AAM Family Values

French FCP (mutual fund)

Approval date	:	30 May 2014
Publication date	:	7th February 2022

UCITS subject to European Directive 2009/65/EC

Contents

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Section I: Prospectus

UCITS subject to European Directive 2009/65/EC

Part A – General features

- **Name of UCITS** : AAM Family Values
- **Legal form and Member State** : FCP under French law
- **Date of incorporation and projected term**:
  16 June 2014 for a term of 99 years
- **Approval date** : 30 May 2014 by the AMF (French securities regulator)

Units	ISIN Code	Distribution of earnings : Net result: Distribution and/or Capitalisation Net realised capital gains: Capitalisation	Currency	Initial unit value	Minimum initial subscription	Fractional units	Eligible subscribers
E1	FR0011911189	Capitalization	EUR	EUR 100	One unit	Ten thousandths of a unit	All subscribers
I	FR0011911197	Capitalization	EUR	EUR 100	EUR 500,000	Ten thousandths of a unit	All subscribers
I1	FR0014007HS6	Capitalization	EUR	EUR 100	EUR 1,000,000	Ten thousandths of a unit	All subscribers

The management company, employees of the management company and the employees of companies affiliated to the management company are exempted from the minimum initial subscription.

- **Contact point to obtain the Fund Rules, the latest annual report and the latest periodic report :**

Unitholders can obtain the latest annual and periodic reports within 8 working days of submitting a written request to:

Anaxis Asset Management
9, rue Scribe, 75009 Paris, France
Tel: +33 (0)9 73 87 13 20
info@anaxiscapital.com

Any additional information can be obtained from Anaxis Asset Management at this same address.

Part B – Intermediaries

- **Portfolio management company** : Anaxis Asset Management S.A.S.
A portfolio management company accredited by the AMF under number GP10000030
9, rue Scribe, 75009 Paris

- **Depositary bank and custodian** : BNP Paribas Securities Services S.C.A.
A credit institution accredited by the ACPR (French prudential supervisory and resolution authority)

Postal address
Grands Moulins de Pantin, 9, rue du Débarcadère, 93500 Pantin

Registered office
3, rue d'Antin, 75002 Paris

Responsibilities of the depository bank
The depositary bank and custodian carries out the following duties: control of the compliance of the investment decisions made by the management company (as defined under article 22.3 of the UCITS 5 Directive), monitoring of the cash flows of the UCITS (as defined under article 22.4), custody of the assets of the UCITS (as defined under article 22.5) and, in general, any duties required of it under the laws and regulations in force.

Potential conflicts of interest
Potential conflicts of interest may arise as Anaxis Asset Management has a commercial relationship with BNP Paribas Services alongside its appointment as depositary (BNP Paribas Securities Services, by delegation from the management company, calculates the net asset value of the UCITS). In order to manage such situations as this, the depositary has implemented and regularly updates a conflict of interest management policy, with the aim of:
- Identifying and analysing potential conflicts of interest;
- Recording, managing and monitoring conflicts of interest. To that end, the depository relies on the permanent measures put in place in order to manage conflicts of interest, such as the distribution of tasks, the separation of hierarchical and operational lines, the monitoring of internal lists of insiders and the use of dedicated IT environments. In addition, on a case-by-case basis, the depository implements appropriate preventive measures such as the creation of ad hoc monitoring lists, the creation of new Chinese walls, or the verification that transactions are properly processed and/or that the relevant client is informed. In certain circumstances, the depository may refuse to manage activities which could lead to conflicts of interest.

Delegation of functions
The depositary is responsible for the safekeeping of assets (as defined in article 22(5) of Directive 2009/65/EC, as amended by Directive 2014/91/EU). In order to offer services linked to the safekeeping of assets in a large number of countries, enabling the UCITS to achieve its investment objectives, BNP Paribas Securities Services SCA has appointed sub-depositaries in countries where BNP Paribas Securities Services CA has no local presence. These entities are listed on the following website:
http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-nd-trustee-serv.html
The appointment and monitoring process for sub-depositaries adheres to the highest quality standards, including the management of potential conflicts of interest which may arise as a result of these appointments.
Up-to-date information relating to the above points will be sent to investors upon request.

- **Statutory Auditor** : PricewaterhouseCoopers Audit
Represented by Frédéric Sellam
63, rue de Villiers, 92200 Neuilly-sur-Seine

- **Promoters** : 1. Anaxis Asset Management S.A.S.
  9, rue Scribe, 75009 Paris

  2. Its Swiss counterpart Anaxis S.A.
  19, rue du Mont-Blanc, 1201 Geneva, Switzerland

- **Delegate accounting manager** : BNP Paribas Securities Services S.C.A.

  Postal address

  Grands Moulins de Pantin, 9, rue du Débarcadère, 93500 Pantin

  Registered office

  3, rue d'Antin, 75002 Paris

  The delegate accounting manager administrates the Fund (accounting, calculating net asset values) and is responsible for middle office functions.

- **Orders centralized by** : Identity of institution in charge of receiving subscription and redemption orders

  BNP Paribas Securities Services S.C.A.,

  A credit institution accredited by the ACPR (French prudential supervisory and resolution authority)

  Postal address

  Grands Moulins de Pantin, 9, rue du Débarcadère, 93500 Pantin, France

  Registered office:

  3, rue d'Antin, 75002 Paris, France

Part C – Terms of operation and management

1. General features

- **Type of rights attached to units** : Each unitholder enjoys co-ownership of the Fund's assets in proportion to the number units held.

- **Management of liabilities** : All units are bearer units. No register is maintained. BNP Paribas Securities Services is responsible for the administration of the issuer's account. The Fund is admitted for trading on Euroclear France.

- **Voting rights** : As the Fund is a co-ownership of marketable securities, there are no voting rights attached to the units. Decisions are taken by the portfolio management company. However, notification of any amendments to the operation of the Fund is given to the unitholders either individually, via the press, or by any other method that complies with AMF Instruction No. 2011-19 of 21 December 2011.

