

Ethna-DEFENSIV R.C.S. Luxembourg K817

Annual report including audited financial statements
as of 31 December 2019

Investment fund under Luxembourg law

Investment fund pursuant to Part I of the Luxembourg law of 17 December 2010 on Undertakings for Collective Investment, as amended, taking the legal form of a Fonds Commun de Placement (FCP)

Luxembourg registered company B 155427



ETHENEA

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The Sales Prospectus with integrated Management Regulations, the Key Investor Information Document (KIID) and the fund's annual and semi-annual reports are available free of charge by post, fax or e-mail from the registered office of the management company, or from the depositary, paying agents and the distributor in the respective countries of distribution and the representative in Switzerland. Additional information is available from the management company at all times during regular business hours.

Unit subscriptions are valid only if they are made on the basis of the most recent version of the Sales Prospectus (including its annexes) in conjunction with the latest available annual report and any subsequent semi-annual report.

Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

The information and figures contained in this report relate to past performance only and give no indication of future performance.

Fund Management Report

- 2 The fund management report on behalf of the Board of Directors of the management company:

“When we remember we are all mad, the mysteries disappear and life stands explained.”

(Mark Twain)

Dear Investors,

Last year can be summed up in a single word: mad. Put simply, 2019 was a mad year. It was mad in almost all senses of the word: paradoxical, extraordinary, extreme, emotive and definitely also a bit crazy. These days more than a few people say the whole world has gone mad. But as mad and mysterious each individual part of the puzzle may seem in isolation, when pieced together the overall picture makes perfect sense. Let’s take a look at the pieces and the overall picture that emerges when they are assembled.

2019 was *paradoxical*. At first glance, the spectacular performance of equity markets was not quite in keeping with the slackening real economy. At the end of 2018 the pace of growth was already poor in many sectors and regions of the world, with little change in 2019. The leading economic research institutes and organisations continually revised downwards their outlook for future economic growth across the globe. These adjustments were in line with the macroeconomic data, which painted a similarly gloomy picture of economies around the world. In addition, the political uncertainty everywhere did little to improve this situation. While there were no new conflicts in 2019 the two biggest flashpoints – Brexit and the trade war between the US and China – alone robbed many companies of the planning certainty that is so important to continued investment in the future.

2019 was *extraordinary*. The gains in many equity markets were a positive stand-out even in the historical context. How come equity markets were able to post such strong gains with the real economy being as it was? Firstly, just before the start of the year, in the fourth quarter of 2018, prices had plunged and investors had begun to price in a global recession. However, things didn’t turn out as badly as expected, and the tendency was to muddle through, a scenario we heard much about. Secondly, hopes were raised at the turn of the year that central banks would again provide strong support; hopes that were fully realised in the course of the rest of the year. So, by the end of April equity markets had already recouped most of 2018’s losses. Over the summer months, equity markets were in a volatile sideways trend, as the previous economic fears persisted, having been confirmed rather than allayed by weak economic data. It wasn’t until autumn that equity markets came back around and the key market indices climbed to new highs for the year. This uptrend mainly came on the back of gradual improvements in leading indicators, record-low interest rates and the prospect of a resolution of the main economic conflicts. A not insignificant consequence of the fact that share prices rose sharply while corporate profits were stagnant was a significant rise in valuations. These will become one of the fresh challenges in 2020.

2019 was *extreme*. The central banks’ continued dominance over markets led to bond market yields that even the most audacious market participants would scarcely have thought possible beforehand. No other figure expresses how extreme they were so much as the yield on 10-year German Bunds at the end of August 2019: -0.70 % was the annualised return that investors could “secure” for themselves if they bought a 10-year German Bund. At that point in time, approximately USD 17 trillion in bonds were yielding less than 0 % to maturity. Not just interest, but the yield on long-dated papers too eventually became non-existent, especially for EUR, JPY and CHF investors. This increasing scarcity of yield pushed up the prices of many asset classes. Thus, investors were able to make handsome returns in 2019 not just with equities, but also with bonds, real estate and gold.

2019 was *emotive*. Not only did political developments stir up the emotions of many people, but the dramatic impact of global climate change was also suddenly very much to the fore. With “Fridays for Future”, Greta, and natural disasters like the recent bushfires in Australia, the environmental aspects of our current way of life made the daily news. In the world of finance, ESG (Environmental, Social & Governance) criteria quickly became established. Although prudent investors had always considered environmental, social and governance aspects in their decision-making, the issue took centre stage in 2019. Tricky though the finer points may seem, at the end of the day ESG has the potential to actually make our mad world a better one. So, don't be surprised if the issue of sustainability plays a more prominent role in the Ethna funds too in the future.

2019 was *crazy* in many respects – but in this it was only leading into 2020. We won't be able to say with certainty until the beginning of 2021 whether the global economy will throw up a pleasant surprise as a result of new fiscal stimulus measures. Or whether equities will again make double-digit gains – as one could expect – for instance, from the US equity market based on empirical evidence. Perhaps the reason given for a continued bull run will be fresh records for negative interest rates, or maybe direct equity purchases by the central banks? If one were to focus these purchases on companies with strong ESG ratings, a Neuer Markt 2.0 could be the next big surprise. Things should remain interesting.

Sometimes the world seems to have gone off the rails. However, from the point of view of capital markets, much is following a strict pattern. Sure, we are in unfamiliar territory – in terms of the unconventional measures undertaken by the global central banks – but the drivers behind this development are easy to identify: the combination of high levels of debt and moderate growth is increasingly tying the hands of many governments. While the central banks initially only wanted to make time to introduce the necessary economic and social reforms after the global financial crisis of 2008/09, they are now trapped in their ultra-loose monetary policy. As of yet, there is no sign of them breaking this cycle and staying out. “Low for longer” is likely to remain the norm rather than the crazy exception for fixed income securities. Most asset classes should be able to continue their structural upward trend – driven by increases in valuations, supported by a growing lack of alternatives and perhaps even stoked by an economic recovery – in such an environment.

Ethna-DEFENSIV:

The participation of Ethna-DEFENSIV, whose bond allocation was almost constantly around 90 %, in the very positive performance of the global bond markets was excellent in 2019. The bond portfolio had a medium to long duration. At the beginning of the year, due to the promising earnings outlook, we reduced the proportion of quasi-sovereigns and mortgage bonds and invested in high-quality corporate bonds. Thus the fund also benefited from the sharp falls in risk premia. When the yields on 10-year Bunds reached a low of -0.72 % at the end of August before climbing back up to approximately -0.20 % between then and the end of the year, the price of the fund did not escape unscathed. Despite slight losses over this period, the fund's performance for the year was decent. In order to cushion the impact of this interest rate rise, in the final four months of 2019 the proportion of EUR-denominated bonds in the Ethna-DEFENSIV was reduced in favour of USD-denominated bonds. Further measures for the purposes of stabilising the fund performance and diversification involved building up a position in gold and expanding the currency position in Swiss francs. In addition, we slightly reduced the duration of the bond portfolio. In the coming months we will put greater focus on investments with a medium residual maturity. We also see an opportunity to benefit from yield curve effects. The medium maturity segment is in short supply and this should give these bonds extra support. Towards the end of the year we built up a position in the portfolio in Spanish sovereign bonds. Their good liquidity coupled with Spain's improved credit rating, the ongoing yield differential versus German Bunds, and the ECB's asset purchase programme are compelling reasons for investing in them. For the coming year 2020, we are confident that this diversified positioning and entry into equities will again deliver a positive performance for the year.

We would like at this point to thank you for the trust you have placed in us. We are confident that we will be able to continue successfully with our work into the new year, despite challenging market conditions, with the necessary caution.

Munsbach, January 2020

The Fund Management on behalf of the Board of Directors of the Management Company

The company is entitled to create unit classes that confer different rights depending on the units.

Currently the following unit classes exist with these structural features:

	Unit class (A)	Unit class (T)	Unit class (SIA-A)	Unit class (SIA-T)
Security identification no.:	A0LF5Y	A0LF5X	A1KANR	A1KANS
ISIN code:	LU0279509904	LU0279509144	LU0868353987	LU0868354365
Subscription fee:	up to 2.50 %	up to 2.50 %	up to 2.50 %	up to 2.50 %
Redemption fee:	none	none	none	none
Management fee:	0.95 % p.a.	0.95 % p.a.	0.65 % p.a.	0.65 % p.a.
Minimum subsequent investment:	none	none	none	none
Dividend policy:	distributed	reinvested	distributed	reinvested
Currency:	EUR	EUR	EUR	EUR
	Unit class (R-A)*	Unit class (R-T)*	Unit class (SIA CHF-T)	
Security identification no.:	A12EH8	A12EH9	A12GN4	
ISIN code:	LU1134012738	LU1134013462	LU1157022895	
Subscription fee:	up to 1.00 %	up to 1.00 %	up to 2.50 %	
Redemption fee:	none	none	none	
Management fee:	1.25 % p.a.	1.25 % p.a.	0.65 % p.a.	
Minimum subsequent investment:	none	none	none	
Dividend policy:	distributed	reinvested	reinvested	
Currency:	EUR	EUR	CHF	

* Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

Geographical breakdown by country of Ethna-DEFENSIV

Geographical breakdown by country ¹⁾	
United States of America	50.80 %
Netherlands	14.73 %
Spain	7.36 %
United Kingdom	5.51 %
Germany	3.72 %
Switzerland	1.65 %
Luxembourg	1.52 %
France	1.44 %
Cayman Islands	1.33 %
Australia	1.13 %
Denmark	1.10 %
Securities holdings	90.29 %
Futures contracts	-0.05 %
Fixed-term deposits	2.96 %
Cash at banks ²⁾	6.57 %
Other receivables and payables (net)	0.23 %
	100.00 %

¹⁾ Due to rounding differences in the individual items, the total amounts may deviate from the actual value.

²⁾ See notes to the Report.

Breakdown by economic sector of Ethna-DEFENSIV

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Breakdown by economic sector ¹⁾	
Food, beverages and tobacco	8.78 %
Banks	8.25 %
Government bonds	7.36 %
Consumer services	6.57 %
Wholesale and retail	6.23 %
Raw materials and supplies	5.59 %
Real estate	4.65 %
Automobiles and components	4.58 %
Pharmaceuticals, biotechnology and biosciences	4.54 %
Hardware and equipment	4.45 %
Insurance	4.30 %
Diversified financial services	4.20 %
Software & services	3.84 %
Healthcare: Equipment & services	3.08 %
Household goods & personal care products	2.88 %
Energy	2.03 %
Media	1.95 %
Media & entertainment	1.79 %
Transport	1.76 %
Capital goods	1.32 %
Consumer goods and clothing	1.11 %
Semiconductors & equipment for semiconductor production	0.62 %
Food and staples retail	0.41 %
Securities holdings	90.29 %
Futures contracts	-0.05 %
Fixed-term deposits	2.96 %
Cash at banks ²⁾	6.57 %
Other receivables and payables (net)	0.23 %
	100.00 %

¹⁾ Due to rounding differences in the individual items, the total amounts may deviate from the actual value.

²⁾ See notes to the Report.

