

ValueInvest LUX

Société d'Investissement à Capital Variable incorporated in Luxembourg

ANNUAL REPORT INCLUDING AUDITED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

R.C.S. Luxembourg B83606

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

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Other than Macquarie Bank Limited (MBL), none of the entities noted are authorised deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of MBL. MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities, unless noted otherwise.

Organisation

Registered Office

88, Grand-Rue
L-1660 LUXEMBOURG
GRAND-DUCHY OF LUXEMBOURG

Board of Directors

Chairman

René KREISL
General Counsel
MACQUARIE INVESTMENT MANAGEMENT
AUSTRIA KAPITALANLAGE AG
Kärntner Strasse 28
A-1010 VIENNA
AUSTRIA

Directors

Brian SPARKES
Investment Director
MACQUARIE INVESTMENT MANAGEMENT
EUROPE S.A.
10A, Boulevard Joseph II
L-1840 LUXEMBOURG
GRAND-DUCHY OF LUXEMBOURG

Fernand GRULMS
Independent Director
2, Rue Nicolas Flener
L-8228 MAMER
GRAND-DUCHY OF LUXEMBOURG

Management Company

LEMANIK ASSET MANAGEMENT S.A.
106, Route d'Arlon
L-8210 MAMER
GRAND-DUCHY OF LUXEMBOURG

Board of Directors of the Management Company

Chairman

Gianluigi SAGRAMOSO
LEMANIK INVEST S.A.
5, Via Bagutti
CH-6900 LUGANO
SWITZERLAND

Vice-Chairman

Carlo SAGRAMOSO
LEMANIK INVEST S.A.
5, Via Bagutti
CH-6900 LUGANO
SWITZERLAND

Member

Philippe MELONI
LEMANIK ASSET MANAGEMENT S.A.
106, Route d'Arlon
L-8210 MAMER
GRAND-DUCHY OF LUXEMBOURG

ValueInvest LUX

**Conducting officers
of the Management Company**

Jean-Philippe CLAESSENS
Alexandre DUMONT
Philippe MELONI
Armelle MOULIN
Gilles ROLAND

**Investment Manager and
Global Distributor**

MACQUARIE INVESTMENT MANAGEMENT
EUROPE S.A.
10A, Boulevard Joseph II
L-1840 LUXEMBOURG
GRAND-DUCHY OF LUXEMBOURG

Sub-Investment Manager

MACQUARIE INVESTMENT MANAGEMENT
ADVISERS
100 Independence 610 Market Street
PHILADELPHIA, PA 19106-2354
UNITED STATES OF AMERICA

Depository and Main Paying Agent

QUINTET PRIVATE BANK (EUROPE) S.A.
43, Boulevard Royal
L-2449 LUXEMBOURG
GRAND-DUCHY OF LUXEMBOURG

**Domiciliary, Registrar,
Transfer and Administrative Agent**

KREDIETRUST LUXEMBOURG S.A.
88, Grand-Rue
L-1660 LUXEMBOURG
GRAND-DUCHY OF LUXEMBOURG

Cabinet de révision agréé

DELOITTE Audit
Société à responsabilité limitée
20, Boulevard de Kockelscheuer
L-1821 LUXEMBOURG
GRAND-DUCHY OF LUXEMBOURG

Information Agent in Germany

MERCK FINCK & CO
Neuer Wall 77
D-20354 HAMBURG
GERMANY

Representative in Switzerland

CARNEGIE FUND SERVICES S.A.
11, Rue du Général-Dufour
CH-1204 GENEVA
SWITZERLAND

Paying Agent in Switzerland

BANQUE CANTONALE DE GENEVE
17, Quai de l'Île
CH-1204 GENEVA
SWITZERLAND

ValueInvest LUX

Facilities Agent in the UK

KROLL ADVISORY LIMITED
14th Floor, The Shard
32, London Bridge Street
LONDON SE1 9SG
UNITED KINGDOM

Representative Agent in Austria

ERSTE BANK DER ÖSTERREICHISCHEN SPARKASSEN AG
Am Belvedere 1
A-1100 VIENNA
AUSTRIA

Representative Agent in Spain

ALLFUNDS BANK, S.A.U.
Calle de los Padres Dominicos 7
MADRID 28050
SPAIN

Information for the investors in Germany, in Switzerland, in United Kingdom and in Austria

Information for the investors in Germany:

Both sub-funds of the ValueInvest LUX (the "SICAV"), being ValueInvest LUX - Macquarie ValueInvest LUX Global ("Global Sub-Fund") and ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated on 31 August 2022) ("Japan Sub-Fund" and together with "Global Sub-Fund", the "Sub-Funds") have been authorised for distribution in Germany as from 16 May 2007. The Paying and Information Agent in the Federal Republic of Germany is Merck Finck & Co, Neuer Wall 77, D-20354 Hamburg, GERMANY ("Merck Finck").

Subscriptions and redemptions of shares will be accepted by the Transfer Agent or the Paying Agent in Germany in the currencies stated in the Prospectus of the SICAV. Subscription, redemption and conversion orders for shares may be submitted to the Transfer Agent directly or to the German Paying Agent and must arrive to the Transfer Agent no later than 9.15 a.m. Luxembourg time on a Valuation Day to be dealt with on Valuation Day. The Prospectus, the KID, the Articles of Incorporation of the SICAV, the semi-annual and audited annual reports, as well as the subscription, conversion and redemption prices may be obtained by Shareholders free of charge at MERCK FINCK. In addition, the Depositary and Paying Agent Agreements with QUINTET PRIVATE BANK (EUROPE) S.A., Luxembourg, the Domiciliary Agreement, the Administrative Agent Agreement, the Registrar & Transfer Agent Agreement with KREDIETRUST LUXEMBOURG S.A. and the Investment Management Agreement with MACQUARIE INVESTMENT MANAGEMENT EUROPE S.A. may be inspected there.

All payments by the SICAV to Shareholders in the Federal Republic of Germany (proceeds of redemptions, any distributions and other payments) may be transferred via the Paying Agent MERCK FINCK. Publication in the Federal Republic of Germany of subscription and redemption prices and any other important information to Shareholders is available on www.fundinfo.com and on <https://www.macquarieim.com/valueinvestlux>.

The SICAV intends to fulfil its obligations to provide information which are included in the requirements for taxation of Shareholders subject to taxation in the Federal Republic of Germany pursuant to Section 5 of the German Investment Tax Act (InvStG) but assumes no liability for doing so. The Prospectus does not provide any information on the German taxation of Shareholders in respect of shares in the SICAV. It should, however, be noted that distributions by the SICAV, income allocated for tax purposes but not distributed (including profits) in the SICAV, and the proceeds from the sale, conversion or redemption of shares and from the assignment of claims arising from the shares and equivalent cases are subject in the Federal Republic of Germany to taxation at the legally prescribed rates and may also be subject to a deduction of tax (investment income tax plus solidarity surcharge). Moreover, any other (German or non-German) taxation must be observed. Investors are recommended to contact their tax advisor in respect of taxation details relating to shares in the SICAV.

Information for the investors in Switzerland:

Both Sub-Funds of the SICAV have been authorised for offering in Switzerland as from 15 February 2008.

The authorised Representative in Switzerland is CARNEGIE FUND SERVICES S.A., 11 rue du Général-Dufour, CH-1204 GENEVA, Switzerland and the authorised Paying Agent in Switzerland is BANQUE CANTONALE DE GENEVE, 17 quai de l'île, CH-1204 GENEVA, SWITZERLAND.

This authorisation includes the right to offer the SICAV's shares in or from Switzerland, in conformity with Article 120 of the Federal Act on Collective Investment Schemes of 23 June 2006.

The Prospectus, the Articles of Incorporation, the annual and semi-annual reports, the statement of changes in investments of the SICAV as well as the KID of each Sub-Fund may be obtained, free of charge, at the office of Carnegie Fund Services S.A., 11 rue du Général-Dufour, CH-1204 GENEVA, SWITZERLAND.

The SICAV's publications in Switzerland are made on the electronic platform www.fundinfo.com. The issue and redemption prices of Shares, respectively the net asset value with a note "commission not included", are published on a daily basis on the electronic platform www.fundinfo.com.

Only the prospectus signed and submitted in its German version, the Swiss version of the KIID in German, prevail in the legal relationship between the SICAV and the investors in Switzerland.

The place of execution and jurisdiction in respect of all shares of the SICAV offered in or from Switzerland is the registered office of the Representative of the SICAV.

Information for the investors in the United Kingdom:

The SICAV is recognised by the Financial Conduct Authority of the United Kingdom (the "FCA") under Section 264 of the Financial Services and Markets Act 2000 of the United Kingdom (the "Act"). Shares may be promoted to the general public in the United Kingdom by persons authorised to carry on investment business in the United Kingdom. The Prospectus and this addendum constitute a financial promotion for the purposes of Section 21 of the Act and is being issued in the United Kingdom by the SICAV.

UK Facilities

The facilities agent for the SICAV is KROLL ADVISORY LIMITED (the "UK Facilities Agent") with its offices at:

14th Floor, The Shard, 32 London Bridge Street, LONDON SE1 9SG, UNITED KINGDOM

Tel: +44 (0) 20 7089 4700

The following documents relating to the SICAV are available for inspection and copies in English may be obtained free of charge during regular business hours at the office of the UK Facilities Agent:

- the Prospectus and any amendments thereto,
- the Key Information Documents (KID),
- the audited annual and unaudited semi-annual reports,
- the Articles of Incorporation and any amendments thereto.

Shareholders may obtain the subscription and redemption prices of the Shares at the office of the UK Facilities Agent.

The UK Facilities Agent will provide information on how to subscribe for and/or redeem shares in the SICAV and obtain payment and will maintain facilities in the United Kingdom to enable Shareholders to redeem or arrange for redemption of Shares and obtain payment.

Any Shareholder wishing to make complaint about the operations of the SICAV can submit a complaint to the UK Facilities Agent at the address set out above for transmission to the SICAV.

Information for the investors in Austria:

Place where the shareholders ("investors") may obtain the prescribed information in reference to §§ 141 and 142 InvFG 2011:

ERSTE BANK DER ÖSTERREICHISCHEN SPARKASSEN AG,
Am Belvedere1, A-1100 VIENNA, AUSTRIA

Phone 0043 (0) 50100 12139

Fax 0043 (0) 50100 9 12139.

Publication

The respective net asset values of the Sub-Funds and any other information to investors are published on the electronic platform of ValueInvest LUX <https://www.macquarieim.com/valueinvestlux> and of www.fundinfo.com.

The Net Asset Value per share of each Sub-Fund is determined for each class on a daily basis.

Management Report

The Board of Directors of the SICAV (the "Board") is happy to present the annual report together with the annual accounts of the SICAV for the financial year ended 31 December 2022.

1. Important events from 01 January 2022 to 31 December 2022

Liquidation of Macquarie ValueInvest LUX Japan Fund.

ValueInvest LUX – Macquarie ValueInvest LUX Global- X CAP EUR share class distribution

Review of the economic environment

Inflation

Central bank rhetoric started to change as from late 2021. Nervousness spread across markets as inflation, liquidity crunches and higher interest rates, combined with geopolitical tensions and Russia's invasion of Ukraine in late February raised investor concerns. Several times during 2022, however, the stock market breathed a sigh of relief when there was sufficient consensus expectation that the worst is now over and that the attitude of US central bank is expected to be milder and thus soon lower interest rates again to what some like to call a "normal level". One could consider that calling zero interest rates a "normal level" is due to fact that low interest rates were applied for such a long time.

