or the efficiency of the investment strategy, the sub-fund may be justified in exceeding this threshold.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

On the other hand, the manager of the sub-fund will use DPAM's undertakings for collective investment and third party undertakings for collective investment, the selection of which is based on a qualitative analysis focusing on five points: investment philosophy and process, performance, risks, transparency and costs. This selection also takes into account the environmental, social and governance (ESG) aspects below.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX Forwards, credit derivatives and forward exchange transactions **both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.**

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Environmental, Social and Governance themes (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**).

Environmental and social characteristics are promoted through investments in undertakings for collective investment ("UCI") managed by DPAM or third-party managers and through direct portfolio investments.

This sub-fund invests at least 75% of its net assets in:

- UCIs which promote, inter alia, environmental or social characteristics within the meaning of Regulation 2019/2088 and/or UCIs which have a sustainable investment objective within the meaning of Regulation 2019/2088 (indirect investments); and/or
- securities that meet the environmental and social characteristics it promotes (direct investments).

The remaining 25% of the assets may be invested in (i) UCIs that do not promote environmental or social characteristics and/or do not have a sustainable investment objective of Regulation 2019/2088, (ii) UCIs that are not subject to Regulation 2019/2088, (iii) cash, (iv) derivatives, and (v) issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

***Investment strategy:***

*Methodology for selecting ESG investments:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*

The binding investment restrictions applicable to the direct lines or underlying investments of the UCIs managed by DPAM apply to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

a) Compliance with the principles of the **Global Standards** described below: The sub-fund does not invest, directly or indirectly via its investments in UCIs managed by DPAM, in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased.

b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes, directly or indirectly via its investments in UCIs managed by DPAM, companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes, directly or indirectly from its investments in UCIs managed by DPAM, securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal.

   Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).

c) The exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment by the sub-fund or by the DPAM-managed UCI in which the sub-fund invests at the time the position is purchased.

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

In its investments in sovereign bonds, the sub-fund does not invest, either directly or via its investments in UCIs managed by DPAM, in countries considered not to meet a democratic minimum.

The exclusion of securities on the basis of the binding criteria of the investment strategy are those which apply to the underlyings of the UCIs managed by DPAM and the direct lines. These are therefore the rules that apply both at the time of purchase of a position and during the holding of the position in the portfolio.

For direct investments, in the event of an issuer being downgraded to non-compliant status or exposed to an extremely serious ESG controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the

interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision; The same engagement policy applies to the underlying investments of the UCIs managed by DPAM in which the sub-fund is invested.

*Investments in UCIs managed by third party managers:*
As mentioned above, the sub-fund's ESG investments may include investments in UCIs managed by third-party managers, which are classified as UCIs that promote, inter alia, environmental and/or social characteristics within the meaning of Regulation 2019/2088 and/or have a sustainable investment objective within the meaning of Regulation 2019/2088.

In its selection of these UCIs for the sub-fund, DPAM therefore takes into account the integration of environmental, social and/or governance criteria by the third-party manager in the management of these funds. The investment strategy and methodology for selecting ESG and/or sustainable investments by third party managers may vary from UCI to UCI.

If a UCI no longer has the above-mentioned classification (article 8 or article 9 according to Regulation 2019/2088) according to the information declared in its prospectus or information document, DPAM will sell the investment in the UCI concerned in the interest of the shareholders of the sub-fund within six months if such a sale is necessary in order to comply, at the global level of the sub-fund, with the environmental and social characteristics promoted.

*Good governance criteria:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*
The criteria of good governance, which are an integral part of the active shareholding, the engagement and the responsible and sustainable investment policies, are an integral part of the investment decision process of the sub-fund in the direct lines as well as of the investment decision process of the UCIs managed by DPAM in which the sub-fund is invested, through the different stages described above of the investment decision process:

i) Compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.

ii) The exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.

iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

*Investments in UCIs managed by third party managers:*
The promotion of environmental and social characteristics through investments in UCIs managed by third party managers is done through UCIs which promote, among other things, environmental or social characteristics within the meaning of Regulation 2019/2088 or have a sustainable investment objective within the meaning of Regulation 2019/2088. In accordance with Regulation 2019/2088, the companies in which investments are made by these UCIs must apply good governance practices. The way in which compliance with this requirement is verified may vary from UCI to UCI.