- **Form of units** : All units are bearer units

- **Fraction of units** : Ten-thousandths of one unit

- **Balance sheet date** : Last trading day in December.

- **First financial year** : The balance sheet date of the first financial year is 31 December 2014.

- **Taxation** : As mutual funds are without legal personality, they are not subject to corporate tax. Unitholders are taxed as if they were direct owners of a share of the assets, according to the tax scheme applicable to them. Any capital gains and earnings generated from ownership of Fund units may be subject to tax. The applicable tax scheme depends on each investor's individual situation and tax residence, as well as the Fund's investment jurisdiction. Investors are advised to contact their usual advisor to learn about the conditions applicable to their personal situation.

INFORMATION ON THE FOREIGN ACCOUNT TAX COMPLIANCE ACT

In accordance with the provisions of the Foreign Account Tax Compliance Act (FATCA), which took effect on 1 July 2014, where the UCITS invests directly or indirectly in US assets, the income generated from these investments may be subject to a 30% withholding tax. In order to avoid payment of the 30% withholding tax, France and the US entered into an intergovernmental agreement under which foreign financial institutions undertake to establish a procedure for identifying direct or indirect investors that are US persons and to transmit certain information on these investors to the French tax authority, which in turn provides this information to the US Internal Revenue Service. As a foreign financial institution, the UCITS undertakes to comply with FATCA and to take any measures subject to the above-mentioned intergovernmental agreement.

2. Specific terms and conditions

- **ISIN codes** : E1 units : **FR0011911189**
  I units : **FR0011911197**
  I1 units : **FR0014007HS6**

- **Classification** : Equities.

- **Investment objective** : The Fund's objective is to capture the development of the European economy while seeking to limit the risk of significant portfolio variations. To this end, the Fund invests predominantly in European Union equities via a dynamic allocation determined by the asset management company. Companies are selected for their value creation, sound business model, upside potential and dividend consistency, without reference to a benchmark index. There is some risk that the Fund will not achieve the established objective.

- **Benchmark index** : Performance is compared to the STOXX® Europe 600 Net Return EUR index.
  This index is the global benchmark for European markets. It is made up of 600 stocks selected from 16 countries in the euro zone as well as the United Kingdom, Denmark, Switzerland, Norway and Sweden. Codes: ISIN: EU0009658210 Reuters: STOXXR; Bloomberg: SXXR Index; the benchmark is denominated in euro. The Benchmark Index is an index with net dividends reinvested, i.e. the performance of the Benchmark Index includes the net dividends paid by its constituent stocks. A full description and methodology for the construction of the Benchmark Indicator, as well as information on the composition and respective weights of the Benchmark Indicator's components, are available on the website: www.stoxx.com.

  The administrator of the Benchmark Indicator is listed in the register of administrators and benchmarks maintained by ESMA. In accordance with the provisions of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the Management Company has a procedure for monitoring the Benchmark Indices used describing the measures to be implemented in the event of substantial changes to an index or the discontinuation of the supply of that index.

- **Investment Strategy**

a. ***Description of strategies used***: The fund adopts an active and discretionary management strategy. Investment decisions are based primarily on in-depth financial analysis.

The Fund is subject to sustainability risk as defined in the Sustainable Finance Disclosure (SFDR) Regulation 2019/2088 as set out in the risk profile of the prospectus. Citing the principle of proportionality, the management company

does not take into account the negative impact of investment decisions on sustainability factors.
Furthermore, due to insufficient data provided by the companies, the criteria defining negative impacts are, at this stage, not applicable to investments in speculative grade corporate debt.

Alignment with the European Taxonomy

As most companies have not started publishing data in terms of alignment with the taxonomy, we are unable to provide a percentage of alignment of investments with the taxonomy.

General approach

The management favours so-called "family stocks". Our definition is based on two criteria, which do not necessarily have to be cumulative: a person or a family is among the main shareholders (both in terms of share capital or voting rights)

a person or family has effective power, either through their involvement in the management of the company or through their ability to appoint managers.

The fund is suitable for investors who share our belief that family-owned stocks have characteristics that set them apart from the rest of the market and allow us to expect superior and more consistent performance. In particular, we look for companies that are well positioned in terms of their industry, long-term strategic vision, organisational stability, strong expertise, good control of financial parameters and alignment of interests between management, employees and shareholders.

Company analysis

The management process favours fundamental analysis and convictions in order to select large and mid-cap companies whose business model is deemed relevant by the management company. This process is based on three main pillars:

1. Megatrends: companies must be positioned in markets considered dynamic and sustainable, according to the managers' analysis. Megatrends represent the powerful forces of social, demographic, environmental and technological change. They are observable, predictable and transform the economy by disrupting established business models. This pillar includes investment opportunities such as consumer discretionary & leisure, security of people, goods and transactions, dependency care, healthcare, automation, digitalisation, renewable energy, transition to a sustainable economy, urbanisation, and rising living standards in emerging markets.

2. Know-how: from the managers' point of view, companies benefit from significant competitive advantages, high barriers to entry and rare human skills.

3. Governance: the managers of the targeted companies must be experienced and respectful of the interests of minority shareholders. The analysis of managers is based on indicators such as the experience of managers, their concrete motivation to create value, the quality of financial information, and the credibility of their discourse.

4. Intimate knowledge of the companies is enhanced by exchanges with the managers and site visits, and by monitoring with financial partners.

Companies deemed interesting are subject to an internal rating and an in-depth financial analysis. Finally, valuation models are used to define entry and exit points.

If the company maintains a relevant business model and if the valuation conditions are met, the management team intends to act as a long-term investor.

Geographic criteria

The Fund gives preference to equities listed on European markets. At all times, it invests at least 75% of its assets in listed securities issued by companies having their registered office in Europe. Europe is defined here as all the countries of the European Economic Area, the United Kingdom and Switzerland.

The fund may invest up to 25% of its assets in equities issued by companies of non-EU member developed countries (other countries of the European Economic Area, USA, Canada, Australia, New Zealand, Japan or Singapore).

An exposure to equities of emerging countries is allowed within a more restrictive limit of 10% of the assets.