Interest rate increases

The strongly rising inflation has naturally resulted in considerable interest rate increases, particularly in the USA, but also in Europe, both places from a historically low level. Although the high inflation means that the higher returns on interest-bearing receivables are mostly counterbalanced by price increases, there is today a real alternative to buying shares, especially for those who believe that inflation is a passing phenomenon. At the same time, interest rate increases (nominal) mean that Price/Earnings (P/E) multiples in the stock market have fallen. Until the end of 2021, there was a strong belief that interest rates would remain low, and this was also reflected in the pricing of certain parts of the stock market, which brought back memories of the bursting of the IT bubble at the start of this millennium. A favorite gauge of when trees grow into the sky is to measure how many times investors are willing to pay for the sales of a company, not earnings, but sales. So, Price/Sales (P/S) instead of Price/Earnings (P/E).

Low volatility approach

The Company has always had a conservative approach to investments to avoid too much volatility along the way. This allows to considerably reduce stress level for the investors and over time achieve solid risk-adjusted returns. To this end, no unnecessary risks are taken on either business quality or valuation.

By investing in high quality companies at attractive prices, the likelihood of protecting and increasing the value of wealth may increase. Companies with stable earnings generally experience lower price fluctuations, and this makes it easier to remain invested in the stock market in the long run.

2. Active management

The active management approach implies that the Company considers the importance of selecting and opting out of sectors. Opt-outs are often based on lengthy analyses that aim at increasing the Company's understanding of where the funds should be invested to achieve optimal capital protection in difficult times in the market, while participating as much as possible when stock markets are more optimistic.

Not all value strategies are created equal and there is more than one approach to value. Instead of focusing only on low valuation as the primary parameter, the Company believes that quality businesses trading at attractive valuation can offer a far more compelling method of value investing.

3. Review of the Sub-Fund

3.1. ValueInvest LUX Global

Compared to the general stock market, the Company's Global strategy delivered a negative, but still acceptable return.

The global stock market measured by Morgan Stanley's World Index (MSCI World) produced a negative return of -13.0% in 2022. The Company's Global strategy delivered a similarly negative but relatively better return in the range between -6.86% (SI DIS share class) to -0.93% (E CAP share class).

3.1.1. Key positive performance drivers in 2022:

During the year of 2022, key positive performance drivers of the Global strategy were as follows:

- Merck – the US based, global health care company,
- Lamb Weston – the US based producer of French fries,
- Novo Nordisk – the Danish insulin producer,
- Sodexo – the French caterer and on-site food service solution provider,
- Visa – the US electronic payment and financial services provider.

3.1.2. Key negative performance drivers in 2022:

During the year of 2022, key negative performance drivers of the Global strategy were as follows:

- Knorr-Bremse – the German manufacturer of brake systems,
- Securitas – the Swedish security provider of specialized guarding and mobile services,
- Smith & Nephew – the UK company specialized in orthopaedics and replacement of knees and hips, wound management and minimal invasive surgery technology,
- Fresenius Medical Care – the German owner of more than 4,000 dialysis clinics,
- Adidas – the US sports equipment company.

3.1.3. Sector exposures changes

During 2022, the Company sold five companies (3M, General Mills, Lawson, Publicis Groupe and Seven & I Holdings), while four new companies (Makita, Otis, Visa and Unilever) were added.

At sector level, the most important changes were replacements within Consumer Staples, reduction of investments in Health Care and Communication Services and an increase in investments in Industry and IT. At the end of December 2022, the Global fund was invested in 35 companies from seven different sectors.

3.1.4. Portfolio changes

The Company made the following main portfolio changes in 2022 across the various sectors:

Communication Services

The investment in the French advertising agency conglomerate Publicis Groupe was sold in February after a cyclical recovery with an increase in the share price as a result. The exposure to the French telecommunications service provider Orange was decreased in July after a very strong rerating of the stock and bought back in December at a lower price.

Consumer Discretionary

As the **Sodexo** share price started to soar, gains were realized and reallocated into **Adidas** stock. Once the unusually high level of inventories at **Adidas** is cleared and the supply chain challenges and consumer demand are back into balance, the company, under the realm of the new CEO, is expected to achieve higher margins. The position in Swedish retailer **H&M** was also increased in December.

Consumer Staples

Consumer Staples continues to be the single biggest sector for the Company's investments as several companies have been identified as individually offering many of the quality hallmarks sought after, tending to sell products for which there is a stable demand regardless of the economic environment.

During the first half of 2022, however, the Company decided to reduce the investments in Consumer Staples sector by selling a very long-term investment, the American food manufacturer **General Mills**. Furthermore, the Japan-based convenience store chain **Lawson** was sold, as the company's revenue per shop had fallen. In addition, the expansion into China has been too expensive to justify the company's place in the portfolio.

Investments in world-leading British spirits maker **Diageo** and French yogurt maker **Danone** were reduced in the first half of the year to fund an increased investment in **Clorox**, the US household products maker that saw a significant increase in demand for its products driven by Covid-19. As a result, the share price rose rapidly. The position in the company was sold at the beginning of 2021 at the increased price. Just a few months later, an opportunity arose to reinvest in the company at a significantly lower price.

During the fall of 2022, the Company switched out of the convenience store chain with Japanese origin, **Seven & I Holdings**, to gradually build an investment in the UK based company **Unilever**.

Unilever is a multinational consumer goods behemoth, which owns a collection of some of the most recognizable brands in the world such as Dove, Knorr, Hellmann's, and Rexona, with 13 of them selling for more than €1bn a year.

In the second half of the year, investments were also increased in the Dutch multinational food company **Ahold Delhaize**, the British spirits producer **Diageo**, the Swiss food giant **Nestlé** and the French yoghurt producer **Danone**.

In the same period, investments were reduced in the Japanese brewing giant **Asahi** and the two American food companies **Conagra Brands** and **Lamb Weston**.

The investment in the Swedish manufacturer of household products **Essity** was both reduced and increased again during the period.

Health Care

Although the number of investments within the Health Care sector remained unchanged, there was, nevertheless, activity. The investment in the Danish pharmaceutical company **Novo Nordisk** was both increased and reduced during 2022.

The investment in the very successful American cancer drug researcher **Merck** was reduced against the background of very strong share price increases. The German dialysis company **Fresenius Medical Care** and the American **Pfizer**, manufacturer of, among other things, vaccine against coronavirus, was also reduced.

Some of the funds were invested in the American distributor of consumables for dental laboratories, dental and medical clinics **Henry Schein**, and in the British manufacturer of knee and hip replacements **Smith & Nephew**.

Industry

The Japanese power tools producer **Makita** was added to the investments in the industry sector. Although power tool revenue correlates with overall economic activity, Makita's financial results have historically been very stable, exhibiting significantly lower earnings volatility than the market.

Towards the end of the first half of 2022, the position in the American industrial company **3M** was sold. This made way for the purchase of the American industrial manufacturer **Otis**, which is the global market leader in the production of elevators and moving walkways.

To increase the exposure to the Industry sector, investments were also increased in the British testing, inspection and quality assurance company **Intertek** and the German manufacturer of brake systems for railway and commercial vehicles **Knorr-Bremse AG**.

Information Technology

The investment in **SAP**, the German supplier of business software, was increased. The business model is considered to be attractive, as it is deeply integrated into the customers' operations.

A new position in the American payment card network **Visa** was established. Visa has made a very good business out of enabling consumers to pay for their purchases with their Visa cards. In virtually every part of the world, offline and online, Visa is accepted as a payment method, creating a strong 2-sided network where both consumers and merchants get mutual benefits.

Visa earns a small fee on billions of transactions made annually across the globe, creating a growing revenue base as fees are tied to both the number and value of transactions. Visa was bought with a normalized earnings yield of over 5% and it is expected that the company can experience double-digit earnings growth in the near future.

Materials

No major changes were made to the investment in Air Liquide, the French producer and distributor of industrial gases, during the second half of 2022. Air Liquide has a strong market position with only a few competitors and a loyal set of customers with little incentive to change for an alternative provider of industrial gases.

Energy, Financials, Real Estate, Utilities

There are no investments in the above sectors as the Company has not been able to identify businesses meeting its quality and valuation standards.

3.2. ValueInvest LUX Japan

The liquidation of ValueInvest LUX Japan proceeded as expected.

During the termination period from 17 August 2022 to 31 August 2022, all holdings were sold out of the portfolio. Liquidation proceeds to shareholders were distributed on 5 September 2022.

4. Forecast

For an investor, the global macroenvironment and volatility on the stock market always offer new and interesting beginnings.

For 2023, there are encouraging signs that the world is slowly learning how to live with the coronavirus and that the pandemic is no longer as big a threat as it once was perceived to be. The war in Ukraine is still ongoing, but thanks to the pressure being put on Russia by Ukraine and the international community, the balances of power seem to be changing the favor of the attacked.

While the investor personality will always influence the investor profile, being true to the chosen investment philosophy and process when evaluating companies, and learning from mistakes and successes, should always lead the investor forward.

Many companies, which are identified by the Company's investment process, have a long tradition and a well-documented ability to adapt to changing circumstances including a global network of collaborators and allies. Several of them have a century-long history of doing business, taking advantage of opportunities, and avoiding every fatal risk.

The Company believes that its focus on building a portfolio of quality companies acquired at a reasonable price is a good way to start when the aim is to protect and grow its customers' capital. Earnings expectations seem too high in many companies considering the actual conditions of inflation, lost purchasing power and a possible economic slowdown. In general, the Company seeks to identify companies with a good ability to raise their prices and relatively low debt relative to their stable earnings. All other things being equal, this reduces the risk of investing in stocks and makes it easier to remain invested in the stock market in the long run. The latter is very important when the aim is to take part in the global value creation on which the great stock market returns are based in the long term.

The Board confirms its adherence to the ALFI code of conduct and that all the directors attended to each quarterly meeting of the SICAV.