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

For direct investments or underlying investments of the UCIs managed by DPAM, DPAM is the company in charge of assessing the ESG screening criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM

therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Investment restrictions

The sub-fund is subject to the investment restrictions stipulated in articles 74 and 81 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Market risk | High | The sub-fund invests in both equities and fixed income securities, mainly through investments in other funds, and aims to limit its investment in equities (through direct or indirect investments) to approximately 85% of its assets. |
| Inflation risk | High | The sub-fund invests in both equities and fixed income securities. This risk may also be associated with the funds in which the sub-fund invests. |
| Credit risk | High | The sub-fund invests in both equities and fixed income securities. The sub-fund may potentially be exposed to bonds from issuers that do not have an investment grade rating. This risk may also be associated with the funds in which the sub-fund invests. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. Nevertheless, the risk of sustainability remains. In addition to the risk arising from the positions the sub-fund holds directly, sustainability risk may materialise indirectly. The sub-fund is mainly invested via other UCIs managed either by DPAM or by third parties, each of which carries out its own sustainability controls. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Liquidity risk | Moderate | The sub-fund invests in both equities and fixed income securities that are considered readily marketable. However, the sub-fund may also be exposed to issuers from the real estate sector and/or small caps and/or corporate bonds. The liquidity of such assets may decrease during periods of market stress and transaction costs may increase significantly. This risk may also be associated with the funds in which the sub-fund invests. |
| Concentration risk | Low | The sub-fund invests in both equities and fixed income securities without any geographical or sectoral restrictions. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. This risk may also be associated with the funds in which the sub-fund invests. |

## Risk profile of the typical investor:

Prepared to accept a high to very high level of risk.

Investment horizon: This sub-fund may not be suitable for investors who wish to withdraw their capital within 5 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| A | Distribution | EUR | BE6227495957 | Registered/Dematerialized |
| B | Capitalisation | EUR | BE6227496963 | Registered/Dematerialized |
| E | Distribution | EUR | BE6299355782 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6299358810 | Registered/Dematerialized |
| M | Distribution | EUR | BE6299361848 | Registered/Dematerialized |
| N | Capitalisation | EUR | BE6299365880 | Registered/Dematerialized |
| V | Distribution | EUR | BE6309877270 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6309878286 | Registered/Dematerialized |

## Initial subscription date:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Active Strategy sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Active Strategy sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.

# INFORMATION ABOUT THE SUB-FUND DPAM B Global Diversified World

## PRESENTATION:

Name: DPAM B Global Diversified World

Formation date: 1 February 2022

This sub-fund was launched on 1 April 2022 following a merger that took effect on the same date (see below: Initial subscription day)

Term: indefinite

## INVESTMENT INFORMATION:

### Objective of the sub-fund:

The objective of the sub-fund is to offer investors exposure to debt securities and the equity markets.

This is an actively managed sub-fund, which means that the portfolio manager does not aim to replicate the performance of a benchmark. No benchmarks are used in the management of the sub-fund. Quantitative information from a broader market can be used for risk management and evaluation by the manager.

No formal guarantee has been given either to the sub-fund or to its investors.

### Investment policy of the sub-fund:

This sub-fund invests (without any sectoral or geographical restrictions) in debt securities and equity markets, money market instruments and collective investment schemes which also invest in the above asset classes.

The sub-fund may also invest, on an ancillary basis, in cash and in derivative financial instruments in order to obtain maximum returns, taking into account the risk entered into.

The focus is on the international diversification of investments.

The risk is closely related to the percentages invested in the different asset classes. Therefore, the portfolio composition will be oriented towards the following model allocation:

- Equities: minimum 0% maximum 40%
- Bonds: minimum 20% maximum 100%
- Alternative investments: minimum 0% maximum 15%
- Liquid assets: minimum 0% maximum 80%

Alternative investments [33] may include investments in absolute return and volatility-based products.

The sub-fund may hold liquid assets on a secondary or temporary basis in the form of current accounts or deposits, and in the form of undertakings for collective investment.

Volatility funds/ETFs are funds/ETFs that invest in instruments in such a way that the volatility (risk) of the fund is kept to a minimum. As a result, the instruments selected have low beta characteristics so that risks are minimised and/or correlated, maximising the diversification effect.