Change over the last 3 financial years

Unit class (A)

Date	Net fund assets in EUR millions	Outstanding Units	Net inflows in EUR thousands	Unit value EUR
31.12.2017	514.08	3,847,740	-104,533.52	133.61
31.12.2018	282.43	2,219,384	-213,566.70	127.26
31.12.2019	182.88	1,357,495	-112,415.49	134.72

Unit class (T)

Date	Net fund assets in EUR millions	Outstanding Units	Net inflows in EUR thousands	Unit value EUR
31.12.2017	363.66	2,242,908	-87,303.88	162.14
31.12.2018	282.09	1,825,924	-65,334.73	154.49
31.12.2019	221.71	1,335,896	-78,381.98	165.97

Unit class (SIA-A)

Date	Net fund assets in EUR millions	Outstanding Units	Net inflows in EUR thousands	Unit value EUR
31.12.2017	49.66	98,144	45,202.33	506.03
31.12.2018	5.78	11,950	-43,952.19	483.62
31.12.2019	4.20	8,183	-1,877.32	513.55

Unit class (SIA-T)

Date	Net fund assets in EUR millions	Outstanding Units	Net inflows in EUR thousands	Unit value EUR
31.12.2017	46.67	88,636	24,744.78	526.56
31.12.2018	25.08	49,828	-19,312.34	503.23
31.12.2019	22.97	42,381	-3,757.32	542.03

Unit class (R-A)*

Date	Net fund assets in EUR millions	Outstanding Units	Net inflows in EUR thousands	Unit value EUR
31.12.2017	3.62	38,002	1,249.90	95.18
31.12.2018	2.73	30,935	-636.11	88.15
31.12.2019	2.47	26,861	-369.34	92.10

Unit class (R-T)*

Date	Net fund assets in EUR millions	Outstanding Units	Net inflows in EUR thousands	Unit value EUR
31.12.2017	3.83	38,344	-2,076.34	99.77
31.12.2018	2.07	21,805	-1,585.12	94.80
31.12.2019	2.09	20,563	-128.04	101.52

* Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

Unit class (SIA CHF-T)

Date	Net fund assets in EUR millions	Outstanding Units	Net inflows in EUR thousands	Unit value EUR	Unit value CHF
31.12.2017	9.39	21,856	-2,001.68	429.80	502.26 ¹⁾
31.12.2018	16.75	39,533	7,374.58	423.71	478.03 ²⁾
31.12.2019	17.79	37,789	-100.85	470.80	512.75 ³⁾

¹⁾ converted into EUR as of 31 December 2017 EUR 1 = CHF 1.1686

²⁾ converted into EUR as of 31 December 2018 EUR 1 = CHF 1.1282

³⁾ converted into EUR as of 31 December 2019 EUR 1 = CHF 1.0891

Composition of net fund assets of Ethna-DEFENSIV

Composition of net fund assets

as of 31 December 2019

	EUR
Securities holdings (securities acquisition costs: EUR 404,219,154.41)	409,998,130.72
Fixed-term deposits	13,438,451.89
Cash at banks ¹⁾	29,847,863.28
Unrealised gains on forward foreign exchange contracts	905,422.63
Interest receivable	2,268,088.89
Receivables from unit sales	247,006.69
Receivables from securities transactions	217,527.87
	456,922,491.97
Unit redemptions payable	-685,644.97
Unrealised losses on futures contracts	-210,213.76
Securities transactions payable	-1,495,649.55
Other liabilities and equity ²⁾	-414,912.79
	-2,806,421.07
Net fund assets	454,116,070.90

¹⁾ See notes to the Report.

²⁾ This item mainly comprises management fees and the taxe d'abonnement.

Allocation among unit classes

Unit class (A)		
Pro rata net fund assets		EUR 182,875,644.48
Outstanding units		1,357,494.812
Unit value		EUR 134.72
Unit class (T)		
Pro rata net fund assets		EUR 221,713,209.56
Outstanding units		1,335,895.617
Unit value		EUR 165.97
Unit class (SIA-A)		
Pro rata net fund assets		EUR 4,202,600.80
Outstanding units		8,183.475
Unit value		EUR 513.55
Unit class (SIA-T)		
Pro rata net fund assets		EUR 22,971,989.59
Outstanding units		42,381.297
Unit value		EUR 542.03
Unit class (R-A)*		
Pro rata net fund assets		EUR 2,473,806.77
Outstanding units		26,860.808
Unit value		EUR 92.10
Unit class (R-T)*		
Pro rata net fund assets		EUR 2,087,508.58
Outstanding units		20,562.882
Unit value		EUR 101.52
Unit class (SIA CHF-T)		
Pro rata net fund assets		EUR 17,791,311.12
Outstanding units		37,789.265
Unit value		EUR 470.80
Unit value		CHF 512.75 ¹⁾

¹⁾ converted into EUR as of 31 December 2019 EUR 1 = CHF 1.0891

* Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

Change in net fund assets

in the period under review from 1 January 2019 to 31 December 2019

	Total EUR	Unit class (A) EUR	Unit class (T) EUR	Unit class (SIA-A) EUR
Total net fund assets at the beginning of the period under review	616,921,989.80	282,428,015.47	282,094,862.18	5,779,496.82
Ordinary net income	2,830,155.80	1,104,011.73	1,321,335.66	37,916.15
Income and expense equalisation	337,332.79	186,056.74	155,350.54	8,153.18
Inflow of funds from sale of units	60,684,019.97	6,924,440.67	20,548,276.84	143,798.46
Outflow of funds from redemption of units	-257,714,373.14	-119,339,932.93	-98,930,261.27	-2,021,120.48
Realised gains	51,915,435.98	21,486,120.34	24,658,262.20	543,137.99
Realised losses	-31,930,619.47	-13,396,105.02	-14,995,293.90	-357,748.93
Net change in unrealised gains	4,119,925.67	2,178,920.45	1,970,904.86	45,548.96
Net change in unrealised losses	10,434,633.35	4,639,435.52	4,889,772.45	108,110.82
Distribution	-3,482,429.85	-3,335,318.49	0.00	-84,692.17
Total net fund assets at the end of the period under review	454,116,070.90	182,875,644.48	221,713,209.56	4,202,600.80

	Unit class (SIA-T) EUR	Unit class (R-A)* EUR	Unit class (R-T)* EUR	Unit class (SIA CHF-T) EUR
Total net fund assets at the beginning of the period under review	25,075,049.82	2,726,785.77	2,067,128.12	16,750,651.62
Ordinary net income	196,036.81	7,298.63	5,978.56	157,578.26
Income and expense equalisation	18,695.36	69.60	558.84	-31,551.47
Inflow of funds from sale of units	19,097,806.73	234,118.58	1,307,234.09	12,428,344.60
Outflow of funds from redemption of units	-22,855,123.41	-603,460.15	-1,435,276.69	-12,529,198.21
Realised gains	2,663,024.89	256,142.04	235,033.54	2,073,714.98
Realised losses	-1,634,988.00	-158,269.52	-137,830.28	-1,250,383.82
Net change in unrealised gains	-56,737.70	22,391.80	5,624.28	-46,726.98
Net change in unrealised losses	468,225.09	51,149.21	39,058.12	238,882.14
Distribution	0.00	-62,419.19	0.00	0.00
Total net fund assets at the end of the period under review	22,971,989.59	2,473,806.77	2,087,508.58	17,791,311.12

Change in number of units in circulation

	Unit class (A) Number	Unit class (T) Number	Unit class (SIA-A) Number	Unit class (SIA-T) Number
Units in circulation at start of period under review	2,219,383.731	1,825,924.028	11,950.468	49,828.204
Units issued	52,180.278	125,243.588	288.339	36,132.683
Units redeemed	-914,069.197	-615,271.999	-4,055.332	-43,579.590
Units in circulation at end of period under review	1,357,494.812	1,335,895.617	8,183.475	42,381.297

	Unit class (R-A)* Number	Unit class (R-T)* Number	Unit class (SIA CHF-T) Number
Units in circulation at start of period under review	30,935.146	21,805.028	39,533.402
Units issued	2,563.438	13,001.121	27,231.863
Units redeemed	-6,637.776	-14,243.267	-28,976.000
Units in circulation at end of period under review	26,860.808	20,562.882	37,789.265

* Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

Statement of operations of Ethna-DEFENSIV

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Statement of Operations

in the period under review from 1 January 2019 to 31 December 2019

	Total	Unit class (A)	Unit class (T)	Unit class (SIA-A)
	EUR	EUR	EUR	EUR
Income				
Interest on bonds	8,732,219.38	3,668,681.15	4,223,537.20	87,098.70
Bank interest	-62,366.03	-25,666.13	-30,422.81	-630.89
Income equalisation	-1,063,523.29	-571,575.71	-481,650.59	-15,991.31
Total income	7,606,330.06	3,071,439.31	3,711,463.80	70,476.50
Expense				
Interest expense	-5,074.65	-2,103.03	-2,281.52	-48.84
Management fee	-4,698,093.64	-2,017,031.58	-2,332,836.68	-32,665.52
Taxe d'abonnement	-246,565.11	-102,888.20	-120,112.21	-2,449.74
Publication and audit expenses	-89,735.97	-37,983.66	-43,051.81	-877.02
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-11,912.68	-4,944.76	-5,759.14	-117.52
Registrar and transfer agent fee	-13,100.42	-5,514.73	-6,326.32	-130.57
Government fees	-25,814.99	-11,020.20	-12,381.24	-264.33
Other expenses ¹⁾	-412,067.30	-171,460.39	-193,679.27	-3,844.94
Expense equalisation	726,190.50	385,518.97	326,300.05	7,838.13
Total expense	-4,776,174.26	-1,967,427.58	-2,390,128.14	-32,560.35
Ordinary net income	2,830,155.80	1,104,011.73	1,321,335.66	37,916.15
Total transaction costs in the financial year ²⁾	372,610.12			
Total expense ratio in per cent ²⁾		1.10	1.10	0.79
Ongoing charges in per cent ²⁾		1.14	1.15	0.84
Swiss total expense ratio in per cent before performance fee ²⁾ (for the period from 1 January 2019 to 31 December 2019)		1.10	1.10	0.79
Swiss total expense ratio in per cent including performance fee ²⁾ (for the period from 1 January 2019 to 31 December 2019)		1.10	1.10	0.79
Swiss performance fee in per cent ²⁾ (for the period from 1 January 2019 to 31 December 2019)		-	-	-

¹⁾ This item mainly comprises paying agents' fees and general management costs.

²⁾ See notes to the Report.

Statement of Operations

in the period under review from 1 January 2019 to 31 December 2019

	Unit class (SIA-T) EUR	Unit class (R-A)* EUR	Unit class (R-T)* EUR	Unit class (SIA CHF-T) EUR
Income				
Interest on bonds	428,276.05	43,429.61	39,485.75	241,710.92
Bank interest	-3,482.60	-310.21	-310.29	-1,543.10
Income equalisation	-40,723.16	-1,414.33	-4,177.38	52,009.19
Total income	384,070.29	41,705.07	34,998.08	292,177.01
Expense				
Interest expense	-219.86	-23.10	-24.20	-374.10
Management fee	-163,905.14	-31,854.68	-29,122.32	-90,677.72
Taxe d'abonnement	-12,197.39	-1,272.39	-1,185.89	-6,459.29
Publication and audit expenses	-4,336.88	-445.72	-386.04	-2,654.84
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-631.27	-58.63	-56.30	-345.06
Registrar and transfer agent fee	-640.08	-64.86	-58.59	-365.27
Government fees	-1,250.74	-127.05	-110.08	-661.35
Other expenses ¹⁾	-26,879.92	-1,904.74	-1,694.64	-12,603.40
Expense equalisation	22,027.80	1,344.73	3,618.54	-20,457.72
Total expense	-188,033.48	-34,406.44	-29,019.52	-134,598.75
Ordinary net income	196,036.81	7,298.63	5,978.56	157,578.26
Total expense ratio in per cent ²⁾	0.84	1.41	1.42	0.80
Ongoing charges in per cent ²⁾	0.89	1.46	1.47	0.85
Swiss total expense ratio in per cent before performance fee ²⁾ (for the period from 1 January 2019 to 31 December 2019)	0.84	1.41	1.42	0.80
Swiss total expense ratio in per cent including performance fee ²⁾ (for the period from 1 January 2019 to 31 December 2019)	0.84	1.41	1.42	0.80
Swiss performance fee in per cent ²⁾ (for the period from 1 January 2019 to 31 December 2019)	-	-	-	-

¹⁾ This item mainly comprises paying agents' fees and general management costs.

²⁾ See notes to the Report.

* Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

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Performance in per cent *

As of: 31 December 2019

Fund	ISIN Security code	Unit class currency	6 months	1 year	3 years	10 years
Ethna-DEFENSIV (A) since 02/04/2007	LU0279509904 A0LF5Y	EUR	1.74 %	7.43 %	4.92 %	33.45 %
Ethna-DEFENSIV (R-A)** since 07/05/2015	LU1134012738 A12EH8	EUR	1.58 %	7.09 %	3.94 %	-
Ethna-DEFENSIV (R-T)** since 26/02/2015	LU1134013462 A12EH9	EUR	1.58 %	7.09 %	3.98 %	-
Ethna-DEFENSIV (SIA-A) since 24/06/2013	LU0868353987 A1KANR	EUR	1.89 %	7.76 %	5.86 %	-
Ethna-DEFENSIV (SIA CHF-T) since 11/02/2015	LU1157022895 A12GN4	CHF	1.58 %	7.26 %	4.45 %	-
Ethna-DEFENSIV (SIA-T) since 31/07/2014	LU0868354365 A1KANS	EUR	1.86 %	7.71 %	5.75 %	-
Ethna-DEFENSIV (T) since 02/04/2007	LU0279509144 A0LF5X	EUR	1.74 %	7.43 %	4.89 %	33.70 %

* On the basis of published unit values (BVI method); the result complies with the Guidelines on the "Calculation and Publication of Performance Data of Collective Investment Schemes" issued by the Swiss Funds & Asset Management Association on 16 May 2008.

** Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

Past performance is no indicator of current or future performance. The performance data do not include commissions and charges incurred in the issue and redemption of units.

Statement of net assets of Ethna-DEFENSIV as of 31 December 2019

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Statement of net assets as of 31 December 2019

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
Bonds							
Securities traded on an exchange							
CHF							
CH0508785745	1.500 % Temenos AG Reg.S. v.19(2025)	4,000,000	0	4,000,000	101.0600	3,711,688.55	0.82
CH0333827506	1.000 % Teva Pharmaceutical Finance Netherlands IV v.16(2025)	1,000,000	0	1,000,000	85.1160	781,526.03	0.17
						4,493,214.58	0.99
EUR							
XS1991265395	1.381 % Bank of America Corporation EMTN Reg.S. Fix-to-Float v.19(2030)	10,000,000	9,000,000	1,000,000	106.4440	1,064,440.00	0.23
XS2082324364	0.750 % Barclays Plc. EMTN Reg.S. Fix-to-Float v.19(2025)	5,000,000	0	5,000,000	100.4020	5,020,100.00	1.11
FR0013444759	0.125 % BNP Paribas S.A. EMTN Reg.S. v.19(2026)	6,000,000	0	6,000,000	97.5120	5,850,720.00	1.29
XS1785795763	1.550 % Chubb INA Holdings Inc. v.18(2028)	6,000,000	0	6,000,000	107.0620	6,423,720.00	1.41
XS1859010685	1.500 % Citigroup Inc. EMTN Reg.S. Fix-to-Float v.18(2026)	8,000,000	0	8,000,000	105.8110	8,464,880.00	1.86
XS1497312295	0.875 % CK Hutchison Finance [16] II Ltd. Reg.S. v.16(2024)	0	7,000,000	5,000,000	101.8490	5,092,450.00	1.12
XS2057069762	1.125 % CK Hutchison Group Telecom Finance S.A. v.19(2028)	2,000,000	0	2,000,000	100.1450	2,002,900.00	0.44
XS2050406094	0.750 % DH Europe Finance II S.a.r.L. v.19(2031)	5,000,000	0	5,000,000	98.5190	4,925,950.00	1.08
FR0013463668	0.375 % EssilorLuxottica S.A. EMTN Reg.S. v.19(2027)	500,000	0	500,000	100.4790	502,395.00	0.11
XS2034629134	1.300 % Fedex Corporation v.19(2031)	5,000,000	2,000,000	3,000,000	98.9550	2,968,650.00	0.65
DE000A2YN2U2	0.500 % HOCHTIEF AG EMTN Reg.S. v.19(2027)	5,000,000	4,000,000	1,000,000	99.1240	991,240.00	0.22
XS2013618421	0.875 % ISS Global A/S Reg.S. v.19(2026)	5,000,000	0	5,000,000	99.7750	4,988,750.00	1.10
XS1960248919	1.090 % JPMorgan Chase & Co. EMTN Reg.S. Fix-to-Float v.19(2027)	10,000,000	0	10,000,000	104.1760	10,417,600.00	2.29

¹⁾ NFA = net fund assets. Due to rounding differences in the individual items, the total amounts may deviate from the actual value.

Statement of net assets as of 31 December 2019

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
EUR (continued)							
XS2019815062	1.400 % Omnicom Finance Holdings Plc. EMTN v.19(2031)	10,000,000	5,000,000	5,000,000	103.2870	5,164,350.00	1.14
XS2049583607	0.625 % Prologis Euro Finance LLC v.19(2031)	4,000,000	0	4,000,000	97.3020	3,892,080.00	0.86
XS2063268754	1.250 % Royal Mail Plc. Reg.S. v.19(2026)	5,000,000	0	5,000,000	101.1740	5,058,700.00	1.11
ES0000012F43	0.600 % Spain Reg.S. v.19(2029)	42,000,000	20,000,000	22,000,000	101.8750	22,412,500.00	4.94
ES0000012E51	1.450 % Spain Reg.S. v.19(2029)	21,500,000	11,500,000	10,000,000	109.8880	10,988,800.00	2.42
XS1439749281	1.125 % Teva Pharmaceutical Finance Netherlands II BV Reg.S. v.16(2024)	2,000,000	1,000,000	2,000,000	87.4560	1,749,120.00	0.39
DE000A2YN6V1	1.875 % thyssenkrupp AG EMTN Reg.S. v.19(2023)	3,000,000	0	3,000,000	100.4410	3,013,230.00	0.66
XS1843435501	1.500 % TLG IMMOBILIEN AG Reg.S. v.19(2026)	8,000,000	3,000,000	5,000,000	103.5610	5,178,050.00	1.14
XS2052320954	0.875 % Verizon Communications Inc. v.19(2032)	10,000,000	0	10,000,000	99.5010	9,950,100.00	2.19
XS1167667283	1.625 % Volkswagen Internat Finance NV EMTN Reg.S. v.15(2030)	13,000,000	0	13,000,000	103.9290	13,510,770.00	2.98
DE000A182VT2	1.500 % Vonovia Finance BV EMTN Reg.S. v.16(2026)	2,000,000	0	2,000,000	105.4940	2,109,880.00	0.46
DE000A19UR79	1.500 % Vonovia Finance BV Reg.S. v.18(2028)	15,000,000	10,000,000	5,000,000	105.4570	5,272,850.00	1.16
XS2010039894	3.000 % ZF Europe Finance BV v.19(2029)	5,000,000	0	5,000,000	104.7030	5,235,150.00	1.15
						152,249,375.00	33.51
USD							
US01609WAT99	3.400 % Alibaba Group Holding Ltd. v.17(2027)	1,000,000	0	1,000,000	104.7190	938,174.16	0.21
US539439AR07	4.375 % Lloyds Banking Group Plc. v.18(2028)	1,000,000	0	1,000,000	110.8340	992,958.25	0.22
US66989HAJ77	3.000 % Novartis Capital Corporation v.15(2025)	5,000,000	0	5,000,000	105.4200	4,722,271.99	1.04
US713448DN57	2.375 % PepsiCo Inc. v.16(2026)	10,000,000	0	10,000,000	101.6730	9,108,851.46	2.01
US75625QAE98	3.000 % Reckitt Benckiser Treasury Services Plc. 144A v.17(2027)	5,000,000	0	5,000,000	102.7610	4,603,162.52	1.01
US191216BZ21	2.250 % The Coca-Cola Co. v.16(2026)	10,000,000	0	10,000,000	101.0790	9,055,635.19	1.99
US437076BN13	2.125 % The Home Depot Inc. v.16(2026)	2,000,000	0	2,000,000	99.9590	1,791,058.95	0.39
US742718ER62	2.450 % The Procter & Gamble Co. v.16(2026)	3,000,000	0	3,000,000	103.2560	2,775,201.58	0.61
US25468PDM59	1.850 % The Walt Disney Co Reg.S.v.16(2026)	10,000,000	0	10,000,000	98.5920	8,832,825.66	1.95
US92857WBK53	4.375 % Vodafone Group Plc. v.18(2028)	2,000,000	1,700,000	300,000	111.2240	298,935.67	0.07
						43,119,075.43	9.50
Securities traded on an exchange						199,861,665.01	44.00

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Statement of net assets as of 31 December 2019

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
New issues intended for exchange trading							
CHF							
CH0505011897	2.500 % Zur Rose Group AG Reg.S. v.19(2024)	2,000,000	0	2,000,000	103.0450	1,892,296.39	0.42
						1,892,296.39	0.42
EUR							
XS2066744231	1.000 % Carnival Plc. v.19(2029)	2,000,000	0	2,000,000	99.6000	1,992,000.00	0.44
XS2052337503	2.330 % Ford Motor Credit Co. LLC v.19(2025)	2,000,000	0	2,000,000	102.2980	2,045,960.00	0.45
XS2013539635	1.000 % Optus Finance Pty Ltd. EMTN Reg.S. v.19(2029)	5,000,000	0	5,000,000	102.2630	5,113,150.00	1.13
						9,151,110.00	2.02
USD							
US853254BN98	3.785 % Standard Chartered Plc. 144A Fix-to-Float v.19(2025)	5,000,000	3,000,000	2,000,000	104.4420	1,871,385.06	0.41
						1,871,385.06	0.41
New issues intended for exchange trading						12,914,791.45	2.85
Securities admitted to or included in organised markets							
CHF							
CH0421460442	2.500 % Zur Rose Group AG Reg.S. v.18(2023)	2,000,000	0	2,000,000	102.4710	1,881,755.58	0.41
						1,881,755.58	0.41
EUR							
XS1627602201	1.875 % American International Group Inc. v.17(2027)	10,000,000	3,000,000	7,000,000	107.4250	7,519,750.00	1.66
XS1801788305	4.750 % Coty Inc. Reg.S. v.18(2026)	7,000,000	2,000,000	5,000,000	105.6900	5,284,500.00	1.16
XS2079388828	2.000 % Dufry One BV Reg.S. v.19(2027)	3,000,000	0	3,000,000	101.4420	3,043,260.00	0.67
DE000A255D05	7.500 % ERWE Immobilien AG v.19(2023)	1,500,000	0	1,500,000	101.5000	1,522,500.00	0.34
DE000A2SBDE0	1.000 % JAB Holdings BV Reg.S. v.19(2027)	10,000,000	0	10,000,000	100.9130	10,091,300.00	2.22
XS2052310054	0.875 % LYB International Finance II BV v.19(2026)	9,000,000	1,000,000	8,000,000	100.7820	8,062,560.00	1.78
XS2052313827	1.625 % LYB International Finance II BV v.19(2031)	7,000,000	2,000,000	5,000,000	103.3340	5,166,700.00	1.14
XS1814546013	3.875 % Tele Columbus AG Reg.S. v.18(2025)	1,000,000	0	1,000,000	97.8310	978,310.00	0.22
XS2055079904	1.823 % Wintershall Dea Finance BV Reg.S. v.19(2031)	6,000,000	0	6,000,000	105.3330	6,319,980.00	1.39
						47,988,860.00	10.58
USD							
US00287YBF51	4.250 % AbbVie Inc. v.18(2028)	4,500,000	1,500,000	3,000,000	111.0010	2,983,363.20	0.66
USF0183JNQ06	2.250 % Air Liquide Finance Reg.S. v.19(2029)	2,000,000	1,800,000	200,000	98.3420	176,208.56	0.04
US026874DN40	4.250 % American International Group Inc. v.19(2029)	2,000,000	0	2,000,000	111.4880	1,997,634.83	0.44
US031162BY57	3.125 % Amgen Inc. v.15(2025)	3,000,000	0	3,000,000	104.5970	2,811,243.50	0.62
US031162CQ15	3.200 % Amgen Inc. v.17(2027)	2,000,000	0	2,000,000	105.4740	1,889,876.37	0.42

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Statement of net assets as of 31 December 2019