Luxembourg, 26 April 2023

The Board of Directors

René Kreisl

Fernand Grulms

Brian Sparkes

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

To the Shareholders of
ValueInvest LUX
88, Grand-Rue
L-1660 LUXEMBOURG
GRAND-DUCHY OF LUXEMBOURG

REPORT OF THE REVISEUR D'ENTREPRISES AGREÉ

Opinion

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

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

Basis for Opinion

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

Other information

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

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

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

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

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

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

Responsibilities of the "*réviseur d'entreprises agréé*" for the Audit of the financial statements

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

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

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

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

For Deloitte Audit, *Cabinet de Révision Agréé*

Raphaël Charlier, *Réviseur d'entreprises agréé*
Partner

Luxembourg, 26 April 2023

ValueInvest LUX

Combined statement of net assets (in EUR) as at 31 December 2022

Assets

| | |
|--------------------------------------|-------------|
| Securities portfolio at market value | 509,198,083 |
| Cash at banks | 6,630,000 |
| Receivable on issues of shares | 35,464 |
| Income receivable on portfolio | 506,840 |
| Prepaid expenses | 8,090 |
| | <hr/> |
| Total assets | 516,378,477 |
| | <hr/> |

Liabilities

| | |
|-----------------------------------|-------------|
| Payable on treasury transactions | 3,707 |
| Payable on redemptions of shares | 15,221 |
| Expenses payable | 807,317 |
| | <hr/> |
| Total liabilities | 826,245 |
| | <hr/> |
| Net assets at the end of the year | 515,552,232 |
| | <hr/> |

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

ValueInvest LUX

Combined statement of operations and other changes in net assets (in EUR)

from 1 January 2022 to 31 December 2022

| | |
|---|----------------|
| <u>Income</u> | |
| Dividends, net | 12,402,739 |
| Other income | 1,288,050 |
| Total income | 13,690,789 |
| <u>Expenses</u> | |
| Management fees | 3,930,941 |
| Depository fees | 304,178 |
| Banking charges and other fees | 1,673 |
| Transaction fees | 445,854 |
| Central administration costs | 374,614 |
| Professional fees | 40,550 |
| Other administration costs | 1,258,230 |
| Subscription duty ("taxe d'abonnement") | 105,373 |
| Bank interest paid | 20,296 |
| Other expenses | 130,369 |
| Total expenses | 6,612,078 |
| Net investment income | 7,078,711 |
| <u>Net realised gain/(loss)</u> | |
| - on securities portfolio | 26,302,154 |
| - on foreign exchange | -38,172 |
| Realised result | 33,342,693 |
| <u>Net variation of the unrealised gain/(loss)</u> | |
| - on securities portfolio | -131,296,630 |
| Result of operations | -97,953,937 |
| Dividends paid | -1,660,402 |
| Subscriptions | 55,305,300 |
| Redemptions | -1,433,610,156 |
| Total changes in net assets | -1,477,919,195 |
| Total net assets at the beginning of the year | 1,993,471,427 |
| Total net assets at the end of the year | 515,552,232 |

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

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Global Statement of net assets (in EUR) as at 31 December 2022

Assets

| | |
|--------------------------------------|-------------|
| Securities portfolio at market value | 509,198,083 |
| Cash at banks | 6,599,168 |
| Receivable on issues of shares | 35,464 |
| Income receivable on portfolio | 506,840 |
| Prepaid expenses | 8,090 |
| | 516,347,645 |
| Total assets | 516,347,645 |

Liabilities

| | |
|----------------------------------|---------|
| Payable on treasury transactions | 3,707 |
| Payable on redemptions of shares | 15,221 |
| Expenses payable | 776,485 |
| | 795,413 |
| Total liabilities | 795,413 |

| | |
|-----------------------------------|-------------|
| Net assets at the end of the year | 515,552,232 |
|-----------------------------------|-------------|

Breakdown of net assets per share class

| Share class | Number of shares | Currency of share class | NAV per share in currency of share class | Net assets per share class (in EUR) |
|-------------|------------------------|-------------------------------|--|---|
| A CAP | 188,038.416 | EUR | 367.73 | 69,147,801 |
| A DIS | 158,880.711 | EUR | 351.19 | 55,796,746 |
| B CAP | 16,790.285 | EUR | 395.36 | 6,638,172 |
| E CAP | 12,419.443 | EUR | 98.61011 | 1,224,683 |
| I CAP | 646,927.348 | EUR | 433.33 | 280,330,166 |
| SI CAP | 37,500.000 | EUR | 433.715235 | 16,264,321 |
| SI DIS | 201,756.226 | EUR | 427.00 | 86,150,343 |
| | | | | 515,552,232 |

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

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Global Statement of operations and other changes in net assets (in EUR) from 1 January 2022 to 31 December 2022

| | |
|---|----------------|
| <u>Income</u> | |
| Dividends, net | 12,385,760 |
| Other income | 1,208,623 |
| Total income | 13,594,383 |
| <u>Expenses</u> | |
| Management fees | 3,922,618 |
| Depository fees | 303,628 |
| Banking charges and other fees | 1,673 |
| Transaction fees | 442,633 |
| Central administration costs | 373,905 |
| Professional fees | 40,483 |
| Other administration costs | 1,238,055 |
| Subscription duty ("taxe d'abonnement") | 105,002 |
| Bank interest paid | 20,204 |
| Other expenses | 59,546 |
| Total expenses | 6,507,747 |
| Net investment income | 7,086,636 |
| <u>Net realised gain/(loss)</u> | |
| - on securities portfolio | 25,999,189 |
| - on foreign exchange | -38,426 |
| Realised result | 33,047,399 |
| <u>Net variation of the unrealised gain/(loss)</u> | |
| - on securities portfolio | -131,013,391 |
| Result of operations | -97,965,992 |
| Dividends paid | -1,660,402 |
| Subscriptions | 55,127,786 |
| Redemptions | -1,431,609,281 |
| Total changes in net assets | -1,476,107,889 |
| Total net assets at the beginning of the year | 1,991,660,121 |
| Total net assets at the end of the year | 515,552,232 |

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

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Global Statistical information (in EUR) as at 31 December 2022

| Total net assets | Currency | 31.12.2020 | 31.12.2021 | 31.12.2022 |
|------------------|----------|-------------|---------------|-------------|
| | EUR | 566,937,860 | 1,991,660,121 | 515,552,232 |

| Net asset value per share class | Currency | 31.12.2020 | 31.12.2021 | 31.12.2022 |
|---------------------------------|----------|------------|------------|------------|
| A CAP | EUR | 341.25 | 392.76 | 367.73 |
| A DIS | EUR | 328.11 | 376.82 | 351.19 |
| B CAP | EUR | 360.32 | 418.46 | 395.36 |
| E CAP | EUR | - | - | 98.610110 |
| I CAP | EUR | 394.62 | 458.47 | 433.33 |
| SI CAP | EUR | - | - | 433.715235 |
| SI DIS | EUR | 394.76 | 458.46 | 427.00 |
| X CAP GBP | GBP | - | 101.360000 | 96.063687 |

* 23/02/2022

(*) Net asset value used for final redemption.

| Annual performance per share class (unaudited) (in %) | Currency | 31.12.2020 | 31.12.2021 | 31.12.2022 |
|---|----------|------------|------------|------------|
| A CAP | EUR | -1.84 | 15.09 | -6.37 |
| A DIS | EUR | -1.84 | 15.09 | -6.37 |
| B CAP | EUR | -0.98 | 16.14 | -5.52 |
| I CAP | EUR | -0.94 | 16.18 | -5.48 |
| SI DIS | EUR | - | 16.35 | -5.35 |

| Number of shares | outstanding at the beginning of the year | issued | redeemed | outstanding at the end of the year |
|------------------|--|------------|-----------------|------------------------------------|
| A CAP | 199,431.576 | 15,108.789 | -26,501.949 | 188,038.416 |
| A DIS | 174,141.188 | 13,739.973 | -29,000.450 | 158,880.711 |
| B CAP | 20,241.325 | 12,049.887 | -15,500.927 | 16,790.285 |
| E CAP | - | 12,419.443 | - | 12,419.443 |
| I CAP | 746,427.408 | 49,757.102 | -149,257.162 | 646,927.348 |
| SI CAP | - | 37,500.000 | - | 37,500.000 |
| SI DIS | 233,540.356 | 589.079 | -32,373.209 | 201,756.226 |
| X CAP GBP | 11,513,121.457 | - | -11,513,121.457 | - |

| TER per share class as at 31.12.2022 (unaudited) | (in %) |
|--|--------|
| A CAP | 1.83 |
| A DIS | 1.83 |
| B CAP | 0.93 |
| E CAP ** | - |
| I CAP | 0.89 |
| SI CAP * | 0.74 |
| SI DIS | 0.74 |

* annualized TER

** non-representative amount

Annual returns were calculated for the last 3 full consecutive financial years. For sub-funds / share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the SICAV.

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Global Statistical information (in EUR) (continued) as at 31 December 2022

| Dividends paid | Currency | Dividend per share class | Ex-dividend date |
|----------------|----------|--------------------------|------------------|
| A DIS | EUR | 1.53 | 16.06.2022 |
| SI DIS | EUR | 6.54 | 16.06.2022 |

Annual returns were calculated for the last 3 full consecutive financial years. For sub-funds / share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the SICAV.

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Global Statement of investments and other net assets (in EUR) as at 31 December 2022

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets * |
|---|---------------------------|-----------------------------------|-------------|--------------|-------------------------------|
| Investments in securities | | | | | |
| Transferable securities admitted to an official stock exchange listing | | | | | |
| Shares | | | | | |
| CHF | 229,873 | Nestlé SA Reg | 22,117,013 | 24,945,791 | 4.84 |
| CHF | 40,922 | Roche Holding Ltd Pref | 12,005,281 | 12,040,948 | 2.34 |
| CHF | 53,788 | Swatch Group AG | 15,221,879 | 14,328,437 | 2.78 |
| | | | 49,344,173 | 51,315,176 | 9.96 |
| DKK | 110,079 | Novo Nordisk AS B | 7,630,316 | 13,885,275 | 2.69 |
| EUR | 110,021 | Adidas AG Reg | 24,286,327 | 14,023,277 | 2.72 |
| EUR | 143,509 | Air Liquide SA | 16,957,332 | 19,000,592 | 3.69 |
| EUR | 404,682 | Amadeus IT Group SA A | 22,978,247 | 19,647,311 | 3.81 |
| EUR | 299,829 | Danone | 17,565,228 | 14,760,582 | 2.86 |
| EUR | 263,667 | Fresenius Medical Care AG Co KGaA | 18,310,699 | 8,060,300 | 1.56 |
| EUR | 173,022 | Knorr Bremse AG Bearer | 14,278,513 | 8,831,043 | 1.71 |
| EUR | 944,210 | Koninklijke Ahold Delhaize NV | 22,829,972 | 25,342,596 | 4.92 |
| EUR | 1,184,785 | Orange SA | 11,881,851 | 10,995,990 | 2.13 |
| EUR | 192,989 | SAP SE | 21,931,369 | 18,602,210 | 3.61 |
| EUR | 167,251 | Sodexo | 13,060,353 | 14,965,619 | 2.90 |
| | | | 184,079,891 | 154,229,520 | 29.91 |
| GBP | 511,485 | Diageo Plc | 20,064,039 | 21,035,536 | 4.08 |
| GBP | 225,098 | Intertek Group Plc | 13,663,412 | 10,231,407 | 1.98 |
| GBP | 1,502,256 | Smith & Nephew Plc | 24,859,064 | 18,780,151 | 3.64 |
| GBP | 452,044 | Unilever Plc | 20,676,040 | 21,300,636 | 4.13 |
| | | | 79,262,555 | 71,347,730 | 13.83 |
| JPY | 174,300 | Asahi Group Holdings Ltd | 6,554,204 | 5,097,786 | 0.99 |
| JPY | 323,100 | Kao Corp | 16,175,237 | 12,055,969 | 2.34 |
| JPY | 359,100 | Makita Corp | 9,755,586 | 7,853,415 | 1.52 |
| | | | 32,485,027 | 25,007,170 | 4.85 |
| SEK | 613,950 | Essity AB B Reg | 16,123,704 | 15,083,465 | 2.93 |
| SEK | 955,985 | Hennes & Mauritz AB B | 14,024,186 | 9,645,555 | 1.87 |
| SEK | 1,995,249 | Securitas AB B | 19,966,455 | 15,597,145 | 3.03 |
| | | | 50,114,345 | 40,326,165 | 7.83 |
| USD | 149,120 | Clorox Co | 21,004,182 | 19,603,737 | 3.80 |
| USD | 185,261 | Conagra Brands Inc | 5,144,389 | 6,716,568 | 1.30 |
| USD | 284,201 | Henry Schein Inc | 18,352,979 | 21,264,822 | 4.13 |
| USD | 176,949 | Ingredion Inc | 13,183,944 | 16,233,655 | 3.15 |
| USD | 149,687 | Kimberly-Clark Corp | 16,159,513 | 19,036,030 | 3.69 |
| USD | 171,169 | Lamb Weston Holdings Inc Reg S | 9,975,824 | 14,329,160 | 2.78 |
| USD | 198,783 | Merck & Co Inc | 11,996,040 | 20,661,365 | 4.01 |
| USD | 76,062 | Otis Worldwide Corp Reg | 5,044,238 | 5,580,041 | 1.08 |
| USD | 21,368 | Parker Hannifin Corp | 4,830,892 | 5,825,180 | 1.13 |
| USD | 258,591 | Pfizer Inc | 8,712,112 | 12,412,949 | 2.41 |
| USD | 58,693 | Visa Inc A | 10,657,099 | 11,423,540 | 2.22 |
| | | | 125,061,212 | 153,087,047 | 29.70 |
| Total investments in securities | | | 527,977,519 | 509,198,083 | 98.77 |
| Cash at banks | | | | 6,599,168 | 1.28 |
| Other net assets/(liabilities) | | | | -245,019 | -0.05 |
| Total | | | | 515,552,232 | 100.00 |