Geographic exposure (main quotation markets)	Minimum	Maximum
European Union	75%	100%
Other developed countries	0%	25%
Emerging countries	0%	10%

Sector criteria

The investment strategy seeks to obtain solid sectorial diversification, with a maximum of 25% of its assets, per sector. All economic sectors may be considered. However, the Fund prefers non-cyclical, stable or regularly expanding sectors.

Moreover, the Fund does not invest in securities issued by banks or other financial institutions. It should be noted that this exclusion does not apply to financial holding companies and financing structures sometimes used by industrial or service groups.

Capitalization criteria

In principle, the Fund can invest in companies of all cap sizes as long as they are listed on regulated markets. However, it gives priority to market caps of more than EUR 1 billion. Companies below this threshold do not exceed 10% of the allocation.

Management of foreign exchange risk

The Fund's reference currency is the euro. Foreign exchange risk generated by any investments in foreign currencies could be hedged in favour of the euro. Foreign exchange risk is hedged via forward forex transactions or OTC derivatives. Such hedged may prove partial or imperfect. After hedging, the maximum foreign exchange risk is 50% of the assets.

Voting policy

The voting rights attached to portfolio securities are subject to a specific internal voting policy. This policy is available on the website of the portfolio management company or upon simple request at the company.

b. ***Categories of assets used*** : **1. Non derivative assets**

Shares

The Fund is not eligible for PEAs (French personal equity plans) and at all times at least 75% of its assets are equities listed on European Union regulated markets. It may invest in any EU member country exchanges.

The Fund may also invest up to 25% of its assets in other developed countries (other countries of the European Economic Area, Switzerland, United Kingdom, United States, Canada, Australia, New Zealand, Japan, and Singapore). The exposure to emerging equities is limited to 10%.

The geographic or sector breakdown is not determined in advance and depends on the companies selected (subject to the applicable investment constraints) by the portfolio management team in charge of the Fund. However, the Fund does not invest in the financial sector.

Maximum exposure to the equity markets is 100% of the Fund's assets. Market caps of less than EUR 1 billion do not exceed 10% of the allocation.

<u>Debt securities and money market instruments</u>

The Fund may invest into interest rate instruments up to 25% in order to reduce or to diversify its exposure to the stock markets. These instruments may come from public or from private issuer, with a floating or fixed rate.

More particularly, the Fund may invest up to 10% in high yield (speculative-grade) corporate bonds and non-rated securities. The analysis and selection of debt instruments are made independently from rating agencies.

Stocks may be denominated in EUR or in other currencies, insofar as the asset management company considers it possible to set up a foreign exchange hedge under reasonable conditions.

<u>Clarifications on the legal nature of rate instruments</u>

- Negotiable debt securities having a short-term maturity;
- Negotiable debt securities having a medium-term maturity;
- Fixed-, variable- or floating-rate bonds;
- Euro medium-term notes (EMTNs), excluding structured notes and notes with embedded forward financial instruments;
- Convertible bonds;
- Inflation-indexed bonds;
- Treasury notes.

<u>UCITS</u>

The Fund may invest up to 10% of its assets in other UCITS subject to European Directive 2009/65/EC, without any limitation in terms of regulatory classification. The purpose of this use may be the diversification of investments or strategies, or cash management.

2. Derivatives

The Fund may invest in the regulated, organized or OTC futures markets for the purpose of carrying out forex hedging transactions or adjusting the portfolio's stock market sensitivity (upward or downward). Instruments used may include, in particular, futures, forward foreign exchange contracts and simple interest rate swaps within the limit of 100% of its net assets, without building any synthetic exposure that would lead to expose the Fund to the stock markets more than 1x its net assets. In addition, the fund will not use total return swaps.

<u>Clarifications on derivatives:</u>

Type of markets in which the Fund may invest:

- regulated,
- organized,
- OTC.

Risks to which the portfolio management team plans to expose the Fund:

- Equity,
- Foreign exchange.

Types of transactions, all of which are limited to the achievement of the investment objective:

- hedging,
- exposure.

Types of instruments used:

- futures,

- swaps,
- forward foreign exchange contracts.

Strategy for using derivatives to achieve the investment objective:

- hedging of foreign exchange risk,
- hedging of equity risk,
- creation of a synthetic equity exposure.

3. Securities with embedded derivatives

Convertible bonds

The Fund may invest up to 25% of its assets in convertible bonds (indexed bonds, bonds redeemable into shares, etc.), warrants or related securities.

4. Deposits

For the purpose of managing its cash holdings, the Fund may carry out deposits with one or more credit institutions, within the limit of 25% of its assets.

5. Cash loans

The Fund does not borrow cash. Nevertheless, it may have a temporary debit balance, within the limit of 10%, due to transactions related to the Fund's payment flows: investments, divestments and liabilities transactions.

6. Temporary securities lending and borrowing

None.

■ **Contracts constituting financial guarantees** :

In the context of transactions on OTC derivative instruments, the fund is required to receive or grant financial assets as collateral. The financial guarantees received are intended to reduce the fund's exposure to the risk of default of a counterparty. They are only received in cash. The management company does not accept guarantees in the form of financial securities.

Any financial guarantee or collateral received complies with the following regulations: they only can be placed in deposits with eligible entities or invested in high quality government bonds (provided that such transactions are with credit institutions subject to prudential supervision and the fund can withdraw at any time the total amount of cash taking into account accrued interest) or short-term money market funds.

Financial guarantees will not be reused.

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■ **Risk profile** : **Your money will be predominantly invested in financial instruments selected by the portfolio management company. These instruments will be subject to market trends and developments.**

a. ***Main risks*** : Capital risk: The Fund does not offer any guarantee or protection. There is a risk that subscribers will not recover all of the capital initially invested.

Risk that the Fund's performance differs from its management objective: The management objective is not subject to any explicit or implicit guarantee. Its achievement depends, among other factors, on market trends, management choices, fees, events impacting the companies the securities of which are held by the Fund, and, for each investor, of its subscription and redemption dates. There is a risk that the Fund will not allow the investor to reach the proclaimed target.