***Authorised asset classes:***

Transferable securities and money market instruments listed on a regulated market, without sector restriction both within and outside the European Economic Area, newly issued transferable securities, units in undertakings for collective investment, whether meeting or not meeting the conditions set down by Directive 2009/65/EC and whether in a Member State or not of the European Economic Area, derivative instruments, including equivalent instruments giving rise to a cash settlement, over-the-counter derivative instruments, other transferable securities and money market instruments and liquid assets as long as these transferable securities and money market instruments are compatible with the objectives of the sub-fund.

If, following changes in market conditions or owing to specific information about an issuer, the securities no longer meet the criteria mentioned above, the situation will later be rectified in the interest of the shareholders of the sub-fund.

The sub-fund limits its choice of investments to securities included in its investment policy; investments in securities of companies whose activity consists in the manufacture, use or holding of anti-personnel mines, cluster munitions and depleted uranium ammunition and armour are therefore excluded.

On the other hand, the manager of the sub-fund will use DPAM's undertakings for collective investment and third party undertakings for collective investment, the selection of which is based on a qualitative analysis focusing on five

[33] Alternative investments include only funds/ETFs. These investments include absolute return funds designed to provide positive returns regardless of underlying market conditions.

points: investment philosophy and process, performance, risks, transparency and costs. This selection also takes into account the environmental, social and governance (ESG) aspects below.

***Authorised transactions in derivative financial instruments:***

The sub-fund may also use derivative products, subject to the applicable legal regulations, such as options, futures, FX Forwards, credit derivatives and forward exchange transactions both for the purpose of achieving the investment objectives and for the purpose of risk hedging. Investors should be aware that derivatives of this type can be more volatile than the underlying instruments.

Derivative products, if any, used to achieve the investment objectives of the sub-fund will not be used to promote the environmental and/or social characteristics of the sub-fund, as described below.

***Lending of financial instruments:***

The sub-fund may engage in the lending of financial instruments, to the extent authorised by the legal and statutory provisions applicable to undertakings for collective investment.

***Environmental, Social and Governance themes (ESG) – sustainability transparency:***

The sub-fund promotes environmental and social characteristics, as defined by Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (**"Regulation 2019/2088"**).

Environmental and social characteristics are promoted through investments in undertakings for collective investment ("UCI") managed by DPAM or third-party managers and through direct portfolio investments.

This sub-fund invests at least 75% of its net assets in:

- UCIs which promote, inter alia, environmental or social characteristics within the meaning of Regulation 2019/2088 and/or UCIs which have a sustainable investment objective within the meaning of Regulation 2019/2088 (indirect investments); and/or
- securities that meet the environmental and social characteristics it promotes (direct investments).

The remaining 25% of the assets may be invested in (i) UCIs that do not promote environmental or social characteristics and/or do not have a sustainable investment objective of Regulation 2019/2088, (ii) UCIs that are not subject to Regulation 2019/2088, (iii) cash, (iv) derivatives, and (v) issuers that do not report sufficient information or are insufficiently covered by ESG research to judge their environmental and/or social characteristics.

***No sustainable investment objective:***

The sub-fund does not have a sustainable investment objective within the meaning of the Regulation 2019/2088.

***Investment strategy:***

*Methodology for selecting ESG investments:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*

The binding investment restrictions applicable to the direct lines or underlying investments of the UCIs managed by DPAM apply to (a) securities which do not comply with the Global Standards described below, (b) securities involved in controversial activities, and (c) securities involved in extremely serious controversies:

a) Compliance with the principles of the **Global Standards** described below: The sub-fund does not invest, directly or indirectly via its investments in UCIs managed by DPAM, in companies that do not comply with the 10 principles of the Global Compact and the United Nations Guiding Principles, the ILO instruments, the OECD Multinational Enterprises (MNE) Guidelines and the underlying conventions and treaties, at the time the position is purchased.

b) Exclusion of companies involved in **controversial activities**: The sub-fund excludes, directly or indirectly via its investments in UCIs managed by DPAM, companies whose activity consists of the manufacture, use or possession of anti-personnel mines, cluster munitions, depleted uranium munitions and armour, chemical or biological weapons. The sub-fund also excludes, directly or indirectly from its investments in UCIs managed by DPAM, securities of companies that have material exposure to the production or distribution of tobacco or raw materials and equipment necessary for the production of tobacco, the extraction of thermal coal, or the generation of electricity from coal.