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
USD (continued)							
US03522AAG58	3.650 % Anheuser-Busch Cos. LLC/Anheuser-Busch InBev Worldwide Inc. v.19(2026)	5,000,000	0	5,000,000	106.9110	4,789,061.10	1.05
US037389BD49	2.200 % AON Corporation v.19(2022)	4,000,000	0	4,000,000	100.6040	3,605,232.04	0.79
US037833BZ29	2.450 % Apple Inc. v.16(2026)	10,000,000	0	10,000,000	101.6240	9,104,461.57	2.00
US00206RHJ41	4.350 % AT & T Inc. v.19(2029)	5,000,000	4,000,000	1,000,000	111.4510	998,485.93	0.22
US125523AG54	4.125 % Cigna Corporation v.18(2025)	2,000,000	0	2,000,000	108.6570	1,946,909.16	0.43
US172967LS86	3.520 % Citigroup Inc. Fix-to-Float v.17(2028)	3,000,000	0	3,000,000	105.7100	2,841,157.50	0.63
US126650DF48	3.000 % CVS Health Corporation v.19(2026)	1,000,000	0	1,000,000	102.3540	916,986.20	0.20
US26867LAL45	3.250 % EMD Finance LLC 144A v.15(2025)	3,000,000	0	3,000,000	103.5050	2,781,893.93	0.61
US34964CAE66	3.250 % Fortune Brands Home & Security Inc. v.19(2029)	3,000,000	0	3,000,000	102.3720	2,751,442.39	0.61
US370334CF96	4.000 % General Mills Inc. v.18(2025)	2,000,000	0	2,000,000	108.2160	1,939,007.35	0.43
US378272AV04	4.875 % Glencore Funding LLC 144A v.19(2029)	2,000,000	1,000,000	1,000,000	109.7110	982,897.33	0.22
US418056AY31	3.550 % Hasbro Inc. v.19(2026)	5,000,000	0	5,000,000	101.2490	4,535,432.72	1.00
US459200JG74	3.450 % International Business Machines Corporation v.16(2026)	2,000,000	0	2,000,000	106.6540	1,911,019.53	0.42
US46647PAF36	3.540 % JPMorgan Chase & Co. Fix-to-Float v.17(2028)	3,000,000	2,000,000	1,000,000	106.4880	954,022.58	0.21
US487836BP25	3.250 % Kellogg Co. v.16(2026)	3,000,000	0	3,000,000	103.9770	2,794,579.82	0.62
US487836BW75	4.300 % Kellogg Co. v.18(2028)	2,000,000	0	2,000,000	111.7010	2,001,451.35	0.44
US49271VAH33	4.417 % Keurig Dr Pepper Inc. v.19(2025)	8,000,000	5,000,000	3,000,000	109.3650	2,939,392.58	0.65
US49338LAF04	3.000 % Keysight Technologies Inc. v.19(2029)	2,000,000	0	2,000,000	100.8500	1,807,023.83	0.40
US609207AR65	3.625 % Mondelez International Inc. v.19(2026)	5,000,000	2,500,000	2,500,000	106.9080	2,394,463.36	0.53
US55354GAH39	4.000 % MSCI Inc. 144A v.19(2029)	3,000,000	0	3,000,000	101.8270	2,736,794.48	0.60
US641062AE42	3.500 % Nestlé Holdings Inc. 144A v.18(2025)	5,000,000	0	5,000,000	107.4180	4,811,772.08	1.06
US70450YAD58	2.650 % PayPal Holdings Inc. v.19(2026)	3,000,000	0	3,000,000	101.5880	2,730,370.90	0.60
US747525AU71	3.250 % QUALCOMM Inc. v.17(2027)	3,000,000	0	3,000,000	105.5140	2,835,889.63	0.62
US771196BE11	3.350 % Roche Holdings Inc. 144A v.14(2024)	1,500,000	0	1,500,000	106.0330	1,424,919.37	0.31
US771196BL53	2.375 % Roche Holdings Inc. 144A v.16(2027)	8,500,000	0	8,500,000	101.0320	7,693,710.80	1.69
US806851AG69	4.000 % Schlumberger Holdings Corporation 144A v.15(2025)	3,000,000	0	3,000,000	107.9170	2,900,474.83	0.64
US29736RAN08	2.000 % The Estée Lauder Companies Inc. v.19(2024)	500,000	0	500,000	100.3210	449,386.31	0.10
US437076BK73	3.350 % The Home Depot Inc. v.15(2025)	3,000,000	0	3,000,000	106.8830	2,872,684.11	0.63
US124857AZ68	4.200 % ViacomCBS Inc. v.19(2029)	2,000,000	0	2,000,000	109.4210	1,960,598.46	0.43
US92826CAD48	3.150 % VISA Inc. v.15(2025)	3,000,000	0	3,000,000	105.9540	2,847,715.46	0.63
US92826CAH51	2.750 % VISA Inc. v.17(2027)	2,000,000	0	2,000,000	104.6430	1,874,986.56	0.41

¹⁾ NFA = net fund assets. Due to rounding differences in the individual items, the total amounts may deviate from the actual value.

Statement of net assets as of 31 December 2019

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
USD (continued)							
US931142EM13	3.050 % Walmart Inc. v.19(2026)	7,000,000	0	7,000,000	105.4680	6,614,191.01	1.46
US92928QAF54	3.500 % WEA Finance LLC 144A v.19(2029)	5,000,000	0	5,000,000	104.4610	4,679,313.74	1.03
US963320AW61	4.750 % Whirlpool Corporation v.19(2029)	5,000,000	4,500,000	500,000	111.8960	501,236.34	0.11
						108,787,290.81	23.96
Securities admitted to or included in organised markets						158,657,906.39	34.95
Bonds						371,434,362.85	81.80
Convertible bonds							
Securities admitted to or included in organised markets							
EUR							
DE000A19Y072	4.500 % Shop Apotheke Europe NV/Shop Apotheke Europe NV Reg.S. CV v.18(2023)	4,500,000	0	5,000,000	110.9690	5,548,450.00	1.22
						5,548,450.00	1.22
USD							
DE000A2BPEU0	0.925 % BASF SE Optionsanleihe cum v.17(2023)	6,000,000	0	6,000,000	96.6160	5,193,477.87	1.14
						5,193,477.87	1.14
Securities admitted to or included in organised markets						10,741,927.87	2.36
Convertible bonds						10,741,927.87	2.36
Certificates							
Securities traded on an exchange							
United States of America							
DE000A0S9GB0	Dte. Börse Commodities GmbH/Gold Unze 999 Zert. v.07(2199)	EUR 1,425,000	905,000	520,000	43.5820	22,662,640.00	4.99
DE000A0N62G0	Wisdom Tree Metal Securities Ltd./Gold Unze 999 Zert. v.07(2199)	EUR 120,000	80,000	40,000	128.9800	5,159,200.00	1.14
						27,821,840.00	6.13
Securities traded on an exchange						27,821,840.00	6.13
Certificates						27,821,840.00	6.13
Securities holdings						409,998,130.72	90.29
Futures contracts							
Short positions							
USD							
CBT 10YR US T-Bond Note Future March 2020		0	400	-400		-210,213.76	-0.05
						-210,213.76	-0.05
Short positions						-210,213.76	-0.05
Futures contracts						-210,213.76	-0.05
Cash at banks - current accounts²⁾						29,847,863.28	6.57
Fixed-term deposits						13,438,451.89	2.96
Other receivables and payables (net)						1,041,838.77	0.23
Total net fund assets in EUR						454,116,070.90	100.00

¹⁾ NFA = net fund assets. Due to rounding differences in the individual items, the total amounts may deviate from the actual value.

²⁾ See notes to the Report.

Forward foreign exchange contracts

The following forward foreign exchange contracts were open as of 31 December 2019:

Currency	Counterparty		Currency amount	Price EUR	% share of NFA ¹⁾
CHF/EUR	Citigroup Global Markets Ltd.	Currency purchases	25,300,000.00	23,238,127.43	5.12
CHF/EUR	DZ PRIVATBANK S.A.	Currency purchases	19,400,000.00	17,826,556.79	3.93
CHF/EUR	Morgan Stanley Europe SE	Currency purchases	26,000,000.00	23,880,487.35	5.26
USD/EUR	DZ PRIVATBANK S.A.	Currency purchases	31,000,000.00	27,747,146.52	6.11
USD/EUR	J.P. Morgan AG, Frankfurt	Currency purchases	30,000,000.00	26,852,077.28	5.91
EUR/USD	Citigroup Global Markets Ltd.	Currency sales	62,000,000.00	55,466,441.46	12.21
EUR/USD	DZ PRIVATBANK S.A.	Currency sales	61,000,000.00	54,599,223.80	12.02
EUR/USD	Morgan Stanley Europe SE	Currency sales	20,000,000.00	17,892,400.47	3.94

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Futures contracts

	Holdings	Commitments EUR	% share of NFA ¹⁾
Short positions			
USD			
CBT 10YR US T-Bond Note Future March 2020	-400	-46,105,088.69	-10.15
		-46,105,088.69	-10.15
Short positions		-46,105,088.69	-10.15
Futures contracts		-46,105,088.69	-10.15

¹⁾ NFA = net fund assets. Due to rounding differences in the individual items, the total amounts may deviate from the actual value.

Acquisitions and disposals

from 1 January 2019 to 31 December 2019

Acquisitions and disposals from 1 January 2019 to 31 December 2019

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Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review
Bonds			
Securities traded on an exchange			
EUR			
XS1883354620	0.875 % Abbott Ireland Financing DAC Reg.S. v.18(2023)	0	5,000,000
XS1520899532	1.375 % AbbVie Inc. v.16(2024)	3,000,000	3,000,000
XS2055651918	1.125 % Abertis Infraestructuras S.A. Reg.S. v.19(2028)	2,000,000	2,000,000
XS2008921947	0.625 % Aegon Bank NV Reg.S. v.19(2024)	2,000,000	2,000,000
XS1909193150	1.500 % Allergan Funding SCS v.18(2023)	0	5,000,000
DE000A2RWAX4	0.875 % Allianz Finance II BV EMTN Reg.S. v.19(2026)	1,000,000	1,000,000
BE6301510028	1.150 % Anheuser-Busch InBev S.A./NV EMTN Reg.S. v.18(2027)	2,000,000	3,000,000
BE6312821612	1.125 % Anheuser-Busch InBev S.A./NV EMTN Reg.S. v.19(2027)	10,000,000	10,000,000
XS1619312173	0.875 % Apple Inc. v.17(2025)	0	10,000,000
XS1877836079	1.000 % Archer Daniels Midland Co. v.18(2025)	3,000,000	3,000,000
XS1875331636	1.125 % Argentum Netherlands BV Reg.S. v.18(2025)	3,000,000	3,000,000
XS1649193403	1.875 % Arountown SA EMTN Reg.S. v.17(2026)	0	2,000,000
XS1577951715	1.151 % Asahi Group Holdings Ltd. Reg.S. v.17(2025)	0	5,000,000
XS1411404855	0.750 % AstraZeneca Plc. EMTN Reg.S. v.16(2024)	5,000,000	5,000,000
XS1907120528	1.800 % AT & T Inc. v.18(2026)	8,000,000	10,000,000
XS1716946717	0.625 % Auckland EMTN Reg.S. v.17(2024)	0	5,000,000
XS1908273219	1.875 % Aviva Plc. EMTN Reg.S. v.18(2027)	4,000,000	4,000,000
XS1458405898	0.750 % Bank of America Corporation EMTN Reg.S. v.16(2023)	0	5,000,000
XS0211568331	3.468 % Bank of Scotland Plc. FRN v.05(2035)	0	9,373,000
XS1998215559	1.300 % Baxter International Inc. v.19(2029)	3,000,000	3,000,000
XS2002496409	3.125 % BayWa AG EMTN Reg.S. Green Bond v.19(2024)	5,000,000	5,000,000
XS1200679071	1.125 % Berkshire Hathaway Inc. v.15(2027)	0	11,000,000
XS1380334141	1.300 % Berkshire Hathaway Inc. v.16(2024)	5,000,000	5,000,000
XS1888229249	1.250 % Bertelsmann SE & Co. KGaA EMTN Reg.S. v.18(2025)	1,500,000	6,500,000
XS1910245676	1.000 % BMW Fin EMTN Reg.S. v.18(2024)	0	5,000,000
XS1227748214	0.250 % BNG Bank NV EMTN Reg.S. v.15(2025)	0	10,000,000
FR0013422011	1.375 % BNP Paribas S.A. EMTN Reg.S. v.19(2029)	6,000,000	6,000,000
XS1850289171	0.625 % BNZ International Funding Ltd. [London Branch] Reg.S. Pfe. v.18(2025)	0	16,000,000
XS1637863629	1.077 % BP Capital Markets Plc. EMTN Reg.S. v.17(2025)	7,000,000	10,000,000
XS1107727007	2.125 % Citigroup Inc. EMTN Reg.S. v.14(2026)	6,000,000	6,000,000
XS1457608013	0.750 % Citigroup Inc. EMTN Reg.S. v.16(2023)	1,000,000	1,000,000
XS1458458665	0.500 % Commonwealth Bank of Australia EMTN Reg.S. Pfe. v.16(2026)	0	6,400,000
FR0013201449	0.225 % Compagnie de Financement Foncier Reg.S. Pfe. v.16(2026)	0	8,800,000
XS1382784509	1.250 % Coöperatieve Rabobank U.A. Reg.S. v.16(2026)	0	5,000,000
XS1801786275	4.000 % Coty Inc. Reg.S. v.18(2023)	1,000,000	4,000,000

The accompanying notes form an integral part of this Annual Report.