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

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

**ValueInvest LUX - Macquarie ValueInvest LUX Global
Industrial and geographical classification of investments**
as at 31 December 2022

Industrial classification

(in percentage of net assets)

| | |
|-----------------------------|----------------|
| Non-cyclical consumer goods | 41.81 % |
| Healthcare | 20.78 % |
| Industrials | 10.45 % |
| Cyclical consumer goods | 10.27 % |
| Technologies | 9.64 % |
| Raw materials | 3.69 % |
| Telecommunications services | 2.13 % |
| Total | <u>98.77 %</u> |

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

| | |
|--------------------------|----------------|
| United States of America | 29.70 % |
| United Kingdom | 13.83 % |
| France | 11.58 % |
| Switzerland | 9.96 % |
| Germany | 9.60 % |
| Sweden | 7.83 % |
| The Netherlands | 4.92 % |
| Japan | 4.85 % |
| Spain | 3.81 % |
| Denmark | 2.69 % |
| Total | <u>98.77 %</u> |

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated)
Statement of net assets (in EUR)
as at 31 December 2022

Assets

| | |
|---------------|---------------|
| Cash at banks | <u>30,832</u> |
| Total assets | <u>30,832</u> |

Liabilities

| | |
|-------------------------------------|-----------------|
| Expenses payable | <u>30,832</u> |
| Total liabilities | <u>30,832</u> |
| Net assets at the end of the period | <u><u>0</u></u> |

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

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated)
Statement of operations and other changes in net assets (in EUR)
 from 1 January 2022 to 31 August 2022

| | |
|---|------------|
| <u>Income</u> | |
| Dividends, net | 16,979 |
| Other income | 79,427 |
| Total income | 96,406 |
| <u>Expenses</u> | |
| Management fees | 8,323 |
| Depository fees | 550 |
| Transaction fees | 3,221 |
| Central administration costs | 709 |
| Professional fees | 67 |
| Other administration costs | 20,175 |
| Subscription duty ("taxe d'abonnement") | 371 |
| Bank interest paid | 92 |
| Other expenses | 70,823 |
| Total expenses | 104,331 |
| Net investment loss | -7,925 |
| <u>Net realised gain/(loss)</u> | |
| - on securities portfolio | 302,965 |
| - on foreign exchange | 254 |
| Realised result | 295,294 |
| <u>Net variation of the unrealised gain/(loss)</u> | |
| - on securities portfolio | -283,239 |
| Result of operations | 12,055 |
| Subscriptions | 177,514 |
| Redemptions | -2,000,875 |
| Total changes in net assets | -1,811,306 |
| Total net assets at the beginning of the period | 1,811,306 |
| Total net assets at the end of the period | 0 |

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

ValueInvest LUX

ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated) Statistical information (in EUR) as at 31 December 2022

| Total net assets | Currency | 31.12.2020 | 31.12.2021 | 31.12.2022 | |
|---------------------------------|----------|------------|------------|------------|--------------|
| | EUR | 3,476,187 | 1,811,306 | 0 | |
| Net asset value per share class | Currency | 31.12.2020 | 31.12.2021 | 31.12.2022 | |
| A CAP | EUR | 259.99 | 277.48 | 279.72 | * 31/08/2022 |
| A DIS | EUR | 254.61 | 271.86 | 274.05 | * 31/08/2022 |
| B CAP | EUR | 274.22 | 294.79 | 299.15 | * 31/08/2022 |
| I CAP | EUR | 285.15 | 306.71 | 311.34 | * 31/08/2022 |

(*) Net asset value used for final redemption.

| Number of shares | outstanding at the beginning of the period | issued | redeemed | outstanding at the end of the period |
|------------------|--|---------|------------|--------------------------------------|
| A CAP | 4,946.844 | 19.695 | -4,966.539 | - |
| A DIS | 930.395 | 15.714 | -946.109 | - |
| B CAP | 88.008 | - | -88.008 | - |
| I CAP | 521.000 | 585.000 | -1,106.000 | - |

Notes to the financial statements

as at 31 December 2022

Note 1 - General

ValueInvest LUX (the "**SICAV**") is an Investment Company with Variable Capital (*Société d'Investissement à Capital Variable* - SICAV) with multiple Sub-Funds organized under Luxembourg law. The SICAV is governed under the Council Directive 2009/65/EC as amended and the provisions of Part I of the law of 17 December 2010 relating to undertakings for collective investment as amended (the "**2010 Law**"). The SICAV is authorised in Luxembourg and regulated by the *Commission de Surveillance du Secteur Financier* ("**CSSF**").

The SICAV was incorporated on 12 September 2001 for an unlimited period. The SICAV is registered with the *Registre de Commerce et des Sociétés* of Luxembourg under the number B 83606. The Articles were published in the *Mémorial C, Recueil des Sociétés et Associations* (the *Mémorial*).

The SICAV has appointed Lemanik Asset Management S.A. as Management Company, a company incorporated under Luxembourg Law with its registered office situated at 106, Route d'Arlon, L-8210 Mamer, Grand Duchy of Luxembourg, and authorised to act as management company under Chapter 15 of the 2010 Law with effect as from 1 January 2019.

The SICAV is a *Société Anonyme* incorporated in Luxembourg under the laws of Luxembourg as a "Société d'Investissement à Capital Variable" with multiple Sub-Funds.

The "umbrella" structure offers investors not only the advantage to choose between different Sub-Funds but also to switch between these Sub-Funds; furthermore, within each Sub-Fund, each investor can choose between capitalisation of the Sub-Fund's earnings or prospective distribution thereof in the form of dividends, by selecting either capitalisation shares or distribution shares.

The following Sub-Funds are offered to investors:

- ValueInvest LUX - Macquarie ValueInvest LUX Global
- ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated on 31 August 2022)

Each individual Sub-Fund consists of share classes dedicated to Retail investors (A Shares and B shares), Institutional investors (I Shares, SI Shares and X Shares) and Staff employed by the companies of the Macquarie Group/ Directors of the Company (E Shares).

The investment objective of the SICAV is to manage the assets of each Sub-Fund for the benefit of its Shareholders and to achieve a long-term capital growth by investing in a broad range of transferable securities.

The SICAV's accounting year ends on 31 December each year.

Publication of Prices

The Net Asset Value per Share of each Class, as well as the Issue Price and Redemption Price, may be obtained from the registered office of the SICAV, from the Paying Agent in each jurisdiction and any newspaper or website the Board of Directors of the SICAV may determine from time to time.

Documents available for inspection

The Articles of Incorporation, the Prospectus, the KID, the most recent audited annual and unaudited semi-annual reports are made available at the registered office of the SICAV during normal business hours on each Business Day, at the office of the paying and information agent in Germany, at the office of the representative and paying agent in Switzerland and at the office of the representative agent in Austria and at the office of the UK facilities agent.

ValueInvest LUX

These documents may also be obtained free of charge on the SICAV website at <https://www.macquarieim.com/valueinvestlux>.

Portfolio movements

A detailed schedule of portfolio movements is available free of charge upon request at the registered office of the SICAV, the Paying Agent in each jurisdiction and from the Swiss Representative

Note 2 - Significant accounting policies

a) Presentation of the financial statements

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

The financial statements of the SICAV have been prepared on a going concern basis, except for the Sub-Fund ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated on 31 August 2022).

b) Valuation of assets

Unless otherwise disclosed in the relevant Appendix of the Prospectus, the net asset value of the Shares of each Sub-Fund is determined on every Valuation Day in the Reference Currency of the Sub-Fund.

The Net Asset Value shall be determined by dividing the net assets attributable to each Sub-Fund by the number of Shares of such Sub-Fund then outstanding. The net assets of each Sub-Fund are made up of the value of the assets attributable to such Sub-Fund less the total liabilities attributable to such Sub-Fund calculated at such time as the Board of Directors of the SICAV shall have set for such purpose.

The Net Asset Value per Share of each Sub-Fund shall be rounded off to the nearest hundredth of the monetary unit of the Sub-Fund.

The basic accounting principles for determining the Net Asset Value of the Sub-Funds are set forth in the Articles of Incorporation, the material provisions of which provide as follows:

- (1) the value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as the Board of Directors may consider appropriate in such case to reflect the true value thereof;
- (2) the value of securities, which are quoted or dealt in on any stock exchange is in respect of each security, the last known price, and where appropriate, the middle market price on the stock exchange which is normally the principal market for such security;
- (3) securities dealt in on another regulated market are valued in a manner as near as possible to that described in the preceding paragraph;
- (4) in the event that any of the securities held in any portfolio on the relevant Valuation Day are not quoted or dealt in on a stock exchange or another regulated market or, for any of the securities, no price quotation is available, or if the price as determined pursuant to sub-paragraphs (2) and/or (3) is not in the opinion of the Board of Directors of the SICAV representative of the fair market value of the relevant securities, the value of such securities is determined based on the reasonably foreseeable sales price determined prudently and in good faith by the Board of Directors of the SICAV;

(5) all other assets are valued at their respective fair values as determined in good faith by the Board of Directors of the SICAV in accordance with generally accepted valuation principles and procedures.

c) Acquisition cost of securities in the portfolio

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

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

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

e) Investment portfolio income

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

f) Formation expenses

Formation expenses were amortised on a straight line basis over a period of 5 years.

g) Conversion of foreign currencies

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

h) Combined financial statements

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of each Sub-Fund.

i) Payable on treasury transactions

The item "Payable on treasury transactions" comprises new time deposits, maturities of loans, foreign exchange transactions or forward foreign exchange transactions not yet disclosed under the item "Cash at banks".

j) Transaction fees

Transaction costs disclosed under the item "Transaction fees" in the expenses of the statement of operations and other changes in net assets are mainly composed of broker fees incurred by the SICAV.

Note 3 - Management fee

As remuneration for their services, the Investment Manager and the Management Company receive from the SICAV an effective monthly combined fee of max 0.75% p.a. for all active share-classes, except for SI-class with a max of 0.60% p.a., E-class with a max 0.37% p.a. and X-class for which no fee is charged. The combined fee is calculated on the average net asset value of each Sub-Fund, payable within the first ten Business Days after the last day of each month. A minimum fee of EUR 1,000 per month and per Sub-Fund will be payable.