   Details of the exclusions are available in DPAM's controversial activities policy (section on "conventional" strategies available at *www.dpamfunds.com* (*Controversial Activities Policy*).

c) The exposure to **extremely serious ESG controversies**: Companies facing extremely serious controversies are not eligible for investment by the sub-fund or by the DPAM-managed UCI in which the sub-fund invests at the time the position is purchased.

Exclusion lists of individual companies excluded under criteria (a), (b) and (c) above are regularly updated and are fed into the portfolio investment monitoring systems.

In its investments in sovereign bonds, the sub-fund does not invest, either directly or via its investments in UCIs managed by DPAM, in countries considered not to meet a democratic minimum.

The exclusion of securities on the basis of the binding criteria of the investment strategy are those which apply to the underlyings of the UCIs managed by DPAM and the direct lines. These are therefore the rules that apply both at the time of purchase of a position and during the holding of the position in the portfolio.

For direct investments, in the event of an issuer being downgraded to non-compliant status or exposed to an extremely serious ESG controversy, engagement is undertaken with the company according to a timetable that is consistent with DPAM's engagement policy, which is available at *www.dpamfunds.com* (*Engagement policy*) and an in-depth analysis is carried out to identify the issuer's responsibilities for the downgrade and in light of the company's ESG profile. If, following this engagement and analysis, the downgrade is finally confirmed by DPAM, the manager will sell the relevant investment in the interest of the shareholders of the sub-fund within three months from the date of the final downgrading decision; The same engagement policy applies to the underlying investments of the UCIs managed by DPAM in which the sub-fund is invested.

*Investments in UCIs managed by third party managers:*
As mentioned above, the sub-fund's ESG investments may include investments in UCIs managed by third-party managers, which are classified as UCIs that promote, inter alia, environmental and/or social characteristics within the meaning of Regulation 2019/2088 and/or have a sustainable investment objective within the meaning of Regulation 2019/2088.

In its selection of these UCIs for the sub-fund, DPAM therefore takes into account the integration of environmental, social and/or governance criteria by the third-party manager in the management of these funds. The investment strategy and methodology for selecting ESG and/or sustainable investments by third party managers may vary from UCI to UCI.

If a UCI no longer has the above-mentioned classification (article 8 or article 9 according to Regulation 2019/2088) according to the information declared in its prospectus or information document, DPAM will sell the investment in the UCI concerned in the interest of the shareholders of the sub-fund within six months if such a sale is necessary in order to comply, at the global level of the sub-fund, with the environmental and social characteristics promoted.

*Good governance criteria:*

*Investment in direct lines or underlying investments of UCIs managed by DPAM:*
The criteria of good governance, which are an integral part of the active shareholding, the engagement and the responsible and sustainable investment policies, are an integral part of the investment decision process of the sub-fund in the direct lines as well as of the investment decision process of the UCIs managed by DPAM in which the sub-fund is invested, through the different stages described above of the investment decision process:

i) Compliance with Global Standards: Prevention of corruption is one of the four main themes of the 10 principles of the United Nations Global Compact.
ii) The exposure to extremely serious ESG controversies: good governance criteria (business ethics, political lobbying, corporate governance, corruption and accountability of governance bodies with regard to ESG aspects) are analysed for controversies, their severity and corrective measures.
iii) DPAM's voting policy helps to promote good corporate governance practices (separation of powers, independence and adequacy of the board of directors, respect for the rights of minority shareholders, quality of internal and external audit, etc.). DPAM's engagement policy is linked to this voting policy and applies its principles.

Governance issues are also an integral part of the monitoring of investments, notably through DPAM's voting policy and engagement policy which are available at *www.dpamfunds.com* (*Voting policy* / *Engagement policy*).

*Investments in UCIs managed by third party managers:*
The promotion of environmental and social characteristics through investments in UCIs managed by third party managers is done through UCIs which promote, among other things, environmental or social characteristics within the meaning of Regulation 2019/2088 or have a sustainable investment objective within the meaning of Regulation 2019/2088. In accordance with Regulation 2019/2088, the companies in which investments are made by these UCIs must apply good governance practices. The way in which compliance with this requirement is verified may vary from UCI to UCI.