Acquisitions and disposals from 1 January 2019 to 31 December 2019

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review
EUR (continued)			
FR0013263951	0.375 % Crédit Agricole Home Loan SFH EMTN Reg.S. Pfe. v.17(2024)	0	5,000,000
DE000A2RYD91	1.375 % Daimler International Finance BV EMTN Reg.S. v.19(2026)	1,000,000	1,000,000
FR0013216918	0.709 % Danone S.A. EMTN Reg.S. v.16(2024)	1,000,000	1,000,000
DE000A2LQJ75	1.125 % Deutsche Börse AG Reg.S. v.18(2028)	0	5,000,000
XS1255436187	2.500 % DH Europe Finance S.A. v.15(2025)	3,000,000	3,000,000
XS1896660989	1.000 % Diageo Finance Plc. EMTN Reg.S. v.18(2025)	2,000,000	5,000,000
XS1719108463	0.375 % DNB Boligkreditt A.S. EMTN Reg.S. Pfe. v.17(2024)	0	10,000,000
XS0753143709	3.000 % Dte. Bahn Finance GmbH EMTN Reg.S. v.12(2024)	0	8,000,000
DE000DHY4648	0.250 % Dte. Hypothekenbank [A.-G.] EMTN Pfe. v.16(2024)	0	5,000,000
DE000A2TSDD4	0.875 % Dte. Telekom AG EMTN Reg.S. v.19(2026)	1,000,000	1,000,000
XS2024715794	0.500 % Dte. Telekom AG EMTN Reg.S. v.19(2027)	10,000,000	10,000,000
BE0002629104	1.375 % Elia System Operator S.A./NV EMTN Reg.S. v.19(2026)	5,000,000	5,000,000
XS1915689746	1.250 % Emerson Electric Co. EMTN v.19(2025)	3,000,000	3,000,000
XS2047500926	0.350 % E.ON SE EMTN Reg.S. Green Bond v.19(2030)	5,000,000	5,000,000
BE6305977074	0.500 % Euroclear Bank S.A./NV EMTN Reg.S. v.18(2023)	0	5,000,000
XS1529559525	1.125 % Euroclear Investments S.A. Reg.S. v.16(2026)	0	12,000,000
XS1651444140	2.125 % Eurofins Scientific S.E. Reg.S. v.17(2024)	0	5,000,000
EU000A1U9894	1.000 % European Stability Mechanism [ESM] Reg.S. v.15(2025)	0	10,000,000
EU000A1G0DE2	0.200 % European Financial Stability Facility [EFSF] Reg.S. v.15(2025)	0	10,000,000
XS1853417712	0.625 % Export-Import Bank of Korea v.18(2023)	0	5,000,000
XS1843436574	0.750 % Fidelity National Information Services Inc. v.19(2023)	2,000,000	2,000,000
XS1956028168	0.875 % Fortum Oyj EMTN Reg.S. v.19(2023)	1,000,000	1,000,000
XS1956037664	1.625 % Fortum Oyj EMTN Reg.S. v.19(2026)	1,000,000	1,000,000
XS1822828122	1.250 % GlaxoSmithKline Capital Plc. EMTN Reg.S. v.18(2026)	4,000,000	5,000,000
XS1910851242	1.500 % Grenke Finance Plc. EMTN Reg.S. v.18(2023)	0	5,000,000
XS1401174633	1.000 % Heineken NV EMTN Reg.S. v.16(2026)	7,000,000	7,000,000
XS1933820372	2.125 % ING Groep NV EMTN Reg.S. v.19(2026)	10,000,000	10,000,000
FR0013281946	1.625 % Ingenico Group S.A. Reg.S. v.17(2024)	0	5,000,000
XS1411535799	0.650 % Johnson & Johnson v.16(2024)	0	5,000,000
XS2033262622	1.001 % JPMorgan Chase & Co. EMTN Reg.S. Fix-to-Float v.19(2031)	5,000,000	5,000,000
XS1456422135	0.625 % JPMorgan Chase & Co. EMTN Reg.S. v.16(2024)	3,000,000	3,000,000
XS1410417544	1.000 % Kellogg Co. v.16(2024)	0	1,000,000
XS1854830889	3.250 % K+S Aktiengesellschaft Reg.S. v.18(2024)	0	1,000,000
FR0013262961	0.625 % La Banque Postale Home Loan SFH EMTN Reg.S. Pfe. v.17(2027)	0	10,000,000
XS1673096829	0.250 % Landwirtschaftliche Rentenbank EMTN Reg.S. v.17(2025)	0	10,000,000
XS1685653302	0.875 % London Stock Exchange Group Plc. EMTN Reg.S. v.17(2024)	0	5,000,000
XS1960678255	1.125 % Medtronic Global Holdings SCA v.19(2027)	3,000,000	3,000,000
XS2020670852	1.000 % Medtronic Global Holdings SCA v.19(2031)	10,000,000	10,000,000
XS2023644540	0.875 % Merck Financial Services GmbH EMTN Reg.S. v.19(2031)	10,000,000	10,000,000
XS1511787589	1.375 % Morgan Stanley v.16(2026)	3,000,000	3,000,000
XS1648298559	0.875 % Nestlé Holdings Inc. Reg.S. v.17(2025)	0	5,000,000
XS1492825051	0.125 % Novartis Finance S.A. Reg.S. v.16(2023)	0	3,000,000
XS1709433509	1.000 % PostNL NV Reg.S. v.17(2024)	0	5,000,000
XS1072516690	3.000 % Prologis L.P. v.14(2026)	3,000,000	3,000,000
BE0002237064	1.875 % Proximus S.A. Reg.S. EMTN v.15(2025)	1,200,000	1,200,000
XS1789751531	1.000 % Richemont International Holding S.A. Reg.S. v.18(2026)	1,000,000	2,000,000
XS1622193750	1.250 % Sampo OYJ EMTN Reg.S. v.17(2025)	3,000,000	3,000,000
XS1039826422	2.625 % SNCF Réseau EMTN Reg.S. v.14(2025)	0	10,000,000
XS1684385161	3.125 % SoftBank Group Corporation Reg.S. v.17(2025)	2,000,000	7,000,000
XS0616936372	9.000 % SRLEV NV Fix-to-Float v.11(2041)	0	2,757,000
XS1914485534	1.125 % Stryker Corporation v.18(2023)	0	5,000,000
XS1724873275	1.000 % Südzucker Internat Finance Reg.S. v.17(2025)	1,000,000	3,000,000

Acquisitions and disposals from 1 January 2019 to 31 December 2019

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review
EUR (continued)			
XS1848875172	0.375 % Svenska Handelsbanken AB [publ] EMTN Reg.S. Green Bond v.18(2023)	0	5,000,000
XS1606633912	0.400 % Swedbank Hypotek AB Reg.S. Pfe. v.17(2024)	0	5,000,000
XS1843449049	1.125 % Takeda Pharmaceutical Co. Ltd. Reg.S. v.18(2022)	0	8,000,000
XS1843449122	2.250 % Takeda Pharmaceutical Co. Ltd. Reg.S. v.18(2026)	8,000,000	10,000,000
XS2001737324	0.750 % Telenor ASA EMTN Reg.S. v.19(2026)	2,000,000	2,000,000
XS1373131546	1.500 % Temasek Financial [I] Ltd. EMTN Reg.S. v.16(2028)	0	5,175,000
XS1574672397	0.500 % The Coca-Cola Co. v.17(2024)	7,000,000	10,000,000
XS1861206636	2.000 % The Goldman Sachs Group Inc. EMTN Reg.S. v.18(2028)	6,000,000	6,000,000
XS1405775708	0.750 % Thermo Fisher Scientific Inc. v.16(2024)	0	5,000,000
XS2058556619	0.875 % Thermo Fisher Scientific Inc. v.19(2031)	7,000,000	7,000,000
DE000A2TEDB8	2.875 % thyssenkrupp AG EMTN Reg.S. v.19(2024)	4,000,000	4,000,000
XS1443997223	0.250 % Total Capital International S.A. EMTN Reg.S. v.16(2023)	0	10,000,000
XS1873208950	0.500 % Unilever NV Reg.S. v.18(2025)	3,000,000	5,000,000
XS1708161291	1.375 % Verizon Communications Inc. v.17(2026)	6,000,000	11,000,000
XS2001183164	1.500 % Vesteda Finance BV EMTN Reg.S. Green Bond v.19(2027)	1,000,000	1,000,000
XS1492446460	0.625 % V.F. Corporation v.16(2023)	1,000,000	1,000,000
FR0013424868	0.625 % Vivendi S.A. EMTN Reg.S. v.19(2025)	2,000,000	2,000,000
XS1499604905	0.500 % Vodafone Group Plc. EMTN Reg.S. v.16(2024)	0	3,000,000
XS2014291616	1.500 % Volkswagen Leasing GmbH EMTN Reg.S. v.19(2026)	5,000,000	5,000,000
DE000A189ZX0	1.250 % Vonovia Finance BV Reg.S. v.16(2024)	10,000,000	15,000,000
XS1074382893	2.125 % Wells Fargo & Co. EMTN Reg.S. v.14(2024)	0	5,000,000
XS1310934382	2.000 % Wells Fargo & Co. EMTN Reg.S. v.15(2026)	0	5,000,000
XS1400169931	1.375 % Wells Fargo & Co. EMTN Reg.S. v.16(2026)	5,000,000	5,000,000
XS1463043973	1.000 % Wells Fargo & Co. EMTN Reg.S. v.16(2027)	10,000,000	10,000,000
XS2056400299	0.625 % Wells Fargo & Co. EMTN Reg.S. v.19(2030)	15,000,000	15,000,000
USD			
US0258M0EL96	3.300 % American Express Credit v.17(2027)	3,000,000	3,000,000
XS1877841400	4.125 % Arab Petroleum Investments Corporation (APICORP) Reg.S. v.18(2023)	0	5,000,000
US06738EAU91	4.337 % Barclays Plc. v.17(2028)	5,000,000	5,000,000
USG2179DAB13	3.625 % CK Hutchison International Ltd. Reg.S. v.19(2029)	2,000,000	2,000,000
XS0913601950	4.125 % FTL Capital Ltd v.13(2023)	0	5,000,000
US377373AH85	3.375 % GlaxoSmithKline Capital Plc. v.19(2029)	3,000,000	3,000,000
US404280BZ11	3.803 % HSBC Holdings Plc. Fix-to-Float v.19(2025)	4,000,000	4,000,000
US456837AK90	4.100 % ING Groep NV v.18(2023)	0	4,000,000
US456837AQ60	4.050 % ING Groep NV v.19(2029)	2,000,000	2,000,000
US46625HRV41	2.950 % JPMorgan Chase & Co. v.16(2026)	0	5,000,000
US521865BA22	4.250 % Lear Corporation v.19(2029)	2,000,000	2,000,000
US53944YAH62	3.900 % Lloyds Banking Group Plc. v.19(2024)	1,800,000	1,800,000
US680223AK06	3.875 % Old Republic International Corporation v.16(2026)	0	3,000,000
US68389XBM65	2.650 % Oracle Corporation v.16(2026)	3,000,000	3,000,000
GB0047524268	2.938 % Rothschilds Continuation Finance BV FRN Perp.	0	5,000,000
XS0827991505	2.700 % SP PowerAssets Reg.S. v.12(2022)	0	5,000,000
XS1323910254	3.250 % SP PowerAssets Reg.S. v.15(2025)	0	10,000,000
US88032XAE40	2.985 % Tencent Holdings Ltd. Reg.S. v.18(2023)	0	5,000,000
GB0004355490	2.750 % The Hongkong and Shanghai Banking Corporation Ltd. Perp.	0	5,000,000
US883556BX98	3.200 % Thermo Fisher Scientific Inc. v.17(2027)	1,000,000	1,000,000
US9128285K26	2.875 % United States of America v.18(2023)	0	25,000,000
US912828Y958	1.875 % United States of America v.19(2026)	10,000,000	10,000,000
US928563AC98	3.900 % VMware Inc. v.17(2027)	0	7,000,000