ValueInvest LUX

Note 4 - Total Expenses Ratio Cap ("TER Cap")

With effect as of 1 December 2021, the Board of Directors of the SICAV resolved, following the approval of the investment manager, to establish a total expense ratio fee cap (the "TER Cap") on all share classes of ValueInvest LUX - Macquarie ValueInvest LUX Japan Sub-Fund (liquidated on 31 August 2022) as follows:

| Share Classes | Currency | ISIN code | Management fee in % p.a. | Distribution fee in % p.a. | TER Cap % p.a. |
|---|----------|--------------|--------------------------|----------------------------|----------------|
| Macquarie ValueInvest LUX Japan - A Cap | EUR | LU0135991148 | 0.75 | 1.00 | 2.05 |
| Macquarie ValueInvest LUX Japan - A Dis | EUR | LU0135990769 | 0.75 | 1.00 | 2.05 |
| Macquarie ValueInvest LUX Japan - B Cap | EUR | LU1140596922 | 0.75 | 0.00 | 1.05 |
| Macquarie ValueInvest LUX Japan - I Cap | EUR | LU0251045109 | 0.75 | 0.00 | 1.01 |

MACQUARIE INVESTMENT MANAGEMENT EUROPE S.A., which acts as investment manager of the SICAV, will reimburse the Sub-Fund for the necessary amount to keep the TER of the respective share class at those TER Cap level.

For Retail classes the TER Cap has been established at 0.30% above the sum of Management and Distribution fees.

For Institutional classes the TER Cap has been established at 0.26% above the sum of Management and Distribution fees.

The gap of 0.04% between the Retail and Institutional class is due to the level of taxation of the *tax d'abonnement*.

Note 5 - Central administration costs

The item "Central administration costs" disclosed in the statement of operations and other changes in net assets is composed of administrative agent fees.

Note 6 - Distribution fees

The distributors receive a quarterly fee on A Shares applicable on the average net assets of their contribution in each Sub-Fund of the SICAV at the maximum annual rate of 1%. These distribution fees are received by the Global Distributor, which then remunerates sub-distributors based on the net assets that have been distributed by each sub-distributor. The Global Distributor will not retain any distribution fees and will pass all amounts on to the sub-distributors.

No such fee is charged for the distribution of B, I, SI, X and E Shares.

As at 31 December 2022, the distribution fees paid amounted to:

| | |
|---|-----------|
| | (in EUR) |
| ValueInvest LUX - Macquarie ValueInvest LUX Global | 1,163,740 |
| ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated on 31 August 2022) | 7,590 |

These fees are recorded in the statement of operations and other changes in net assets under the item "Other administration costs".

Note 7 - Dilution levy

In order to protect investors from dilution effect, the SICAV may charge a dilution levy of maximum 1% in favour of the Sub-Fund to cover the trading costs of large redemptions representing more than 10% of the number of shares of any Sub-Fund outstanding on such Valuation Day and remitted to the Sub-Fund (this is not a fee to the Management Company, the Investment Manager or distributors). Redemptions and conversions may accordingly be deferred by the SICAV and will then be dealt with on the next Valuation Day (but subject always to the foregoing limit). For this purpose, requests for redemptions and conversions so deferred will be given priority to subsequently received requests.

During the period ended 31 December 2022, no dilution levy was applied.

Note 8 - Expenses

The SICAV bears all its operating expenses, including without limitation the costs of buying and selling securities, governmental charges, legal and auditing fees, interest, printing, reporting and publication expenses, paying agency fees, postage, telephone. Any charges and costs attributable to a specific Class of Shares or Sub-Fund will be allocated directly to that Class of Shares or Sub-Fund.

Any charges and costs that cannot be directly attributed to a specific Sub-Fund will be allocated equally to the various Sub-Funds or, if the amounts so require, they will be allocated to the Sub-Funds in proportion to their respective net assets.

Moreover, the SICAV will be responsible for the payment of the cost of printing and distributing the annual and semi-annual reports and the Prospectus, the KIIDs, and any fees and expenses involved in registering and maintaining the registration of the SICAV with any governmental agency and all other operating expenses required by Luxembourg market practices.

Note 9 - Subscription duty ("*Taxe d'abonnement*")

The SICAV is governed by Luxembourg law.

Pursuant to the legislation and regulations in force, the SICAV is subject to an annual "*taxe d'abonnement*" of 0.05% which is payable quarterly and calculated on the basis of the net assets of each class on the last day of each quarter.

A lower rate of 0.01% is applied to the classes reserved to institutional investors according to Article 174 (2) of the 2010 Law.

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

No stamp duty or other tax is payable in Luxembourg on the issue of Shares.

Note 10 - Events occurred during the Period

Redemption in kind

Following the redemption in kind of all the X GBP accumulating share class (ISIN LU2351398719) of the Macquarie ValueInvest LUX Global Sub-Fund, this shares class is now closed. The volume of the asset of the Sub-Fund has decreased accordingly and had a limited impact on the level of the total expense ratio. The redemption in kind occurred on effective date 23 February 2022.

Russia - Ukraine Crisis

The Company is not investing in Ukraine, Russia or Belarus. As a results, the geopolitical events in this region don't have a direct impact on the portfolio of the Company and its operations. Macquarie Asset

ValueInvest LUX

Management Public Investments division (from which the Investment Manager is part of) has implemented a ban on new investments in Russian and Belarusian securities as a result of the invasion of Ukraine and the resulting sanctions imposed against Russia and Belarus by the United States, the European Union, and other countries around the world. The Investment Manager will continue to monitor the situation and act in the best interest of our clients, and in keeping with our regulatory and fiduciary responsibilities. More broadly, neither Macquarie Group nor Macquarie Asset Management has material direct exposure to Russia or Belarus. Like other market participants, we are working through potential indirect impacts as sanctions evolve and various markets react to these events.

Liquidation of the Sub-Fund ValueInvest LUX - Macquarie ValueInvest LUX Japan

The Board of Directors of the SICAV has resolved to dissolve the Sub-Fund ValueInvest LUX - Macquarie ValueInvest LUX Japan by putting it into liquidation on 17 August 2022 (the "Liquidation date"). The liquidation process was expected to be completed on 31 August 2022 (the "Closure date").

The Sub-Fund has seen significant decrease in assets under management (AUM) over the last years following redemptions from a number of shareholders of the Sub-Fund. As of 31 July 2022, the assets under management of the Sub-Fund amounted to EUR 1,691,238.91.

As the net assets of the Sub-Fund have decreased below the minimum level for the Sub-Fund to be operated in an economically efficient manner, the Board of the SICAV has decided that it was in the best interest of the shareholders to liquidate the Sub-Fund by cancellation of the relevant Shares and to refund the Shareholders of the Sub-Fund with the full Net Asset Value of the Shares.

The figure under "other expenses" amounting to EUR 70,823 includes the liquidation costs to be borne by the shareholders amounting to EUR 55,000 that was provisioned on the Liquidation Date's NAV, to the extent these costs do not exceed the applicable TER Cap as explained under Note 4.

As expected, the Sub-Fund has been liquidated on 31 August 2022.

The liquidation NAV per share as of 31 August 2022 was as follows:

| Share Classes | ISIN code | Liquidation NAV/ share in EUR. |
|---|------------------|---------------------------------------|
| Macquarie ValueInvest LUX Japan - A Cap | LU0135991148 | 279.72 |
| Macquarie ValueInvest LUX Japan - A Dis | LU0135990769 | 274.05 |
| Macquarie ValueInvest LUX Japan - B Cap | LU1140596922 | 299.15 |
| Macquarie ValueInvest LUX Japan - I Cap | LU0251045109 | 311.34 |

Note 11 - Subsequent events

There are no significant subsequent events.

Additional information (unaudited)

as at 31 December 2022

1 - Risk management

As required by Circular CSSF 11/512 as amended, the Board of Directors of the SICAV needs to determine the global risk exposure of the SICAV either by applying the commitment approach or the VaR approach. In terms of risk management, the Board of Directors of the SICAV decided to adopt the commitment approach as a method of determining the global exposure for each Sub-Fund.

2 - Remuneration policies and practices

The Management Company has established and applies a remuneration policy and practices that are consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles, rules, the Prospectus or the Articles of Incorporation nor impair compliance with the Management Company's obligation to act in the best interest of the SICAV ("the Remuneration Policy").

The Remuneration Policy includes fixed and variable components of salaries and applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the Management Company, the SICAV or the Sub-Funds. Within the Management Company, these categories of staff represent 21 persons.

The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company, the SICAV and the Shareholders and includes measures to avoid conflicts of interest.

In particular, the Remuneration Policy will ensure that:

- a) the staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;
- b) the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;
- c) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks.

The following table shows the fixed and variable remuneration in 2022 for the Identified Staff (21 persons), who is fully or partly involved in the activities of all the funds managed by the Management Company. For the purposes of the below disclosures, where portfolio management activities have been formally delegated to another entity, the remuneration of the relevant identified staff of the delegate has been excluded, as it is not paid out by the Management Company or by the SICAV.

Staff expenses split into fixed and variable remuneration

Wages and salaries

- a. Fixed
- b. Variable

Staff expenses broken down by categories of staff subject to UCITS V pay rules (in EUR)

| Staff code | Fixed remuneration | Variable Remuneration | Total |
|------------|--------------------|-----------------------|--------------|
| S | 1,885,745.44 | 346,000.00 | 2,231,745.44 |
| R | 1,057,838.33 | 96,500.00 | 1,154,338.33 |
| C | 247,140.83 | 37,000.00 | 284,140.83 |
| O | 0 | 0 | 0 |

S = Senior Management

R = Risk takers, which includes staff members whose professional activities can exert material influence on UCITS or AIFs managed by Lemanik Asset Management S.A. ("LAM").

C = Staff engaged in control functions (other than senior management) responsible for risk management, compliance, internal audit and similar functions.

O = Any other staff member receiving total remuneration that takes them into the same remuneration bracket as senior management and risk-takers, whose professional activities have a material impact on LAM's risk profile.

A paper copy of the summarised Remuneration Policy is available free of charge to the Shareholders upon request.

No material changes have been made to the Remuneration Policy.

The Management Company has delegated to an external investment manager for the portfolio management of the Sub-Funds. Macquarie Investment Management Europe S.A., being also subject to the same obligation, the remuneration disclosure is as follows:

| Calendar year 2022 (Jan-Dec 2022) | |
|--|------------------|
| Number of employees (full-time equivalent) | 28.225 |
| Fixed remuneration | EUR 3,358,605.42 |
| Variable remuneration | EUR 2,256,801.00 |
| Total remuneration for employees | EUR 5,615,406.42 |

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

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

4 - Total Expense Ratio ("TER")

The TER disclosed under "Statistical information" of this report is calculated in accordance with the "Guidelines on the calculation and disclosure of the TER of collective investment schemes" issued on 16 May 2008 and as modified 5 August 2021 by the Asset Management Association Switzerland.

The TER is calculated for the last 12 months preceding the date of the financial statements.

Transaction fees are not taken into account in the calculation of the TER.

5 - Sustainability-related disclosures

In accordance with the requirements of the EU Regulations 2019/2088 on sustainability -related disclosures in the financial services sector (the "SFDR") as amended, it is noted that:

- that for the Sub-Funds ValueInvest LUX - Macquarie ValueInvest LUX Global and ValueInvest LUX - Macquarie ValueInvest LUX Japan (liquidated), referred to under article 8, the (unaudited) RTS annex is presented on the pages hereafter.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: ValueInvest LUX – Macquarie ValueInvest LUX Global (the “Fund”)
 Legal entity identifier: 2221001WZLZHTG9MDA31

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

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

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

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



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

The Fund invested in securities which provided exposure to publicly listed global companies and promoted the following environmental and social characteristics:

- **UNGC** – the Fund seeks to invest in companies aligned with the ten principles of the UNGC, which is an initiative calling for companies to align their strategies and operations with

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

universal principles on human rights, labour, environment, and anti-corruption and to take actions that advance societal goals. The ten principles of the UNGC are:

Human Rights

- Businesses should support and respect the protection of internationally proclaimed human rights; and
- make sure that they are not complicit in human rights abuses.