Risk linked to discretionary portfolio management: As the Fund is managed on a discretionary basis; there is a risk that the portfolio management team will not select the top-performing securities. Consequently, the Fund may underperform its investment objective and the investment choices made may lead to a decrease in the Fund's NAV (net asset value).

Equity risk: The Fund's exposure to the stock market ranges between 75% and 100%. The Fund's NAV will decrease if this market declines.

Sustainability risk : A sustainability risk is defined as an environmental, social or governance event or situation that, if it occurs, could have a negative impact on the value of the investment, for example because of any of the following: (1) lower revenues, (2) higher costs, (3) physical damage or depreciation in asset value, (4) higher cost of capital, (5) fines or convictions, (6) image damage. Some risks, particularly those associated with global warming, are likely to increase over time.

Risk associated with small and middle capitalisations: The Fund may hold small- and mid-cap stocks; specifically up to 10% of its assets may be invested in companies with a market cap of less than EUR 1 billion. In general, these stocks offer lower liquidity. They may prove more difficult to sell or only find a buyer at lower-than-expected prices, which can cause the Fund's NAV to decline.

Interest rate risk: Up to 10% of the Fund's net assets may be exposed to the bond market. When interest rates rise, bond prices fall. These fluctuations may lead to a decrease in the Fund's NAV. The portfolio's sensitivity may vary within a range of 0 to 1.

Credit risk: Up to 10% of the Fund's net assets may be exposed to the bond market. The Fund may hold corporate bond of low credit quality. There is a risk that the issuer's rating will be downgraded, which may lead to a decrease in the price of the security and thus the Fund's NAV.

"Speculative bonds" have a higher probability of default than investment grade bonds, the credit risk associated with these bonds is the "high yield" risk. These bonds offer higher levels of return as compensation but may, in the event of a downgrade in the rating, significantly reduce the Fund's NAV.

Risk associated with holding convertible bonds: Up to 10% of the Fund's net assets may be exposed to the convertible bond market. The value of convertible bonds depends on several factors such as interest rate levels, changes in prices of underlying securities and changes in prices of embedded derivatives. These various factors can lead to a decrease in the Fund's NAV.

Risk associated with commitments in financial instruments: The use of financial contracts may cause a more significant and more rapid decline in the Fund's NAV than the decline on the markets in which it is invested.

Foreign exchange risks: Up to 50% of the Fund's assets may be invested in securities denominated in currencies other than the Fund's reference currency (EUR). The foreign exchange risk associated with these investments will be hedged with the aim of keeping this exposure under 45% of the assets (all currencies combined). This exposure may lead to a decrease in the Fund's NAV.

b. ***Ancillary risks*** : Risk linked to investments in UCITS: There are liquidity risks and risks of losses associated with potential investments in UCITS, within the limit of 10% of the Fund's net assets.

Risks associated with investments in emerging markets: The NAV may undergo greater variations due to potential investments, within the limit of 10% of the Fund's assets, in equities listed on emerging markets. Such markets may experience sharp price variations; in addition, their operating and supervisory conditions may differ from the standards prevailing on the major international markets.

Counterparty risk: This risk arises from the use of financial contracts negotiated over the counter with market counterparties. These transactions expose the Fund to the risk of default by one or more counterparties and may lead to a decrease in the Fund's NAV.

Risk linked to inflation: The Fund may be exposed to inflation risk, i.e. a widespread increase in prices.

- **Guarantee or protection** : None.

- **Eligible subscribers and typical investor profile** :

E1 units are available to all subscribers.

I and I1 units, for which the minimum investment is respectively EUR 500,000 and EUR 1,000,000 , are specifically designed for legal entities and portfolio managers, and more generally for investors for whom such an investment would represent a reasonable portion of their financial assets.

E1 and I units are not PEA (French stock saving plan) eligible. However, they can be used within unit-linked life insurance policies.

Eligible subscribers include in particular those seeking to invest in the stock market and aware of the risks linked to the behaviour of this market. The recommended investment period is 5 years.

The amount that is reasonable to invest in this Fund depends on each investor's personal situation. To determine their personal situation, investors should consider their personal assets, regulations, current needs over the recommended investment period, as well as their risk appetite or risk aversion. Investors are strongly advised to sufficiently diversify their investments so as to avoid exposing them exclusively to the risks incurred by this Fund.

- **Conditions for determining and distributing income** :

Net income for the financial year is determined in accordance with regulatory provisions and with the Fund's accounting principles.

Net income is distributed between the unit categories in proportion to their share of total net assets.

Amounts available for distribution are determined by :

1. The net income plus retained earnings, and plus or minus the balance of the income accrual.
2. The realised gain for the financial year, less costs, plus gains of the same nature for the previous financial years that have not been distributed or capitalised, plus or less the balance of adjustments of gain/loss.

For E1, I and I1 units, gains are capitalised.

- **Frequency of distribution** : Non applicable.

- **Unit features** :

Units	ISIN Code	Distribution of earnings : Net result: Distribution and/or Capitalisation Net realised capital gains: Capitalisation	Currency	Frequency	Initial unit value	Minimum initial subscription	Fractional units
E1	**FR0011911189**	**Capitalization**	**EUR**	**Daily**	**EUR 100**	**One unit**	**Ten-thousandth of one unit**
I	**FR0011911197**	**Capitalization**	**EUR**	**Daily**	**EUR 100**	**EUR 500,000**	**Ten-thousandth of one unit**
I1	**FR0014007HS6**	**Capitalization**	**EUR**	**Daily**	**EUR 100**	**EUR 1,000,000**	**Ten-thousandth of one unit**

The management company, employees of the management company and the employees of companies affiliated to the management company are exempted from the minimum initial subscription.

- **Terms of subscription and redemption** :

Central processing of orders

Subscription and redemption orders are received and centrally processed by 12.00 p.m. by BNP Paribas Securities Services and are executed on the basis of the next day's NAV, i.e. at an unknown price.

Institution in charge of receiving orders

BNP Paribas Securities Services, Grands Moulins de Pantin, 9, rue du Débarcadère, 93500 Pantin, France.