Acquisitions and disposals from 1 January 2019 to 31 December 2019

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review
New issues intended for exchange trading			
EUR			
XS2034626460	0.450 % Fedex Corporation v.19(2025)	2,000,000	2,000,000
XS1843442622	1.750 % Nasdaq Inc. v.19(2029)	3,000,000	3,000,000
Securities admitted to or included in organised markets			
EUR			
XS1405781425	1.500 % American International Group Inc. v.16(2023)	0	5,000,000
XS1135337498	1.625 % Apple Inc. v.14(2026)	0	10,000,000
XS1533922263	1.250 % Avery Dennison Corporation v.17(2025)	5,000,000	5,000,000
DE000A2YNQW7	4.500 % Bilfinger SE Reg.S. v.19(2024)	3,000,000	3,000,000
XS1196503137	1.800 % Booking Holdings Inc. v.15(2027)	6,000,000	11,000,000
XS1791704189	1.750 % CNAC [HK] Finbridge Co. Ltd. Reg.S. v.18(2022)	0	5,000,000
FR0010301713	0.839 % Crédit Logement Reg.S. FRN Perp.	0	2,500,000
DE000A2NBZG9	3.500 % DIC Asset AG Reg.S. v.18(2023)	1,000,000	3,000,000
XS1240751062	1.625 % Eli Lilly and Company v.15(2026)	1,000,000	1,000,000
XS1983375871	4.000 % Europcar Mobility Group S.A. Reg.S. v.19(2026)	3,000,000	3,000,000
XS1617845083	0.950 % International Business Machines Corporation v.17(2025)	0	10,000,000
DE000A19HCX8	2.000 % JAB Holdings BV Reg.S. v.17(2028)	0	5,000,000
XS1915596222	3.375 % Juventus Football Club S.p.A. Reg.S. v.19(2024)	500,000	500,000
XS1199356954	1.250 % Kellogg Co. v.15(2025)	1,500,000	1,500,000
XS1405784015	2.250 % Kraft Heinz Foods Co. Reg.S. v.16(2028)	1,000,000	6,000,000
XS1909057215	1.500 % Logicor Financing S.à.r.l. EMTN Reg.S. v.18(2022)	0	3,250,000
XS1725630740	0.625 % McDonald's Corporation Reg.S. v.17(2024)	0	5,000,000
XS1001749289	3.125 % Microsoft Corporation v.13(2028)	0	5,000,000
XS1675764945	0.872 % Mitsubishi UFJ Financial Group Inc. EMTN Reg.S. v.17(2024)	5,000,000	5,000,000
XS1691909920	0.956 % Mizuho Financial Group Inc. EMTN Reg.S. Green Bond v.17(2024)	0	5,000,000
XS1117296381	2.000 % Mohawk Industries Inc. v.15(2022)	1,000,000	1,000,000
XS1989375503	0.637 % Morgan Stanley EMTN Fix-to-Float v.19(2024)	1,000,000	1,000,000
XS1568888777	4.875 % Petróleos Mexicanos EMTN Reg.S. v.17(2028)	5,000,000	5,000,000
XS1574158082	1.000 % Pfizer Inc. v.17(2027)	0	10,000,000
XS1146282634	1.625 % Verizon Communications Inc. v.14(2024)	2,000,000	2,000,000
XS1138360166	2.125 % Walgreens Boots Alliance Inc. v.14(2026)	5,000,000	10,000,000
XS1514149159	1.250 % Whirlpool Finance Luxembourg S.a.r.l. v.16(2026)	5,000,000	5,000,000
USD			
US01609WAQ50	3.600 % Alibaba Group Holding Ltd. v.14(2024)	0	2,000,000
US03522AAD28	3.650 % Anheuser-Busch Cos LLC / Anheuser-Busch InBev Worldwide Inc. 144A v.18(2026)	4,000,000	9,000,000
USK0479SAF58	4.500 % AP Moller-Maersk AS Reg.S. v.19(2029)	4,000,000	4,000,000
US037833DP29	2.200 % Apple Inc. v.19(2029)	4,000,000	4,000,000
US05253JAS06	2.625 % Australia and New Zealand Banking Group Ltd. [New York Branch] v.17(2022)	0	3,000,000
US052769AD80	4.375 % Autodesk Inc. v.15(2025)	0	5,000,000
USG10367AB96	4.854 % Bermuda Reg.S. v.13(2024)	0	2,466,000
USG10367AD52	3.717 % Bermuda Reg.S. v.16(2027)	0	6,600,000
US093662AG97	5.250 % Block Financial LLC v.15(2025)	0	4,500,000
US741503AZ91	3.600 % Booking Holdings Inc. v.16(2026)	0	2,000,000
US110122BZ08	2.900 % Bristol-Myers Squibb Co. 144A v.19(2024)	1,000,000	1,000,000
US110122CB21	3.400 % Bristol-Myers Squibb Co. 144A v.19(2029)	1,000,000	1,000,000
US14149YBA55	3.500 % Cardinal Health Inc. v.14(2024)	2,500,000	2,500,000
US00440EAS63	3.150 % Chubb INA Holdings Inc. v.15(2025)	0	1,000,000
US20030NBT72	3.200 % Comcast Corporation v.16(2036)	1,500,000	1,500,000
US20030NCT63	4.150 % Comcast Corporation v.18(2028)	5,000,000	5,000,000
US126650CW89	4.100 % CVS Health Corporation v.18 (2025)	1,000,000	1,000,000

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Acquisitions and disposals from 1 January 2019 to 31 December 2019

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities	Acquisitions in the period under review	Disposals in the period under review
USD (continued)			
US126650CV07	3.700 % CVS Health Corporation v.18(2023)	0	1,000,000
USF12033TP59	2.947 % Danone S.A. Reg.S. v.16(2026)	3,000,000	3,000,000
USN27915AS11	3.600 % Deutsche Telekom International Finance BV Reg.S. v.17(2027)	3,000,000	3,000,000
USN2557FFL33	4.375 % Deutsche Telekom International Finance BV Reg.S. v.18(2028)	2,000,000	2,000,000
US26078JAB61	4.205 % DuPont de Nemours Inc. v.18(2023)	0	5,000,000
USF2893TAU00	4.500 % Electricité de France S.A. (E.D.F.) Reg.S. v.18(2028)	3,000,000	3,000,000
US377372AN70	3.875 % GlaxoSmithkline Capital v.18(2028)	1,000,000	1,000,000
US40573LAQ95	4.125 % Halfmoon Parent Inc. 144A v.18(2025)	2,000,000	2,000,000
US437076BY77	2.950 % Home Depot Inc. v.19(2029)	3,000,000	3,000,000
US445658CF29	3.875 % Hunt [J.B.] Transport Services Inc. v.19(2026)	2,000,000	2,000,000
US457153AG90	5.450 % Ingram Micro Inc. v.14(2024)	0	3,000,000
US49271VAF76	4.597 % Keurig Dr Pepper Inc. v.19(2028)	5,000,000	5,000,000
US565122AC27	4.057 % Keurig Dr Pepper Inc. 144A v.18(2023)	0	5,000,000
US565122AD00	4.417 % Keurig Dr Pepper Inc. 144A v.18(2025)	5,000,000	5,000,000
US50077LAD82	3.000 % Kraft Heinz Foods Co. v.16(2026)	5,000,000	5,000,000
US50077LAS51	4.000 % Kraft Heinz Foods Co. v.18(2023)	5,000,000	5,000,000
US581557BN40	4.750 % McKesson Corporation v.18(2029)	2,000,000	2,000,000
US58933YAX31	3.400 % Merck & Co. Inc. v.19(2029)	6,500,000	6,500,000
US594918BA18	2.375 % Microsoft Corporation v.15(2022)	0	10,000,000
US606822BA15	3.761 % Mitsubishi UFJ Financial Group Inc. v.18(2023)	0	5,000,000
US63254AAS78	2.500 % National Australia Bank Ltd. v.16(2026)	0	5,000,000
US66989HAG39	3.400 % Novartis Capital Corporation v.14(2024)	1,500,000	1,500,000
US674599CS21	3.500 % Occidental Petroleum Corporation v.19(2029)	5,000,000	5,000,000
US713448EL82	2.625 % PepsiCo Inc. v.19(2029)	10,000,000	10,000,000
US717081ET61	3.450 % Pfizer Inc. v.19(2029)	6,000,000	6,000,000
US74834LBA70	4.200 % Quest Diagnostics Inc. v.19(2029)	2,000,000	2,000,000
US80414L2D64	3.500 % Saudi Arabian Oil Co. 144A v.19(2029)	1,000,000	1,000,000
US84762LAU98	5.750 % Spectrum Brands Inc. v.15(2025)	0	1,000,000
US86562MAK62	3.010 % Sumitomo Mitsui Financial Group Inc. v.16(2026)	0	5,000,000
US88167AAL52	6.000 % Teva Pharmaceutical Finance Netherlands III BV v.18(2024)	1,000,000	1,000,000
US88167AAK79	6.750 % Teva Pharmaceutical Finance Netherlands III BV v.18(2028)	2,000,000	2,000,000
US191216CM09	2.125 % The Coca-Cola Co. v.19(2029)	8,000,000	8,000,000
US260543CW12	3.625 % The Dow Chemical Co. 19/150526/3.625	1,000,000	1,000,000
US254687FL52	2.000 % The Walt Disney Co. v.19(2029)	5,000,000	5,000,000
US87264AAU97	4.500 % T-Mobile USA Inc. v.18(2026)	0	1,000,000
US911312BR66	3.400 % United Parcel Service Inc. v.19(2029)	3,000,000	3,000,000
US911365BK93	6.500 % United Rentals North America Inc. v.18(2026)	0	2,000,000
US931427AH10	3.800 % Walgreens Boots Alliance Inc. v.14(2024)	0	5,000,000
US931427AQ19	3.450 % Walgreens Boots Alliance Inc. v.16(2026)	3,000,000	3,000,000
US88579YBG52	3.375 % 3M Co. v.19(2029)	3,000,000	3,000,000
New issues intended for trading on an organised market			
USD			
US63861VAD91	3.622 % Nationwide Building Society 144A Fix-to-Float v.19(2023)	2,000,000	2,000,000
Unlisted securities			
AUD			
AU3CB0158731	6.750 % Macquarie University v.10(2020)	0	3,000,000
Convertible bonds			
Securities traded on an exchange			
CHF			
CH0459297427	3.750 % Sika AG CV v.19(2022)	1,000,000	1,000,000

Acquisitions and disposals from 1 January 2019 to 31 December 2019

Purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements to the extent not reported in the statement of net assets.

ISIN	Securities		Acquisitions in the period under review	Disposals in the period under review	
Securities admitted to or included in organised markets					
EUR					
BE0933899800	0.000 % BNP Paribas Fortis S.A./Ageas SA/NV Reg.S. FRN CV Perp.		0	4,750,000	
Certificates					
Securities traded on an exchange					
United States of America					
26	GB00B15KXV33	ETFS Commodity Securities Ltd./DJ-UBS Crude Oil Sub Total Return Index (USD) Zert. Perp.	USD	2,900,000	2,900,000
Options					
USD					
	Call on EUR/USD March 2019/1.1400		25,000,000	25,000,000	
	Call on EUR/USD November 2019/1.115		40,000,000	40,000,000	
	Put on EUR/USD December 2019/1.0800		28,000,000	28,000,000	
	Put on EUR/USD June 2019/1.100		50,000,000	50,000,000	
	Put on EUR/USD March 2019/1.1200		50,000,000	50,000,000	
Futures contracts					
CHF					
	Swiss Market Index Future June 2019		80	80	
	Swiss Market Index Future September 2019		100	100	
EUR					
	DAX Performance-Index Future June 2019		56	56	
	DAX Performance-Index Future March 2019		40	40	
	EUX 10 YR Euro-OAT Future June 2019		1,070	1,070	
	EUX 10 YR Euro-OAT Future March 2019		1,000	650	
	EUX 10YR Euro-Bund Future September 2019		280	280	
	10YR Euro-BTP 6 % Future June 2019		40	40	
	10YR Euro-BTP 6 % Future March 2019		80	0	
GBP					
	LIF Long Gilt Future December 2019		255	255	
	LIF Long Gilt Future September 2019		511	511	
USD					
	CBT 10YR US T-Bond Note Future December 2019		1,315	1,315	
	CBT 10YR US T-Bond Note Future December 2019		580	580	
	CBT 10YR US T-Bond Note Future June 2019		1,300	1,300	
	CBT 10YR US T-Bond Note Future March 2019		600	600	
	CBT 10YR US T-Bond Note Future March 2019		0	1,800	
	CBT 10YR US T-Bond Note Future September 2019		2,490	2,490	
	CBT 10YR US T-Bond Note Future September 2019		45	45	
	CBT 2YR US T-Bill 6 % Future December 2019		260	260	
	CBT 2YR US T-Bill 6 % Future September 2019		500	500	
	CME 3MO Euro-Dollar Future December 2020		3,000	3,000	
	E-Mini S&P 500 Index Future June 2019		365	365	
	E-Mini S&P 500 Index Future September 2019		110	110	
	UltraTreasury 6 % Future June 2019		930	930	
	UltraTreasury 6 % Future March 2019		0	250	

Exchange rates

For the valuation of assets in a foreign currency, the following exchange rate for 31 December 2019 was used for conversion into euro.