***Examples of exclusion criteria:***

- Example of exclusion based on the Global Standards: serious violation of labour rights in the supply chain.
- Example of exclusion based on companies involved in controversial activities: material exposure to tobacco i.e. tobacco producers and tobacco suppliers, distributors and retailers from the exposure thresholds as a percentage of sales, as defined in the policy on controversial activities which is available at *www.dpamfunds.com* (*Controversial Activities Policy*).
- Example of exclusion on the basis of extremely serious ESG controversies: repeated anti-competitive practices with no sign of corrective and/or preventive measures.

***Company in charge of the evaluation of ESG selection criteria:***

For direct investments or underlying investments of the UCIs managed by DPAM, DPAM is the company in charge of assessing the ESG screening criteria. DPAM uses ESG research provided by non-financial rating agencies. DPAM has its own internal ESG research capabilities, and ESG research provided by non-financial rating agencies is used as one source of information, among others. DPAM therefore also reserves the right to determine, on the basis of the information received, whether a company complies with the global ESG criteria, or whether it does not.

***Further information:***

More specific information on the product can be found on the website *www.dpamfunds.com*.

## Investment restrictions

The sub-fund is subject to the investment restrictions stipulated in articles 84 and 71 of the Law of 2012 and in the Royal Decree of 2012.

## Assessment of the risk profile of the sub-fund:

The value of a share may go up or down, and investors may therefore get back less than they invested.

Description of the sole risks deemed to be significant and relevant as regards to their occurrence and probability that the investor assumes in association with his investment:

| Type of risk | Level | Description |
|---|---|---|
| Capital risk | High | The sub-fund does not include any "capital guarantee" or "capital protection" commitment. It is therefore possible that investors could lose all or part of their capital. |
| Exchange risk | High | As the sub-fund invests without any geographical restrictions, the sub-fund may be invested in assets expressed in currencies other than EUR. |
| Credit risk | High | The sub-fund invests in both equities and fixed income securities. The sub-fund may potentially be exposed to bonds from issuers that do not have an investment grade rating. |
| Inflation risk | High | The sub-fund invests in both equities and fixed income securities. |
| Sustainability risk | Moderate | Sustainability aspects are taken into account in the selection and screening process of the sub-fund's investments, with environmental and/or social characteristics being emphasized. Nevertheless, the risk of sustainability remains. In addition to the risk arising from the positions the sub-fund holds directly, sustainability risk may materialise indirectly. The sub-fund is mainly invested via other UCIs managed either by DPAM or by third parties, each of which carries out its own sustainability controls. The impact of adverse sustainability events could have negative effects on the performance of the sub-fund. |
| Market risk | Moderate | The sub-fund invests in both equities and fixed income securities. |

| | | |
|---|---|---|
| Liquidity risk | Moderate | The sub-fund invests in both equities and fixed income securities that are considered readily marketable. However, the sub-fund may also be exposed to issuers from the real estate sector and/or small caps and/or corporate bonds. The liquidity of such assets may decrease during periods of market stress and transaction costs may increase significantly. |
| Concentration risk | Low | The sub-fund invests in both equities and fixed income securities without any geographical or sectoral restrictions. |
| Risks relating to derivative products | Low | The investment policy allows for derivatives. |

## Risk profile of the typical investor:

Defensive

**Investment horizon:** This sub-fund may not be suitable for investors who wish to withdraw their capital within 3 years of the initial investment.

## TYPES OF SHARES OFFERED FOR THIS SUB-FUND:

| Class | Type | Currency | ISIN Code | Form |
|---|---|---|---|---|
| B | Capitalisation | EUR | BE6282510146 | Registered/Dematerialized |
| F | Capitalisation | EUR | BE6282511151 | Registered/Dematerialized |
| W | Capitalisation | EUR | BE6309891412 | Registered/Dematerialized |
| P | Capitalisation | EUR | BE6282513173 | Registered/Dematerialized |

## Initial subscription period:

1 April 2022. On 24 March 2022 the sub-fund received all assets and liabilities of the DPAM HORIZON B Global Diversified World sub-fund of the DPAM HORIZON B SICAV. On 1 April 2022, the sub-fund was launched following the merger that took effect on the same date.

## Initial subscription price:

The initial subscription price corresponds to the net asset value of the DPAM HORIZON B Global Diversified World sub-fund of the DPAM HORIZON B SICAV dated 1 April 2022.