Labour

- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- the elimination of all forms of forced and compulsory labour;
- the effective abolition of child labour; and
- the elimination of discrimination in respect of employment and occupation

Environment

- Businesses should support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility; and
- encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Businesses should work against corruption in all its forms, including extortion and bribery.

- **Decarbonisation** – the Investment Manager manages the Sub-Fund in line with the Investment Manager’s commitment to invest and manage its portfolio in line with global net zero emissions by 2040.

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

The sustainability indicators set out below were used to measure the attainment of the environmental and social characteristics. The results have been gathered by utilizing third-party ESG data with additional research conducted in-house by the Investment Manager.

At year-end 2022, **100% of the Fund’s investee companies were compliant with the UNGC principles according to the Fund’s ESG data providers.** According to data provided by one ESG data provider, 0% of investee companies violated the UNGC Principles/OECD Guidelines. According to data provided by another ESG data provider, 2 investee companies had Watch List status. According to such data provider, Watch List means that the investee companies are implicated in one or more controversy cases that are serious and warrant ongoing monitoring but, based on information available to date, does not constitute a breach of the global norms. The Investment Manager will continue to monitor these investee companies to ensure compliance with the UNGC principles.

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

As in 2021, 100% of the Fund’s investee companies were compliant with the UNGC principles. All indicators performed either in line with 2021 or better as showed in the above table.

| <i>Sustainability indicator</i> | <i>Performance reporting year 2022</i> | <i>Performance reporting year 2021</i> |
|--|---|---|
| Human rights policy, or equivalent, in place; | 100% of investee companies have implemented human rights policies or have published statements covering the subject. | 100% |
| No conduct detected which would indicate a violation of the Human Rights principles of the UNGC or the United Nations Guiding Principles on Business and Human Rights; | <p>100%</p> <p>According to the Fund's ESG data providers, 2 investee companies were involved in controversies that are considered severe and are listed as having <i>Watch List</i> status under the UN Guiding Principles on Business and Human Rights.</p> <p>According to such data provider, <i>Watch List</i> means that the investee companies are implicated in one or more controversy cases that are serious and warrant ongoing monitoring but, based on information available to date, does not constitute a breach of the human rights principles of the UNGC and/or the United Nations Guiding Principles on Business and Human Rights.</p> <p>The Investment Manager is monitoring the incidents and, if the controversy is ongoing, engaging with the investee companies concerned to ensure they are resolved appropriately.</p> | <p>100%</p> <p>4 investee companies on <i>Watch List</i>.</p> |
| Freedom of association policy, or equivalent, in place | <p>97% of investee companies have implemented a freedom of association policy, including labour policies that include provisions on freedom of association, or have published a statement on the subject.</p> <p>Based on available evidence, 1 investee company does not have a policy or statement on freedom of association.</p> | 97% |
| No conduct detected which would indicate a violation of the International Labour Organization's fundamental set of labour standards | <p>100%</p> <p>According to the Fund's ESG data providers, 1 investee company invested was is involved in controversies that are considered severe and is listed as having <i>Watch List</i> status.</p> | <p>100%</p> <p>1 investee company on <i>Watch List</i>.</p> |

| | | |
|--|---|--|
| | <p>According to such data provider, Watch List means that the investee company is implicated in one or more controversy cases that are serious and warrant ongoing monitoring but, based on information available to date, does not constitute a breach of the International Labour Organization's fundamental set of labour standards.</p> <p>Controversy relates to Collective Bargaining & Union. The Investment Manager is monitoring the incident and, if the controversy is ongoing, engaging with the investee company concerned to ensure it is resolved appropriately.</p> | |
| <p>Company actively works to eliminate forced labour and child labour,</p> <p>Depending on the industry, this could include supply-chain audit, training, etc. As part of the company analysis and ongoing monitoring performed by the Investment Advisor, how the investee company actively works to eliminate forced and child labour is determined on a case-by-case basis / as part of the qualitative research performed by the Investment Advisor;</p> | <p>100% of investee companies have initiatives in place aimed at eliminating forced labour and/or child labour, thereby supporting the principles of the UNGC.</p> <p>Specifically, all investee companies' labour policies, or other policies/statements, include an anti-child labour commitment as well as an anti-forced labour commitment.</p> | N/A |
| Bribery and anti-corruption, or equivalent, policy in place | 100% of investee companies have implemented a policy or published a statement on the subject of bribery and anti-corruption. | 100% |
| No conduct detected that is considered serious corruption or bribery | <p>100%</p> <p>According to the Fund's ESG data providers, 1 investee company invested in is involved in controversies that are considered severe and is listed as having Watch List status.</p> <p>According to such data provider, Watch List means that the investee company is implicated in one or more controversy cases that are serious and warrant ongoing monitoring but, based on information available to date, does not constitute a breach of UNGC.</p> <p>Controversy relates to Bribery & Fraud. The Investment Manager is monitoring</p> | <p>100%</p> <p>1 investee company on Watch List.</p> |

| | | |
|--|--|---|
| | the incident and, if the controversy is ongoing, engaging with the investee company concerned to ensure it is resolved appropriately. | |
| Company sets targets to reduce greenhouse gas emissions | 100% of investee companies have published carbon reduction targets. 83% of investee companies have committed to Net Zero carbon emissions. | 95% of investee companies have reduction targets. 75% of investee companies have committed to Net zero carbon emissions. |
| Company has initiatives in place that show environmental responsibility. Depending on the industry, this could include water consumption reduction initiatives and targets, toxic emission and waste reduction initiatives and targets, etc. As part of the company analysis and ongoing monitoring performed by the Investment Manager, how the investee company shows environmental responsibility is determined on a case-by-case basis as part of the qualitative research performed by the Investment Manager. | 100% All investee companies had environmental initiatives in place which support the principles of the UNGC, i.e., support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, or encourage the development and diffusion of environmentally friendly technologies. Sustainability indicators used to determine whether the investee companies show environmental responsibility include water reduction targets, toxic emission & waste reduction targets and initiatives, recycling & packaging initiatives, eco-design, deforestation initiatives, and/or minimizing environmental impact through products and services offered. 100% of investee companies met one or more of these criteria. | 100% |

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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



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

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **1 January to 31 December 2022**

The Investment Manager took account of various indicators for adverse impacts (set out in Tables 1, 2 and 3 of Annex I of the Regulatory Technical Standards issued pursuant to the SFDR).

As part of the assessment of the adherence to the principles of the UNGC, the Investment Manager took account of the following principal adverse impacts indicators: (i) Activities negatively affecting biodiversity sensitive areas, (ii) Emissions to Water, (iii) Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, (iv) Lack of a human rights policy, (v) Lack of processes and measures for preventing trafficking in human beings, (vi) Number of identified cases of severe human rights issues and incidents, and (vii) Lack of anti-corruption and anti-bribery policies.

Further, in line with the Investment Manager’s commitment to invest and manage its portfolio in line with global net zero emissions by 2040, it has engaged with investee companies to encourage them to set carbon reduction targets. The Investment Manager also took account of the following principal adverse impacts indicators: (i) GHG Emissions, (ii) Carbon footprint, (iii) GHG intensity of investee companies, and (iv) Investments in companies without carbon emissions reduction initiatives.

To support the exclusion of activities and practices that are not aligned with the sustainability principles of the Fund, the Investment Manager took account of (i) Exposure to companies active in the fossil fuel sector and (ii) Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

To inform proxy voting decisions and proxy voting engagement efforts, (i) Board gender diversity and (ii) Excessive CEO pay ratio indicators were taken into account by the Investment Manager.

Due to the impact of deforestation on GHG emissions and biodiversity, the Investment Manager has taken into account the indicator “Deforestation” in its approach to net zero and has identified deforestation as a current key engagement topic.

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



What were the top investments of this financial product?

| Largest investment | Sector | Sub-industry | % Assets | Country |
|--------------------|------------------------|---------------------------------------|----------|----------------|
| Ahold Delhaize | Consumer Staples | Food Retail | 4.9% | Netherlands |
| Nestle | Consumer Staples | Packaged Foods & Meats | 4.8% | Switzerland |
| Unilever PLC | Consumer Staples | Personal Products | 4.1% | United Kingdom |
| Henry Schein | Health Care | Health Care Distributors | 4.1% | United States |
| Diageo | Consumer Staples | Distillers & Vintners | 4.1% | United Kingdom |
| Merck & Co | Health Care | Pharmaceuticals | 4.0% | United States |
| Amadeus IT Group | Information Technology | Data Processing & Outsourced Services | 3.8% | Spain |
| Clorox | Consumer Staples | Household Products | 3.8% | United States |
| Air Liquide | Materials | Industrial Gases | 3.7% | France |
| Kimberly-Clark | Consumer Staples | Household Products | 3.7% | United States |
| Smith & Nephew | Health Care | Health Care Equipment | 3.7% | United Kingdom |
| SAP | Information Technology | Application Software | 3.6% | Germany |
| Ingredion | Consumer Staples | Agricultural Products | 3.1% | United States |
| Securitas | Industrials | Security & Alarm Services | 3.0% | Sweden |
| Essity | Consumer Staples | Household Products | 2.9% | Sweden |

As at 31 December 2022



What was the proportion of sustainability-related investments?

The Fund did not make any sustainable investments, as defined under SFDR, or sustainable investments with an environmental objective aligned with the EU Taxonomy.

● What was the asset allocation?

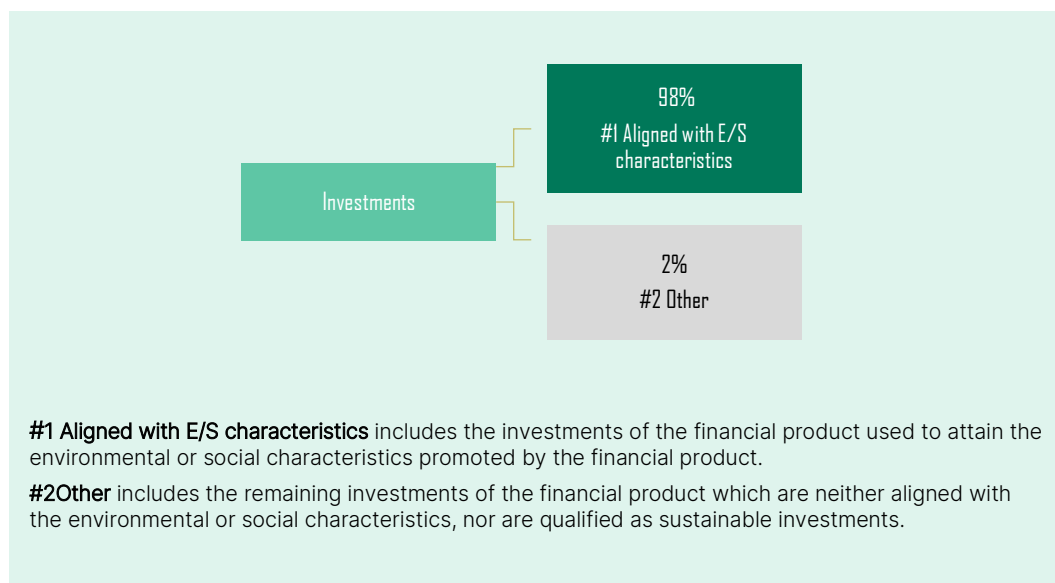
The Fund invested 98% of its portfolio in investments which exhibited the environmental or social characteristics of the Fund. Accordingly, the remaining 2% of investments did not exhibit the environmental or social characteristics and comprised cash. This calculation is based on the market value of the investments.