Sterling	GBP	1	0.8526
Danish krone	DKK	1	7.4707
Japanese yen	JPY	1	122.3020
Mexican peso	MXN	1	21.0329
Swiss franc	CHF	1	1.0891
US dollar	USD	1	1.1162



28 Notes to the Annual Report as of 31 December 2019

1.) General

The Ethna-DEFENSIV investment fund is managed by ETHENEA Independent Investors S.A. pursuant to the fund's management regulations. The Management Regulations first came into force on 2 January 2007.

They were filed with the Luxembourg Trade and Companies Register with a reference to this filing published in *Mémorial, Recueil des Sociétés et Associations*, Official Gazette of the Grand Duchy of Luxembourg ("Mémorial"), on 31 January 2007. The Mémorial was replaced as of 1 June 2016 by the new information platform Recueil électronique des sociétés et associations ("RESA") implemented by the Luxembourg Trade and Companies Register. The Management Regulations were last amended on 29 December 2017 and published in the Recueil électronique des sociétés et associations ("RESA").

Ethna-DEFENSIV is a Luxembourg investment fund (Fonds Commun de Placement) set up in the form of a mono fund for an indefinite period in accordance with Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as amended (the "Law of 17 December 2010").

The management company of the fund is ETHENEA Independent Investors S.A. ("management company"), a public limited liability company incorporated under the laws of the Grand Duchy of Luxembourg with its registered office at 16, Rue Gabriel Lippmann, L-5365 Munsbach. The company was founded on 10 September 2010 for an indefinite period. Its Articles of Association were published on 15 September 2010 in the Mémorial.

The most recent amendments to the management company's Articles of Association entered into force on 1 January 2015 and were published in the Mémorial on 13 February 2015. The management company is registered with the Luxembourg Trade and Companies Register under the registration number R.C.S. Luxembourg B-155427.

Unit classes (R-A) and (R-T) are intended exclusively for distribution in Italy, France and Spain.

2.) Main accounting and valuation principles; unit value calculation

Responsibility for preparing this annual report in accordance with the applicable Luxembourg statutory provisions and regulations relating to the preparation and presentation of annual reports lies with the Board of Directors of the management company.

1. The fund's net assets are stated in euros (EUR) ("reference currency").
2. The value of a fund unit ("unit value") is stated in the currency ("fund currency") as specified in the annex to the Sales Prospectus, unless a currency other than the fund currency is specified for any other unit classes in the annex to the Sales Prospectus ("unit class currency").
3. The unit value is calculated by the management company or by an agent commissioned by it under the supervision of the depositary on every day that is a banking day in Luxembourg with the exception of 24 and 31 December of each year ("valuation day") and is rounded to two decimal places. The management company may make different arrangements for the fund, while taking into account that the unit value must be calculated at least twice a month.

However, the management company may decide to determine the unit value on 24 and 31 December of any given year, without this constituting a calculation of the unit value on a valuation day as specified in sentence 1 above of this point 3. As a consequence, investors shall not be entitled to demand the issue, redemption and/or exchange of units on the basis of a unit value calculated on 24 and/or 31 December in any year.

4. To calculate the unit value, the value of the assets in the fund less any fund liabilities ("net fund assets") is calculated on each valuation day, divided by the number of fund units in circulation on the valuation day.

5. To the extent that information regarding the position of the fund assets as a whole needs to be provided in annual reports, semi-annual reports or other financial statistics in accordance with legal requirements or the rules in the fund Management Regulations, the fund assets are translated into the reference currency. Net fund assets are calculated in accordance with the following principles:

- a) Securities, money market instruments, derivative financial instruments (derivatives) and other assets which are officially listed on a stock exchange are valued at the last available price of the trading day preceding the valuation day which ensures a reliable valuation.

The management company can determine for the fund that securities, money market instruments, derivatives and other assets that are officially listed on a stock exchange are valued at the last available price at the close of trading, ensuring a reliable valuation. This is mentioned in the annex to the fund's Sales Prospectus.

Where securities, money market instruments, derivatives and other assets are officially listed on several stock exchanges, the exchange with the highest liquidity is used.

- b) Securities, money market instruments, derivatives and other assets not officially listed on a stock exchange (or whose exchange prices are not considered representative because of a lack of liquidity, for example) but which are traded on a regulated market are valued at a price that may be no lower than the bid price and no higher than the offer price of the trading day preceding the valuation day and that the management company considers in good faith to be the best possible price at which the securities, money market instruments, derivatives and other assets may be sold.

The management company can determine for the fund that securities, money market instruments, derivatives and other assets not officially listed on a stock exchange (or whose exchange prices are not considered representative because of a lack of liquidity, for example) but which are traded on a regulated market are valued at the last available price that the management company considers in good faith to be the best possible price at which the securities, money market instruments, derivatives and other assets may be sold. This is mentioned in the annex to the fund's Sales Prospectus.

- c) OTC derivatives are valued on a daily basis using a verifiable method to be specified by the management company.
- d) Units of UCITS or UCIs shall be valued at the last redemption price determined before the valuation day, or at the last available price which ensures a reliable valuation. If redemption has been suspended for investment fund units or a redemption price has not been specified, these units are valued in the same way as all other assets at the relevant market value as determined by the management company in good faith using generally accepted and verifiable valuation rules.
- e) If prices are not in line with the market, if the financial instruments specified under b) are not traded on a regulated market and if no prices have been specified for financial instruments other than those under a) to d), these financial instruments and any of the other legally permissible assets are valued at the relevant market value as determined by the management company in good faith on the basis of generally accepted and verifiable valuation rules (e.g. suitable valuation models, taking into account current market conditions).
- f) Liquid assets are valued at face value plus interest.
- g) Receivables, such as deferred interest and liabilities, are generally valued at their nominal value.
- h) The market value of securities, money market instruments, derivative financial instruments (derivatives) and other assets that are denominated in a currency other than the fund currency is converted into the relevant fund currency on the basis of the exchange rate determined at the WM/Reuters fixing at 5:00 p.m. (4:00 p.m. London time) on the trading day preceding the valuation day. Gains and losses on foreign exchange transactions will be added or deducted as appropriate.

The management company can determine for the fund that securities, money market instruments, derivatives and other assets denominated in a currency other than the fund currency are converted into the relevant fund currency on the basis of the exchange rate determined on the valuation day. Gains and losses on foreign exchange transactions will be added or deducted as appropriate. This is mentioned in the annex to the fund's Sales Prospectus.

Net fund assets are reduced by any distributions paid to investors in the fund.

6. The unit value is calculated in accordance with the aforementioned criteria. However, if unit classes have been created within the fund, the unit value is calculated in accordance with the aforementioned criteria separately for each unit class.

7. In connection with listed derivatives, the fund is required to cover risks by providing collateral in the form of bank deposits or securities. The collateral provided in the form of bank deposits amounts to:

ESMA - Initial Margin/Variation Margin for the financial year ending 31 December 2019

Fund name	Counterparty	Initial margin	Variation margin
Ethna-DEFENSIV	DZ PRIVATBANK S.A.	USD 460,000.00	USD 72,140.60

For accounting reasons, the tables published in this report may contain rounding discrepancies of +/- one unit (currency, per cent, etc.).

3.) Taxation

Taxation of the fund

The fund assets are subject to a tax in the Grand Duchy of Luxembourg, the tax d'abonnement, at the current rate of 0.05 % p.a. This tax d'abonnement is payable quarterly on the fund's net assets reported at the end of each quarter.

The rate of the tax d'abonnement for the fund or unit classes is mentioned in the annex to the Sales Prospectus. If the fund assets are invested in other Luxembourg investment funds that are already subject to the tax d'abonnement, the tax is waived for the portion of the fund assets invested in those Luxembourg investment funds. The fund's income from the investment of fund assets is not taxed in the Grand Duchy of Luxembourg.

However, this income may be subject to withholding tax in the countries in which the fund assets are invested. In such cases, neither the depositary nor the management company is required to collect tax certificates.

Taxation on income from investment fund units for the investor

Investors who are not resident in the Grand Duchy of Luxembourg, or who do not maintain a permanent establishment there, do not have to pay income, inheritance, or wealth tax on units or income from units in the Grand Duchy of Luxembourg. They are subject to the national tax regulations of their country of residence.

Since 1 January 2017, in accordance with the Luxembourg law implementing the Directive, natural persons who are resident in the Grand Duchy of Luxembourg and who are not resident for tax purposes in another country have had to pay a final withholding tax of 20 % on the interest income mentioned in the legislation. Under certain conditions, this withholding tax may also apply to the interest income of an investment fund.

It is recommended that unitholders ensure they are informed about laws and regulations which apply to the purchase, ownership and redemption of units and seek advice if necessary.

4.) Appropriation of income

Income from unit classes (A), (SIA-A) and (R-A) is distributed. Income from unit classes (T), (SIA-T), (R-T) and (SIA-CHF-T) is reinvested. Distribution takes place at the intervals determined from time to time by the management company. Further details on the appropriation of income are provided in the Sales Prospectus.

Unit class (A)

Regardless of income and performance, a fixed amount of 1.5 % of the net asset value of unit class (A) at the end of the financial year is distributed, provided that the total net fund assets do not fall below the minimum threshold of EUR 1,250,000.00.

Unit class (R-A)

Regardless of income and performance, a fixed amount of 2.5 % of the net asset value of unit class (R-A) at the end of the financial year is distributed, provided that the total net fund assets do not fall below the minimum threshold of EUR 1,250,000.00.

5.) Information relating to charges and expenditure

Information on management and depositary fees and charges may be found in the current Sales Prospectus.

6.) Transaction costs

Transaction costs include all costs which were accounted for and/or settled separately on account of the fund in the financial year and are directly connected with a purchase or sale of securities, money market instruments, derivatives or other assets. These costs primarily comprise commissions, processing fees and tax.

7.) Total Expense Ratio (TER)

In calculating the total expense ratio (TER), the following BVI calculation method was applied:

$$\text{TER} = \frac{\text{Total cost in fund currency}}{\text{Average fund volume (basis: NFA calculated daily *)}} \times 100$$

* NFA = net fund assets

The TER indicates the level of expenses charged to the fund assets. In addition to management and depositary fees and the tax d'abonnement, all other costs are included, with the exception of transaction costs incurred by the fund. It shows the total amount of these costs as a percentage of the average fund volume in a financial year. (Any performance fees are shown separately in direct relation to the TER.)

8.) Ongoing charges

Ongoing charges is a figure calculated pursuant to Article 10(2)(b) of Commission Regulation (EU) No 583/2010 of 1 July 2010 implementing Directive 2009/65/EC of the European Parliament.

The ongoing charges indicate the level of expenses charged to the fund assets in the past financial year. In addition to management and depositary fees and the tax d'abonnement, all other costs are included, with the exception of applicable performance fees. The figure shows the total amount of these charges as a percentage of the average fund volume in the financial year. In the case of investment funds which invest more than 20 % of their assets in other fund products/target funds, the charges for the target funds are also included – any retrocession receipts (trailer fees) for these products are offset against the charges.

9.) Income and expense equalisation

An income equalisation amount and expense equalisation amount are set against ordinary income and expense. This covers net income arising during the period under review which the purchaser of units pays for as part of the issue price and the seller of units receives as part of the redemption price.

10.) Fund current accounts (cash at banks and/or liabilities to banks)

All of the fund's current accounts (including those in different currencies) that actually and legally form only part of a single current account are designated as a single current account in connection with net fund assets. Current accounts in foreign currencies, if applicable, are converted into the currency of the fund.

Interest is calculated on the basis of the terms of the relevant individual account.

11.) Risk management (unaudited)

The management company applies a risk management procedure which enables it to monitor and measure at all times the risk contained in the investment positions and their contribution to the overall risk profile of the investment portfolio of the funds managed by the management company. In accordance with the Law of 17 December 2010 and the applicable supervisory requirements of the Commission de Surveillance du Secteur Financier ("CSSF"), the management company reports regularly to the CSSF on the risk management procedure it applies. As part of its risk management procedure, the Management Company ensures, through the use of effective and appropriate methods, that the overall risk connected with derivatives in the funds under management does not exceed the total net value of their portfolios. To do this, the management company uses the following methods:

Commitment Approach:

Under the Commitment Approach, positions in derivative financial instruments are converted into their underlying (if necessary, delta-weighted) equivalent or nominal value. This takes account of netting and hedging effects between derivative financial instruments and their underlyings. Equivalent to underlyings, their total value must not exceed the total net value of the fund portfolio.