Orders form

Subscription orders are accepted in quantity or amount.
Redemption orders are only accepted in quantity (number of units).

Fractions of units

Ten-thousandths of one unit.

Terms of settlement-delivery

Orders are executed in accordance with the table below:

D : Day of the calculation of the NAV	D : Day of the calculation of the NAV	D : Day of the calculation of the NAV	D+1	D+3	D+3
Subscription orders are received and centrally processed by 12.00 p.m	**Redemption orders are received and centrally processed by 12.00 p.m**	**Execution of the order on D**	**Publication of the Net Asset Value**	**Subscription Settlement-Delivery**	**Redemption Settlement-Delivery**

Conditions for switching from one unit category to another, round trip

For subscriptions carried out by unitholders having submitted a redemption request recorded at the NAV on the same day and involving the same number of units (in another unit category or in the same unit category as the subscription), no entry or redemption fees will be charged provided that the minimum amounts per transaction are observed.

Switching from one unit category to another is considered from a tax standpoint to be a redemption followed by a new subscription. The same is true for a round trip within the same unit category.

Date and frequency of NAV calculation

Daily. Net asset values are calculated daily, except for legal holidays in France and days when the French markets are closed (according to the official calendar of Euronext NV).

Place and conditions of publication or transmission of NAVs

The NAVs of the Fund's different unit categories can be obtained from Anaxis Asset Management, 9, rue Scribe, 75009 Paris, France, and online at www.anaxiscapital.com.

3. Charges

- **Fees and commissions** : Subscription and redemption fees

Subscription and redemption fees increase the subscription price paid by investors and decrease the redemption price. Fees paid to the Fund are used to offset the Fund's expenses in investing or divesting the assets under management. Fees not paid to the Fund go to the portfolio management company, the promoter, etc.

Fees charged to investors upon subscription and redemption	Base	Rate
Subscription fee not paid to the Fund	NAV x number of units	2% maximum
Subscription fee paid to the Fund	NAV x number of units	0%
Redemption fee not paid to the Fund	NAV x number of units	0%
Redemption fee paid to the Fund	NAV x number of units	0%

Clarifications on the subscription fee

The subscription fee is 2% maximum. It will be used to pay for the Fund's distribution and may be paid back to third-party distributors depending on the agreements signed.

Operating and management fees

Operating and management fees cover all expenses invoiced directly to the Fund, with the exception of transaction fees. Transaction fees include intermediation fees (brokerage, stock market tax, etc.) and the account activity fee, where applicable, that may be charged by the custodian and the portfolio management company.

The following may be charged in addition to operating and management fees:

- Incentive fees. Incentive fees are awarded to the portfolio management company when the Fund exceeds its targets. They are charged to the Fund;

- Account activity fees charged to the Fund;
- A share of the income earned from securities lending and borrowing transactions. However, the fund does not carry out such transactions, nor any equivalent or similar transactions under foreign law.

Fees charged to the Fund	Base	Rate (incl. tax)
Portfolio management fees	Net assets	E1 unit: 2.00% maximum incl. tax I unit: 1.25% maximum incl. tax I1 unit: 1% maximum incl. tax
External management fees	Net assets	0.10% maximum, with any surplus covered by the portfolio management company
Maximum indirect fees (management fees and commissions)	Net assets	The fund does not invest more than 10% of its assets in other UCITS
Account activity fee (paid to the custodian)	Charged on each transaction	Scale: Transactions: max. €60 Securities transactions: none
Account activity fee (paid to the management company)	Charged on each transaction	Scale : Transactions: max. 0.35% Securities transactions: max. 0.35%
Incentive fee	Net assets	15% incl. tax of the out-performance beyond an annual-ised net performance of 7%.

Clarifications on management fees external to the portfolio management company

Other on-going fees include fees charged for depositary services, custody of assets, centralisation of orders, transfer agency, delegation of administrative and accounting management, statutory audit, regulatory representation, regulatory registrations, etc.

The fund might not inform unitholders individually – nor offer them the option to redeem their units free of charges – in the event of an increase in management fees external to the portfolio management company less than or equal to 10 basis points per calendar year; in such case unitholders may be informed by any means (e.g. on the website of the portfolio management company, in the brochure of the UCITS). Such information should be published before the increase comes into effect.

How the performance fee is calculated

Performance reference period

The performance reference period is the period during which the performance is measured and compared to the performance of the benchmark and at the end of which it is possible to reset the compensation mechanism for past underperformance (or negative performance). This period is limited to 5 years.

Reference indicator

The benchmark is the STOXX® Europe 600 Net Return EUR.

<u>Calculation method</u>

The performance fee is accrued at each net asset value.

The "net outperformance" of the UCITS is defined as the positive difference between the net assets of the UCITS before taking into account any provision for performance fee, but after provision for current expenses, and the net assets of a notional "reference fund" achieving a performance corresponding to the net objective and registering the same pattern of subscriptions and redemptions as the real UCITS.

- If, over the reference period, the performance of the UCITS exceeds the performance of the Reference Fund, the performance fee will represent 15% of the difference between the performance of the UCITS and the performance of the Reference Fund, provided that the cumulative net performance of the UCITS over the reference period is positive.

- If, over the reference period, the performance of the UCITS is lower than the performance of the reference fund, the performance fee will be nil.

Where applicable, a provision for the performance fee will be made when calculating the net asset value. In the event that the Fund underperforms the Reference Fund between two net asset values, the provision will be readjusted by reversing the provision. Reversals of provisions are limited to the amount of previous allocations.

<u>Deduction of the performance fee and catch-up period</u>

The reference period is initially set at one calendar year. If the Fund outperforms at the end of the first year, with a positive annual performance of the Fund at the same time, the Management Company will receive the provisioned fees and a new reference period will start the following year.

If the Fund outperforms at the end of the first year, with a negative annual performance of the Fund at the same time, the Management Company will not receive any fee but the outperformance will be provisioned and may be received in a positive year.

If the Fund underperforms its benchmark at the end of the first year, no fee will be charged and the reference period will be extended by one year so that the underperformance can be offset before the performance fee becomes payable. The reference period can thus be extended up to a total duration of 5 years.