Asset allocation describes the share of investments in specific assets.

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

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

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



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

| | |
|---------------------------------------|--------|
| Communication Services | |
| Integrated Telecommunication Services | 2.13% |
| Consumer Discretionary | |
| 10.27% | |
| Apparel Retail | 1.87% |
| Apparel, Accessories & Luxury Goods | 5.50% |
| Restaurants | 2.91% |
| Consumer Staples | |
| 41.81% | |
| Agricultural Products | 3.14% |
| Brewers | 0.99% |
| Distillers & Vintners | 4.09% |
| Food Retail | 4.92% |
| Household Products | 10.40% |
| Packaged Foods & Meats | 11.77% |
| Personal Products | 6.49% |
| Health Care | |
| 20.77% | |
| Health Care Distributors | 4.12% |
| Health Care Equipment | 3.65% |
| Health Care Services | 1.56% |
| Pharmaceuticals | 11.43% |
| Industrials | |
| 10.46% | |
| Construction Machinery & Heavy Trucks | 1.71% |
| Industrial Machinery | 3.74% |

Taxonomy-aligned activities are expressed as a share of:

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

| | |
|---------------------------------------|--------------|
| Research & Consulting Services | 1.99% |
| Security & Alarm Services | 3.02% |
| Information Technology | 9.64% |
| Application Software | 3.61% |
| Data Processing & Outsourced Services | 6.03% |
| Materials | 3.69% |
| Industrial Gases | 3.69% |

As at 31 December 2022



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

0%. The Fund did not make any sustainable investments with an environmental objective aligned with the EU Taxonomy.

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

Yes:

In

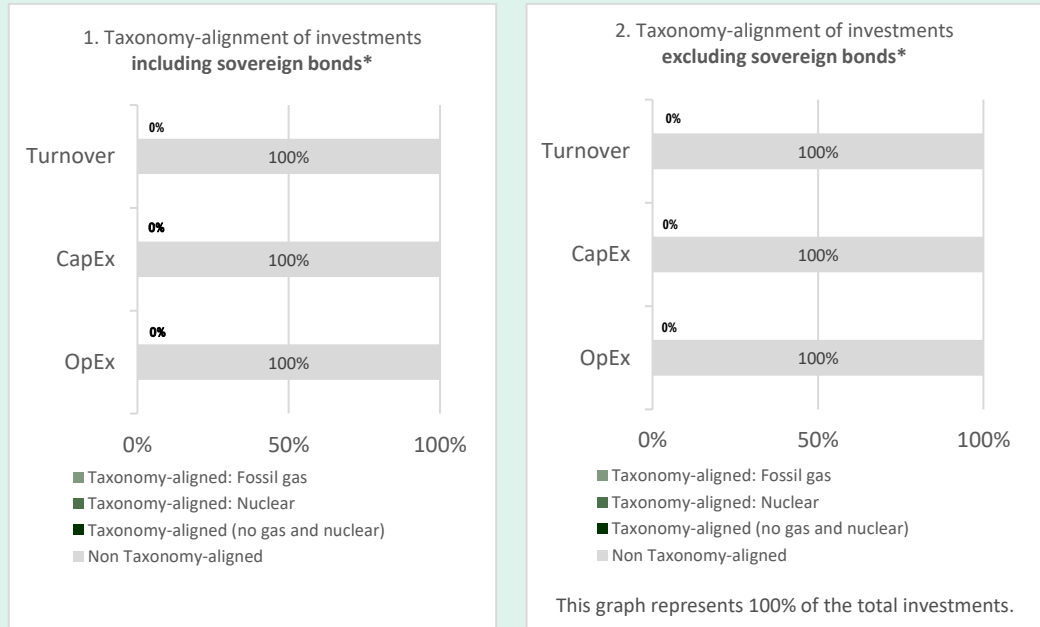
fossil gas

in nuclear energy

No

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

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



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

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

Not applicable.

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

There was no change to the percentage of investments compared with the previous reporting period.



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

The proportion of "Other Investments" (i.e., the investments which are not aligned with the environmental or social characteristics of the Fund) included under "#2 Other" included cash (for purposes such as liquidity, client redemption requests, and other day-to-day portfolio maintenance purposes). Cash was not subject to any minimum environmental or social safeguards.



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

The activities taken to ensure that the investments met the environmental and social characteristics promoted by the Fund have included the following steps undertaken by the Investment Manager:

- Exclusion screening: the Investment Manager excluded investments in certain activities, sectors and practices that are incompatible with sustainability principles.
- Fundamental analysis: The Investment Manager incorporated environmental, social and governance (ESG) factors, including consideration of compliance with the UNGC principles and various sustainability risk factors, into its fundamental analysis of potential investments.
- Net zero commitment: The Investment Manager engaged with investee companies to encourage the investee companies to set carbon reduction targets, including Net Zero.
- Stewardship approach: The Investment Manager engaged with the management of the investee companies or those which were the subject of an investment recommendation.

Engaging with the management of the investee companies in which the Fund has invested is a core part of the Investment Manager's stewardship practices and supports a key component of the Fund's investment strategy. The Investment Manager uses engagement as a way of improving and promoting the environmental and social characteristics of the Fund. If any investee company practices indicate non-adherence to the UNGC, misalignment with the goals of the Paris Agreement, or if any practices indicate a serious violation of human rights, severe environmental damage, gross corruption, a serious violation of individuals' rights in situations of war or conflict, as well as any other particularly serious violation of fundamental ethical norms, the Investment Manager may choose to engage with the investee company in question.

In 2022, the Investment Manager participated in 78 engagements with investee companies which included written emails, calls, and in-person meetings. Topics included sustainable innovation, exposure to Russia and Ukraine, Net Zero commitments, board diversity, ESG disclosure, anti-discrimination, pre-investment due diligence, and capital allocation/governance.

A key element of the effective stewardship of public companies is the investor's right to vote on company and shareholder resolutions (often through a proxy). Any voting rights are exercised in the best interests of the Fund and with the goal of maximising the value of the Fund's investments. Where possible, votes are exercised in alignment with the environmental and social characteristics promoted by the Fund.

In 2022, 100% of the portfolios' proxy votes on ballots were exercised on behalf of the Fund. Topics included Audit/Financials, Board Related, Capital Management, Changes to Company Statutes, Compensation, Meeting Administration, SHP: Compensation, SHP: Environment, SHP: Governance, SHP: Social.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: ValueInvest LUX – Macquarie ValueInvest LUX Japan (the “Fund”)
 Legal entity identifier: 2221002QSWKIBWA6VI15

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

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

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

The Fund invested in securities which provided exposure to publicly listed Japanese companies and promoted the following environmental and social characteristics:

- **UNGC** – the Fund seeks to invest in companies aligned with the ten principles of the UNGC, which is an initiative calling for companies to align their strategies and operations with universal principles on human rights, labour, environment, and anti-corruption and to take actions that advance societal goals. The ten principles of the UNGC are:

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

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



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

Human Rights

- Businesses should support and respect the protection of internationally proclaimed human rights; and
- make sure that they are not complicit in human rights abuses.

Labour

- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- the elimination of all forms of forced and compulsory labour;
- the effective abolition of child labour; and
- the elimination of discrimination in respect of employment and occupation

Environment

- Businesses should support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility; and
- encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Businesses should work against corruption in all its forms, including extortion and bribery.
- **Decarbonisation** – the Investment Manager manages the Sub-Fund in line with the Investment Manager’s commitment to invest and manage its portfolio in line with global net zero emissions by 2040.

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

The sustainability indicators set out below were used to measure the attainment of the Environmental and Social Characteristics. The results have been gathered by utilizing third-party ESG data with additional research conducted in-house by the Investment Manager.

At year-end 2022, 100% of the Fund’s investee companies were compliant with the UNGC principles according to the Fund’s ESG data providers.

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

As in 2021, 100% of the Fund’s investee companies were compliant with the UNGC principles. All indicators performed either in line with 2021 or better as showed in the above table.

| <i>Sustainability indicator</i> | <i>Performance reporting year 2022</i> | <i>Performance reporting year 2021</i> |
|---|---|--|
| Human rights policy, or equivalent, in place; | 96% of investee companies have implemented human rights policies or | 84% |

| | | |
|--|---|--|
| | have published statements covering the subject. | |
| No conduct detected which would indicate a violation of the Human Rights principles of the UNGC or the United Nations Guiding Principles on Business and Human Rights; | <p>100%</p> <p>According to the Fund's ESG data providers, 1 investee company was involved in controversies that are considered severe and are listed as having <i>Watch List</i> status under the UN Guiding Principles on Business and Human Rights.</p> <p>According to such data provider, Watch List means that the investee companies are implicated in one or more controversy cases that are serious and warrant ongoing monitoring but, based on information available to date, does not constitute a breach of the human rights principles of the UNGC and/or the United Nations Guiding Principles on Business and Human Rights.</p> <p>The Investment Manager is monitoring the incidents and, if the controversy is ongoing, engaging with the investee companies concerned to ensure they are resolved appropriately.</p> | <p>100%</p> <p>1 investee companies on Watch List.</p> |
| Freedom of association policy, or equivalent, in place | <p>88% of investee companies have implemented a freedom of association policy, including labour policies that include provisions on freedom of association, or have published a statement on the subject.</p> <p>Based on available evidence, 1 investee company did not have a policy or statement on freedom of association.</p> | 88% |
| No conduct detected which would indicate a violation of the International Labour Organization's fundamental set of labour standards | <p>100%</p> <p>According to the Fund's ESG data providers, none of the investee companies was implicated in one or more controversy cases that constitute a breach of the International Labour Organization's fundamental set of labour standards.</p> | 100% |
| Company actively works to eliminate forced labour and child labour, Depending on the industry, this could include supply-chain audit, | 84% of investee companies had initiatives in place aimed at eliminating forced labour and/or child labour, thereby supporting the principles of the UNGC. | N/A |

| | | |
|--|--|---|
| training, etc. As part of the company analysis and ongoing monitoring performed by the Investment Advisor, how the investee company actively works to eliminate forced and child labour is determined on a case-by-case basis / as part of the qualitative research performed by the Investment Advisor; | Specifically, these investee companies' labour policies, or other policies/statements, include an anti-child labour commitment as well as an anti-forced labour commitment. | |
| Bribery and anti-corruption, or equivalent, policy in place | 96% of investee companies have implemented a policy or published a statement on the subject of bribery and anti-corruption. | 88% |
| No conduct detected that is considered serious corruption or bribery | 100% According to the Fund's ESG data providers none of the investee companies was involved in controversies that relate to corruption or bribery. | 100% |
| Company sets targets to reduce greenhouse gas emissions | 96% of investee companies have published carbon reduction targets. 69% of investee companies have committed to Net Zero carbon emissions. | 92% of investee companies have reduction targets. 58% of investee companies have committed to Net zero carbon emissions. |
| Company has initiatives in place that show environmental responsibility. Depending on the industry, this could include water consumption reduction initiatives and targets, toxic emission and waste reduction initiatives and targets, etc. As part of the company analysis and ongoing monitoring performed by the Investment Manager, how the investee company shows environmental responsibility is determined on a case-by-case basis as part of the qualitative research performed by the Investment Manager. | 100% All investee companies had environmental initiatives in place which supported the principles of the UNGC, i.e., supported a precautionary approach to environmental challenges, undertook initiatives to promote greater environmental responsibility, or encouraged the development and diffusion of environmentally friendly technologies. Sustainability indicators used to determine whether the investee companies show environmental responsibility include water reduction targets, toxic emission & waste | 100% |

| | | |
|--|--|--|
| | reduction targets and initiatives, recycling & packaging initiatives, eco-design, deforestation initiatives, and/or minimizing environmental impact through products and services offered. 100% of investee companies met one or more of these criteria. | |
|--|--|--|

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

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



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

The Investment Manager took account of various indicators for adverse impacts (set out in Tables 1, 2 and 3 of Annex I of the Regulatory Technical Standards issued pursuant to the SFDR).

As part of the assessment of the adherence to the principles of the UNGC, the Investment Manager took account of the following principal adverse impacts indicators: (i) Activities negatively affecting biodiversity sensitive areas, (ii) Emissions to Water, (iii) Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises, (iv) Lack of a human rights policy, (v) Lack of processes and measures for preventing trafficking in human beings, (vi) Number of identified cases of severe human rights issues and incidents, and (vii) Lack of anti-corruption and anti-bribery policies.

Further, in line with the Investment Manager’s commitment to invest and manage its portfolio in line with global net zero emissions by 2040, it has engaged with investee companies to encourage them to set carbon reduction targets. The Investment Manager also took account of the following principal adverse impacts indicators: (i) GHG Emissions, (ii) Carbon footprint, (iii) GHG intensity of investee companies, and (iv) Investments in companies without carbon emissions reduction initiatives.

To support the exclusion of activities and practices that are not aligned with the sustainability principles of the Fund, the Investment Manager took account of (i) Exposure to companies active in the fossil fuel sector and (ii) Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons).

To inform proxy voting decisions and proxy voting engagement efforts, (i) Board gender diversity and (ii) Excessive CEO pay ratio indicators were taken into account by the Investment Manager.

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

Due to the impact of deforestation on GHG emissions and biodiversity, the Investment Manager has taken into account the indicator “Deforestation” in its approach to net zero and has identified deforestation as a current key engagement topic.

Asset allocation describes the share of investments in specific assets.



What were the top investments of this financial product?

| Largest investment | Sector | Sub-industry | % Assets | Country |
|--------------------|------------------------|--------------------------------|----------|---------|
| Ajinomoto | Consumer Staples | Packaged Foods & Meats | 6.3% | Japan |
| TIS Inc | IT | IT Consulting & Other Services | 5.9% | Japan |
| Adeka | Materials | Commodity Chemicals | 5.5% | Japan |
| Bridgestone | Consumer Discretionary | Tires & Rubber | 5.4% | Japan |
| Kao | Consumer Staples | Personal Products | 5.3% | Japan |
| Air Water | Materials | Industrial Gases | 5.1% | Japan |
| AIN Holdings | Consumer Staples | Drug Retail | 5.0% | Japan |
| Toyo Suisan | Consumer Staples | Packaged Foods & Meats | 4.9% | Japan |
| Kurita Water | Industrials | Industrial Machinery | 4.9% | Japan |
| Asahi Group | Consumer Staples | Brewers | 4.6% | Japan |
| Makita | Industrials | Industrial Machinery | 4.1% | Japan |
| Nippon Flour Mills | Consumer Staples | Packaged Foods & Meats | 3.8 % | Japan |
| Kuraray | Materials | Commodity Chemicals | 3.7% | Japan |
| NSK | Industrials | Industrial Machinery | 3.7% | Japan |
| Astellas Pharma | Health Care | Pharmaceuticals | 3.6% | Japan |

As at 31 July 2022

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: **1 January to 30 July 2022**

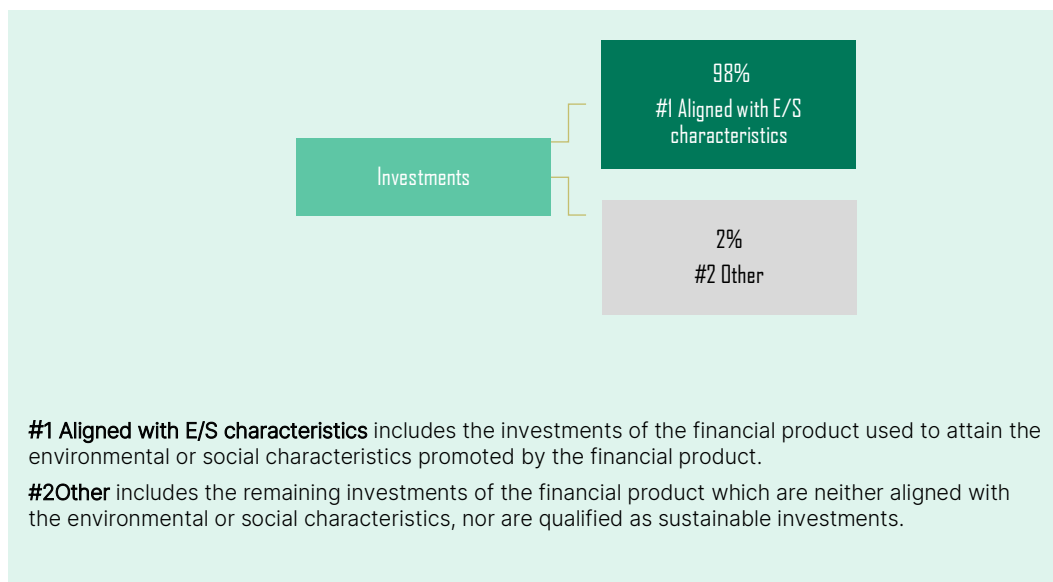


What was the proportion of sustainability-related investments?

The Fund did not make any sustainable investments, as defined under SFDR, or sustainable investments with an environmental objective aligned with the EU Taxonomy.

- **What was the asset allocation?**

The Fund invested >98% of its portfolio in investments which exhibited the environmental or social characteristics of the Fund. Accordingly, the remaining 2% of investments did not exhibit the environmental or social characteristics and comprised cash. This calculation is based on the market value of the investments.



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

| | |
|-------------------------------------|---------------|
| Communication Services | 1.12% |
| Wireless Telecommunication Services | 1.12% |
| Consumer Discretionary | 11.41% |
| Homefurnishing Retail | 2.45% |
| Household Appliances | 3.52% |
| Tires & Rubber | 5.44% |
| Consumer Staples | 37.77% |
| Brewers | 8.07% |
| Drug Retail | 5.01% |
| Food Retail | 2.94% |
| Packaged Foods & Meats | 16.46% |
| Personal Products | 5.30% |
| Health Care | 5.72% |
| Health Care Equipment | 2.17% |
| Pharmaceuticals | 3.55% |
| Industrials | 16.72% |
| Environmental & Facilities Services | 2.88% |

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

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

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

| | |
|--------------------------------|---------------|
| Industrial Machinery | 12.68% |
| Security & Alarm Services | 1.16% |
| Information Technology | 8.53% |
| IT Consulting & Other Services | 8.53% |
| Materials | 17.63% |
| Commodity Chemicals | 9.25% |
| Industrial Gases | 8.37% |

As at 31 July 2022

Taxonomy-aligned activities are expressed as a share of:

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



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

0%. The Fund did not make any sustainable investments with an environmental objective aligned with the EU Taxonomy.

- **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

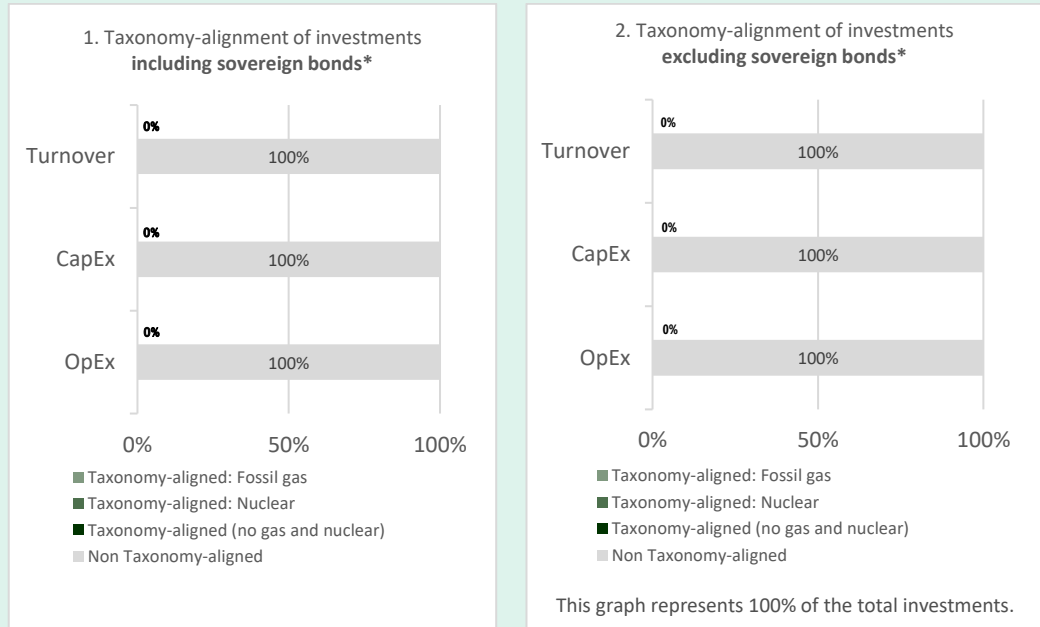
Yes:

In fossil gas in nuclear energy

No

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

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



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

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

Not applicable.

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

There was no change to the percentage of investments compared with the previous reporting period.



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

The proportion of “Other Investments” (i.e., the investments which are not aligned with the environmental or social characteristics of the Fund) included under “#2 Other” included cash (for purposes such as liquidity, client redemption requests, and other day-to-day portfolio maintenance purposes). Cash was not subject to any minimum environmental or social safeguards.



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

The activities taken to ensure that the investments met the environmental and social characteristics promoted by the Fund have included the following steps undertaken by the Investment Manager:

- Exclusion screening: the Investment Manager excluded investments in certain activities, sectors and practices that are incompatible with sustainability principles.
- Fundamental analysis: The Investment Manager incorporated environmental, social and governance (ESG) factors, including consideration of compliance with the UNGC principles and various sustainability risk factors, into its fundamental analysis of potential investments.
- Net zero commitment: The Investment Manager engaged with investee companies to encourage the investee companies to set carbon reduction targets, including Net Zero.
- Stewardship approach: The Investment Manager engaged with the management of the investee companies or those which were the subject of an investment recommendation.

Engaging with the management of the investee companies in which the Fund has invested is a core part of the Investment Manager's stewardship practices and supports a key component of the Fund's investment strategy. The Investment Manager uses engagement as a way of improving and promoting the environmental and social characteristics of the Fund. If any investee company's practices indicate non-adherence to the UNGC, misalignment with the goals of the Paris Agreement, or if any practices indicated a serious violation of human rights, severe environmental damage, gross corruption, a serious violation of individuals' rights in situations of war or conflict, as well as any other particularly serious violation of fundamental ethical norms, the Investment Manager may choose to engage with the investee company in question.

In 2022, the Investment Manager participated in 42 engagements with investee companies which included written emails, calls, and in-person meetings. Topics included sustainable innovation, exposure to Russia and Ukraine, Net Zero commitments, board diversity, ESG disclosure, anti-discrimination, pre-investment due diligence, and capital allocation/governance.

A key element of the effective stewardship of public companies is the investor's right to vote on company and shareholder resolutions (often through a proxy). Any voting rights are exercised in the best interests of the Fund and with the goal of maximising the value of the Fund's investments. Where possible, votes are exercised in alignment with the environmental and social characteristics promoted by the Fund.

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