In the event that the reference period is extended beyond one year, the outperformance of the UCITS is examined over the entire reference period to determine whether a performance fee is due. If an outperformance is found, a new reference period starts and the fee is paid (if the year is positive) or waived (if the year is negative).

In the event of redemption, the portion of the performance fee corresponding to the redeemed units is definitively acquired by the management company.

<u>Examples</u>

Case 1:

The fund beats its index every year.

Fees will be charged annually and each reference period will be 12 months.

Case 2:

In some years, the fund ends up below its index.

	Year 1	Year 2	Year 3	Year 4	Year 5
Performance of the Fund	+3,0%	-1,0%	+2,0%	+1,3%	+0,2%
Index performance	+1,0%	+0,5%	+1,0%	+0,3%	-0,3%
Performance gap	+2,0%	-1,5%	+1,0%	+1,0%	+0,5%
Cumulative outperformance	+2,0%	-1,5%	-0,5%	+0,5%	+0,5%
Commission	15% x 2%	0	0	15% x 0,5%	15% x 0,5%
Reference period	Period 1		Period 2		Period 3

Intermediary selection procedure

The team chooses intermediaries from a mandatory list of intermediaries approved by the portfolio management company in line with its internal procedures. This list is established on the basis of objective criteria, including in particular quality of service provided and pricing conditions.

Part D – Sales information

- **Distribution or earnings** : BNP Paribas Securities Services is responsible for the annual distribution of earnings, where applicable. Payment of amounts available for distribution will be made within a maximum period of five months following the end of the financial year.

- **Subscription and redemption orders**:

  Subscription and redemption orders are received and centrally processed by 12.00 p.m. by BNP Paribas Securities Services and are executed on the basis of the following day's NAV, i.e. at an unknown price.

- **Information documents** : Unitholders can obtain the latest annual and periodic reports within one week of submitting a written request to: Anaxis Asset Management; 9, rue Scribe, 75009 Paris, France; Tel: +33 (0)9 73 87 13 20; Fax: +33 (0)1 42 65 80 46.

- **ESG criteria** : The investment strategy doesn't include social, environmental or governance (ESG) criteria.

- **Remuneration policy** : The remuneration policy of Anaxis Asset Management aims at (i) promoting a sound and efficient management of risks, and (ii) avoiding the emergence of conflicts of interest. This policy applies to all employees. It is reassessed annually. Up-to-date details of the remuneration policy, including methods for calculating fixed and variable compensations, are available on the company's website at www.anaxis-am.fr. A paper or electronic copy of the remuneration policy will be made available free of charge upon request.

- **Additional information** : Any additional information can be obtained from:

  Anaxis Asset Management
  9, rue Scribe, 75009 Paris, France
  Tel: +33 (0)9 73 87 13 20; Fax: +33 (0)1 42 65 80 46.

Part E – Investment rules

The Fund is subject to investment rules applicable to UCITS subject to European Directive 2009/65/EC. These investment rules are referred to in the French Monetary and Financial Code. Amendments to the French Monetary and Financial Code will be applied in accordance with applicable laws and regulations.

Part F – Overall risk

The method used to calculate the overall risk (including exposure via forward financial instruments) is the commitment calculation method.

Part G – Asset valuation rules

The annual financial statements are presented in the format provided for by CRC (French Accounting Regulation Committee) Regulation No. 2003-02 of 2 October 2003 on the accounting principles applicable to UCITS, amended by CRC Regulation No. 2005-07 of 3 November 2005 ratified by the Ministerial Decree of 26 December 2005.

1. Asset valuation rules

The Fund complies with the accounting rules set forth by the regulations in force, including in particular the accounting principles applicable to UCITS. The portfolio's value is determined on each NAV calculation date and on the balance sheet date, in accordance with the rules given below. The terms of application are explained in the notes to the annual financial statements. The valuation is based on closing prices.

Transferable securities traded on a regulated market are valued at the closing price on the reference market. Where there is a bid-ask price range, particularly in the case of corporate bonds comprising a significant portion of the Fund's allocation, the price used will be the average of these two prices (valuation at the mid-price).

Negotiable debt securities and similar securities that are not subject to significant transactions are valued according to an actuarial method using the interest rate of equivalent or similar securities and adjusted, where applicable, for a gap representative of the features of the security being valued.

However, in the absence of specific sensitivity, negotiable debt securities with a residual lifespan of less than three months are valued using the straight-line method: the premium/discount is amortized over the remaining number of days to maturity.

If they are acquired less than three months prior to maturity, the interest and premium/discount are calculated using the straight line method.

UCITS and other investment funds are valued either at the last known NAV or at the last known quoted price on the valuation date.

For deposits and borrowings, the amount of the commitment earns interest in accordance with the contractual terms and conditions.

Forward financial instruments traded on a regulated market are valued on the basis of settlement prices on the valuation date for futures and on the basis of closing prices on the valuation date for options.

Forward financial instruments traded over the counter are marked to market according to the conditions set forth by the portfolio management company and presented in the notes to the annual financial statements.

Financial instruments whose prices are not observed on the valuation date or whose prices have been corrected are valued at their probable trading value under the responsibility of the portfolio management company. These valuations and their justification are transmitted to the statutory auditor when it conducts its controls.

2. Accounting recognition

The Fund has opted for the EUR as its accounting currency.

Transaction fees are recognized excluding expenses.

Fixed income is recognized using the redeemed coupon method.

Interest accrued on the weekend is recognized on the basis of the previous NAV.

Part H – Remuneration

The remuneration policy of the Management Company is compatible with sound and efficient risk management and does not encourage risk-taking that would be incompatible with the risk profiles, the regulations or the constitutional documents of the UCITS that the Management Company manages. The remuneration policy is consistent with the business strategy, objectives, values and interests of the Management Company and the UCITS it manages and those of the investors in these UCITS, and includes measures to avoid conflicts of interest.

The Management Company's staff receives a remuneration comprising a fixed and a variable component, duly balanced, subject to annual review and based on individual or collective performance. The principles of the remuneration policy are reviewed on a regular basis and adapted to regulatory developments. Details of the remuneration policy are available on the following website: www.anaxiscapital.com or free of charge from the management company on request.

Section II: Fund Rules

AAM Family Values

SECTION I – ASSETS AND UNITS

Article 1 - Co-ownership units

Co-ownership rights are expressed in units, with each unit corresponding to the same fraction of the Fund's assets. Each unitholder enjoys co-ownership of the Fund's assets in proportion to the number of units held.

The term of the Fund is 99 years as from its incorporation, except in the event of early winding-up or extension, as provided for in these Fund Rules.

Unit categories

The features of the different unit categories and their terms of eligibility are set forth in the Fund Prospectus.

The different unit categories may:

- be subject to different distribution of earnings schemes (distribution or capitalization);

- be denominated in different currencies;

- incur different management fees;

- incur different subscription and redemption fees;

- have a different nominal value;

- be systematically subject to partial or full risk hedging, as defined in the prospectus. Hedges are carried out via financial instruments aimed at minimizing the impact of hedging transactions on the Fund's other unit categories;

- be reserved for one or more promotion networks.

Combination or division of units

The Fund may combine or divide units.

Fractional units

Units may be divided into ten-thousandths of one unit (referred to as fractional units) at the discretion of the portfolio management company's Management Committee.

The provisions of the Fund Rules governing the issuance and redemption of units are also applicable to fractional units, whose value will always be proportionate to the value of the unit they represent. All other provisions of the Fund Rules pertaining to units apply to fractional units without it being necessary to specify this, unless otherwise indicated.

Finally, the portfolio management company's Management Committee may, at its own discretion, divide units by creating new units that are allocated to unitholders in exchange for their old units.

Article 2 - Minimum amount of assets

Units may not be redeemed if the Fund's assets fall below EUR 300,000; where the assets remain below EUR 300,000 for thirty days, the portfolio management company shall take the necessary steps to liquidate the Fund in question, or shall carry out one of the operations referred to in Article 411-16 of the AMF General Regulations (Fund transformation).

Article 3 - Issuance and redemption of units

Units may be issued at any time at the unitholders' request, on the basis of their net asset value plus subscription fees, where applicable.

Redemptions and subscriptions are carried out under the terms and conditions defined in the prospectus.

Mutual fund units may be admitted for trading according to the regulations in force.

Subscriptions must be fully paid-up on the NAV calculation date. They may be settled in cash and/or financial instruments. The portfolio management company reserves the right to reject any proposed securities and, to this end, has a period of seven days from their date of deposit to render its decision. If approved, the contributed securities are valued according to the rules established in Article 4 and the subscription is carried out on the basis of the first NAV following the approval of the securities in question.

Redemptions may be made in cash.

Redemptions may also be made in cash securities. If the redemption in securities corresponds to a representative proportion of the assets in the portfolio, then only the written agreement signed by the holder must be obtained by the UCITS or the management company. Where the redemption does not correspond to a representative proportion of the assets in the portfolio, all holders must signify their written agreement authorising the holder to redeem his or her units against certain specific assets, as explicitly defined in the agreement.

However, if due to exceptional circumstances the redemption calls for the prior realization of some of the assets comprising the Fund, this period may be extended but may not exceed 30 days.

With the exception of inheritance or inter-vivos gifts, the sale or transfer of units between unitholders, or between unitholders and third parties, is deemed to be a redemption followed by a subscription; for third parties, the amount of the sale or transfer must, where applicable, be supplemented by the beneficiary to reach the amount of the minimum initial subscription required by the prospectus.

In accordance with Article L. 214-8-7 of the French Monetary and Financial Code, the redemption of units by the Fund, as well as the issuance of new units, may be temporarily suspended by the portfolio management company when called for by exceptional circumstances and in the unitholders' best interest.

Where the Fund's net assets fall below the amount established by the regulations, no units may be redeemed.

Minimum terms of subscription may be set in accordance with the conditions provided for in the prospectus.

The Fund may cease to issue units pursuant to the third paragraph of Article L. 214-8-7 of the Monetary and Financial Code, on a provisional or definitive basis, in whole or in part, in objective situations leading to the closure of subscriptions such as a maximum number of units issued, a maximum amount of assets reached or the expiry of a specified subscription period. The activation of this tool will be the subject of information by any means available to existing holders relating to its activation, as well as to the threshold and objective situation that led to the decision to partially or totally close it. In the event of a partial closure, such information by any means shall explicitly specify the terms and conditions under which existing holders may continue to subscribe during the term of such partial closure. Unitholders shall also be informed by any means of the decision of the Fund or the management company either to terminate the total or partial closure of subscriptions (when the trigger threshold is reached) or not to terminate them (in the event of a change in the threshold or a change in the objective situation that led to the implementation of this tool). A change in the objective situation invoked or in the trigger threshold of the tool must always be made in the interest of unitholders. Information by any means shall specify the exact reasons for such changes.

Article 4 - Calculation of net asset value

The net asset value of units is calculated according to the valuation rules presented in the prospectus.

Contributions in kind may only consist of securities or contracts approved to comprise the Fund's assets; they are valued in accordance with the valuation rules applicable to the calculation of the net asset value.

SECTION 2 – FUND OPERATION

Article 5a - Portfolio management company

The Fund is managed by the portfolio management company in accordance with the strategy defined for the Fund.

The portfolio management company acts exclusively in the unitholders' interests at all times and is exclusively entitled to exercise the voting rights attached to the securities in the Fund.

Article 5b - Rules of operation

The instruments and deposits eligible for inclusion in the Fund's assets, as well as the investment rules, are described in the prospectus.

Article 6 - Custodian

The custodian carries out its duties in accordance with the laws and regulations in force and the duties contractually defined by the portfolio management company. It must also ensure the legitimacy of the decisions taken by the portfolio management company. Where applicable, it must take any provisional measures deemed useful. The custodian notifies the AMF of any dispute with the portfolio management company.

Article 7 - Statutory auditor

A statutory auditor is designated for six financial years, with the approval of the AMF, by the portfolio management company's governance body.

The statutory auditor certifies the accuracy and fairness of the financial statements.

Its term may be renewed.

The statutory auditor is required to notify the AMF in a timely manner of any event or decision concerning the Fund that comes to its attention in the course of performing its duties which might:

1. constitute a breach of the legal or regulatory provisions applicable to the Fund and liable to have significant impacts on its financial situation, income or assets;
2. jeopardize the conditions or continuity of its operation;
3. lead to the formation of reservations or the refusal to certify the financial statements.

Asset valuations and the determination of exchange rates used in transformation, merger or spin-off transactions are carried out under the statutory auditor's authority.

It assesses any contribution or redemption in kind under its responsibility, except in the context of redemptions in cash for an ETF on the primary market.

It verifies the composition of the Fund's assets and other items prior to publication.

The statutory auditor's fees are agreed upon between the statutory auditor and the portfolio management company's Board of Directors or Executive Board based on an audit plan defining the due diligence reviews deemed necessary.

It attests to situations used as a basis for the distribution of interim dividends.

Its fees are included in management fees.

Article 8 - Financial statements and management report

At the end of each financial year, the portfolio management company prepares the financial statements and a fund management report for the financial year ended.

The portfolio management company prepares the inventory of the Fund's assets at least once per half-year under the custodian's supervision.

The portfolio management company provides these documents to the unitholders within four months of the end of the financial year and notifies them of the amount of income to which they are entitled: these documents are either transmitted by post at the unitholders' express request or placed at their disposal at the offices of the portfolio management company.

SECTION 3 – CONDITIONS FOR THE ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION

Article 9 - Conditions for the allocation of amounts available for distribution

Net income for the financial year is equal to the total interest payments, arrears, dividends, premiums and prizes, directors' fees and any income related to securities comprising the Fund's portfolio, plus income from temporarily available amounts and minus management fees and borrowing costs.

Amounts available for distribution by a Fund are comprised of:

1) Net income plus retaining earnings and plus or minus the balance of the income accrual account;

2) Capital gains generated, net of fees, minus capital losses generated, net of fees, during the financial year, plus similar net capital gains generated during previous financial years that were not subject to distribution or capitalization, plus or minus the balance of the capital gains accrual account.

The amounts mentioned in 1) and 2) above may be distributed in part or in whole, independently of one another. Payments of amounts available for distribution are made within a maximum period of five months following the end of the financial year. The portfolio management company decides on the distribution of earnings.

SECTION 4 – MERGERS - SPIN-OFFS - WINDING-UP – LIQUIDATION

Article 10 - Mergers - Spin-offs

The portfolio management company may either contribute some or all of the Fund's assets to another Fund, or split the Fund into two or more other mutual funds.

Such mergers or spin-offs may only be carried out after the unitholders have been duly notified.

They give rise to the issuance of a new certificate attesting to the number of units held by each unitholder.

Article 11 - Winding-up - Extension

If the Fund's assets remain below the amount established in Article 2 herein for thirty days, the portfolio management company notifies the AMF and proceeds to wind up the Fund, unless it is merged with another fund.

The portfolio management company may wind up the Fund early; in such case it notifies the unitholders of its decision and, as from this date, no more subscription or redemption requests are accepted.

The portfolio management company also winds up the Fund in the event all of its units are redeemed, or if the custodian resigns from its duties, where no other custodian has been designated, or upon the expiry of the Fund, unless its term is extended.

The portfolio management company notifies the AMF by post of the date and winding-up procedure selected. It then submits the statutory auditor's report to the AMF.

The term of the Fund may be extended by the portfolio management company, in agreement with the custodian. Its decision must be taken at least 3 months prior to the projected expiry of the Fund, and both the AMF and the unitholders must be duly notified.

Article 12 - Liquidation

If the Fund is wound up, the portfolio management company assumes the role of liquidator; failing that, the liquidator is designated by the court at the request of any interested party. To this end, the liquidator is invested with the broadest powers to realize the Fund's assets, pay any creditors and divide up the available balance between the unitholders, in cash or securities.

The statutory auditor and the custodian continue to exercise their duties until the liquidation is complete.

SECTION 5 – DISPUTES

Article 13 - Jurisdiction - Election of domicile

Any disputes related to the Fund arising during its operation or liquidation, either between the unitholders, or between the unitholders and the portfolio management company or custodian, are subject to the jurisdiction of the competent courts.

INFORMATION FOR INVESTORS IN SWITZERLAND

Representative

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

Paying agent

The paying agent in Switzerland is the Banque Cantonale Vaudoise, Place St-François 17, 1003 Lausanne.

Place where the relevant documents may be obtained

The relevant documents such as the prospectus, the key investor information document (KIIDs), the statutes or the fund contract as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

Publications

Publications in respect of the investment fund will occur in Switzerland on the electronic platform of "fundinfo AG“ (www.fundinfo.com). In particular, such publications include essential information for investors such as substantial amendments to the prospectus as well as the liquidation of the investment fund.

The issue and the redemption prices or the net asset value together with a footnote stating „excluding commissions“ will occur daily on the electronic platform of "fundinfo AG“ (www.fundinfo.com).

Payment of retrocessions and rebates

The investment fund respectively the fund management company and its agent may pay retrocessions as remuneration for distribution activity in respect of the investment fund units in or from Switzerland. This remuneration may be deemed payment for the following services in particular:

- Handling subscriptions and redemptions;
- Providing updated legal and marketing documents;
- Providing access, or procedure of access to legal mandatory publications, or any publications of other nature;
- Clarifying any doubt and answer to the investors’ specific questions regarding the products or the managing company. Contacting on a regular basis the investors to ensure the suitability of the products and services offered;
- Perform the necessary checks relatively to the “Know Your Customer” process and requirements.
- Perform trainings on client advisors regarding the products.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the investment fund of the investor concerned.

The investment fund respectively the fund management company and its agents do not pay any retrocessions to third parties as remuneration for distribution activity in respect of the investment fund units in or from Switzerland.