VaR Approach:

The Value-at-Risk (VaR) figure is a statistical concept and is used as a standard measure of risk in the financial sector. The VaR indicates the potential loss on a portfolio during a given period (the holding period) which has a given probability (the confidence level) of not being exceeded.

Relative VaR approach:

In the relative VaR approach, the VaR for the fund must not exceed the VaR for a reference portfolio by a factor contingent on the level of the fund's risk profile. The maximum factor permitted by the supervisory authorities is 200 %. The benchmark portfolio provides a correct representation of the fund's investment policy.

Absolute VaR approach:

In the absolute VaR approach, the VaR for the fund (99 % confidence level, 20-day holding period) must not exceed a portion of the fund's assets contingent on the level of the fund's risk profile. The maximum limited permitted by the supervisory authorities is 20 % of the fund's assets.

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For funds which use the VaR approaches to ascertain the total risk, the Management Company estimates the expected degree of leverage effect. The extent of this leverage effect may deviate from the actual value depending on prevailing market conditions, falling below or exceeding it. Investors' attention is drawn to the fact that no conclusions can be drawn from this information with respect to the risk entailed in the fund. Furthermore, the expected leverage published is explicitly not to be understood as an investment limit. The method used to determine the overall risk and, if applicable the publication of the reference portfolio and the expected degree of leverage, as well as the calculation method, are stated in the fund-specific appendix.

In accordance with the Sales Prospectus valid at the end of the financial year, Ethna-DEFENSIV is subject to the following risk management procedure:

UCITS

Ethna DEFENSIV

Risk management procedure applied

absolute VaR

Absolute VaR Approach for Ethna-DEFENSIV

In the period from 1 January 2019 to 31 December 2019, the absolute VaR approach was used to monitor and measure the total risk associated with derivatives. An absolute value of 10 % was used for the internal limit. For this period, the VaR figure in relation to this internal limit was a minimum of 7.91 %, a maximum of 41.40 % and an average of 22.02 %. The VaR was calculated using a (parametric) variance-covariance approach, applying the calculation standard of a one-sided confidence interval of 99 %, a holding period of 20 days and a (historical) observation period of 252 trading days.

In the period from 1 January 2019 to 31 December 2019, the leverage effect had the following values:

Lowest leverage:	11.41 %
Highest leverage:	553.32 %
Median leverage:	65.13 % (40.74 %)
Calculation method:	Nominal value method (total of nominal values of all derivatives)

It should be noted that the leverage does not take into account hedging or netting of opposing positions. Derivatives, which were used to hedge asset positions and thus lowered risk at overall fund level, also led to an increase in leverage. In addition, in the last financial year, the fund focused increasingly on interest rate futures, whose volatility is relatively low compared to other asset classes, and which therefore required the use of a correspondingly high number of contracts to achieve a significant impact at fund level. The leverage determined on this basis is therefore mainly an indicator of the use of derivatives, but not necessarily of the risk resulting from derivatives.

12.) Information for Swiss investors**a.) Securities numbers:**

Ethna-DEFENSIV unit class (A) securities no. 3058302

Ethna-DEFENSIV unit class (T) securities no. 3087284

Ethna-DEFENSIV unit class (SIA-A) securities no. 2036414

Ethna-DEFENSIV unit class (SIA-T) securities no. 20364332

Ethna-DEFENSIV unit class (SIA CHF-T) securities no. 26480260

b.) Total Expense Ratio (TER) in accordance with the guidelines issued by the Swiss Funds & Asset Management Association (SFAMA) on 16 May 2008:

Commissions and costs incurred in the management of the collective investment scheme must be disclosed using the internationally recognised measure known as the "Total Expense Ratio (TER)". This figure expresses the total of those commissions and costs which are incurred by the assets of the collective investment scheme on an ongoing basis (operating expense) retrospectively as a percentage of net assets and is to be calculated using the following formula:

$$\text{TER} = \frac{\text{Total operating expense in UA}^*}{\text{Average net assets in UA}^*} \times 100$$

* UA = Units in the currency of account of the collective investment scheme

For newly established funds, the TER is to be calculated for the first time using the statement of operations published in the first annual or semi-annual report. Operating expense may be converted to a 12-month period. The median of month-end values over the period under review is used to calculate the average value for fund assets.

$$\text{Annualised operating expense in UA}^* = \frac{\text{Operating expense in n months}}{N} \times 12$$

* UA = Units in the currency of account of the collective investment scheme

As per the Swiss Funds & Asset Management Association (SFAMA) guidelines of 16 May 2008, the following TER in per cent was calculated for the period from 1 January 2019 to 31 December 2019:

Ethna-DEFENSIV	Swiss TER in %	Swiss performance fee in %
Unit class (A)	1.10	0.00
Unit class (T)	1.10	0.00
Unit class (SIA-A)	0.79	0.00
Unit class (SIA-T)	0.84	0.00
Unit class (SIA CHF-T)	0.80	0.00

c.) Information for investors

Payments may be made from the fund management fee to distributors and asset managers in return for distribution of the investment fund (trailer fees). Reimbursements may be granted from the management fee to institutional investors which hold the fund units for third-party beneficial owners.

d.) Amendments to the Prospectus in the financial year

Published amendments to the Prospectus in the financial year are made available in the Swiss Official Gazette of Commerce at shab.ch and at swissfunddata.ch.

13.) Significant events during the period under review

With effect from 10 July 2019, the decision to change auditor from KPMG Luxembourg to Ernst & Young Luxembourg was made in an extraordinary general meeting.

There were no other noteworthy changes or significant events during the period under review.

14.) Significant events after the period under review

The Sales Prospectus was updated with effect from 1 January 2020. The following amendments entered into force:

- Alignments to template and editorial changes
- The calculation basis for fees was changed for all funds from month-end to average for the month.
- The change of auditor, which had already occurred, was noted in the prospectus.

There were no other noteworthy changes or significant events after the period under review.

15.) Remuneration policy (unaudited)

The Management Company of ETHENEA Independent Investors S.A. applies a remuneration policy that complies with the legal requirements. The remuneration system is designed to be compatible with sound and effective risk management, neither encouraging the assumption of risks that are inconsistent with the risk profiles, management regulations or articles of association of the undertakings for collective investment in transferable securities (hereinafter “UCITS”) under management, nor preventing ETHENEA Independent Investors S.A. from duly acting in the best interests of the UCITS.

Employee remuneration consists of an appropriate fixed annual salary plus variable remuneration based on performance and results.

As of 31 December 2018, the total remuneration of the 68 employees of ETHENEA Independent Investors S.A. for the year was EUR 5,789,591.22 in fixed annual salaries plus EUR 1,359,500.00 in variable remuneration. The aforementioned remuneration pertains to all of the UCITS managed by ETHENEA Independent Investors S.A. All employees are involved in total management activities for all funds; therefore, distribution based on fund is not possible. Since the audited figures for fees for the 2019 financial year are not in yet, the fees for the 2018 financial year are shown at the moment. There were no noteworthy changes as a result of the annual review of the fee policy.

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More detailed information on the current remuneration policy can be obtained free of charge on the website of the Management Company, www.ethenea.com, in the legal notices section. Investors will be provided with a paper version free of charge upon request.

16.) Transparency of securities financing transactions and their reuse (unaudited)

By definition, ETHENEA Independent Investors S.A., as a management company of undertakings for collective investment in transferable securities (UCITS), comes within the scope of Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 (“SFTR”).

In the financial year of the investment fund, no securities financing transactions or total return swaps within the meaning of this regulation were used. Thus, no disclosures pursuant to Article 13 of this regulation are to be made to investors in the Annual Report.

More detailed information on the fund’s investment strategy and the financial instruments it uses can be found in the current prospectus, and can be obtained free of charge from the website of the management company at www.ethenea.com.

Report of the Réviseur d'Entreprises agréé

To the unitholders of
Ethna-DEFENSIV
16, rue Gabriel Lippmann,
L-5365 Munsbach, Luxembourg

Audit opinion

We have audited the annual financial statements of Ethna-DEFENSIV (“the fund”), consisting of the composition of net fund assets as of 31 December 2019, changes in net fund assets as well as the statement of operations for the financial year ending on that date; and notes, along with a summary of key accounting methods.

In our opinion, the annual financial statements provided give a true and fair view of the financial position of the fund as of 31 December 2019 and of its earnings position and change in net fund assets for the financial year ending on this date, in accordance with the legal provisions and regulations applying in Luxembourg to the preparation and presentation of financial statements.

Basis for our audit opinion

We have carried out our audit in accordance with the Law concerning the audit profession (the “Law of 23 July 2016”) and international standards on auditing (“ISAs”) accepted for Luxembourg by the Commission de Surveillance du Secteur Financier (“CSSF”). Our responsibility in accordance with the Law of 23 July 2016 and the ISAs is described in more detail in the section “Responsibility of the Réviseur d'entreprises agréé for the audit of the annual financial statements”. We are independent of the Fund in accordance with the “International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants” (“IESBA Code”) accepted for Luxembourg by the CSSF, together with professional conduct requirements to be upheld within the framework of the audit of the annual financial statements and have fulfilled all other professional obligations in accordance with these conduct requirements. We believe that the audit evidence we have obtained is suitable and sufficient to serve as a basis for our audit opinion.

Other

The financial statements of Ethna-DEFENSIV for the financial year ended on 31 December 2018 were audited by a different auditor, which issued an unqualified audit report on 7 March 2019.

Additional information

The Management Company’s Board of Directors is responsible for the additional information. The additional information includes the information contained in the Annual Report, but not the financial statements or our report as Réviseur d'entreprises agréé on these financial statements.

Our audit results for the financial statements do not cover the additional information, and we make no guarantee whatsoever regarding this information.

In auditing the financial statements, our responsibility is to read the additional information and to assess whether there is a significant discrepancy between it and the financial statements or the findings obtained from the audit, or whether the additional information appears otherwise misrepresented. If we determine on the basis of our activities that the additional information contains substantial misrepresentations, we are required to report this. We have nothing to report in this regard.

36 **Responsibility of the Board of Directors for the annual financial statements**

The Board of Directors of the Management Company is responsible for the preparation and fair presentation of the annual financial statements in accordance with the legal provisions and regulations applying in Luxembourg to the preparation and presentation of annual financial statements, and for the internal controls which the Board of Directors of the Management Company deems necessary in order to ensure that annual financial statements are prepared which are free of material misstatement – whether due to error or fraud.

In preparing the annual financial statements, the Board of Directors of the Management Company is responsible for assessing the Fund's ability to continue as a going concern and – where relevant – provide factual information in connection with continuation as a going concern, and use the going concern assumption as an accounting policy, unless the Board of Directors of the management company intends to liquidate the Fund or cease trading, or has no realistic alternative but to do so.

Responsibility of the Réviseur d'entreprises agréé for the audit of the annual financial statements

The aim of our audit is to obtain reasonable assurance that the annual financial statements as a whole are free of material misstatement – whether due to error or fraud – and prepare a Report of the Réviseur d'entreprises agréé containing our audit opinion. Reasonable assurance corresponds to a high degree of certainty but is no guarantee that an audit in accordance with the Law of 23 July 2016 and pursuant to the ISAs accepted for Luxembourg by the CSSF will always uncover material misstatements, if there are any. Misstatements can be due to fraud or error and are considered material when it can reasonably be believed that these individually or as a whole could influence economic decisions of users made on the basis of the financial statements.

Within the framework of an audit in accordance with the Law of 23 July 2016 and international standards on auditing (“ISAs”) accepted for Luxembourg by the CSSF, we exercise our best judgement and adopt a critical stance. Furthermore:

- We identify and assess the risk of material misstatements in the annual financial statements due to fraud or error, plan and carry out audit procedures in response to these risks and obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion. The risk that material misstatements may not be revealed is higher in the case of fraud than in the case of error, as fraud can entail fraudulent conduct, falsifications, deliberate omissions, misleading statements and bypassing of internal controls.
- We obtain an understanding of the internal control system relevant to our audit, in order to plan audit procedures that are appropriate under the given circumstances but not with the aim of expressing an opinion on the effectiveness of the fund’s internal control system.
- We assess the appropriateness of the accounting principles used by the Board of Directors of the management company, accounting estimates and corresponding notes.
- We reach a conclusion on the appropriateness of the application of the going concern accounting principle by the Board of Directors of the management company, as well as on the basis of the audit evidence obtained as to whether a material uncertainty exists in connection with events or circumstances that could create serious doubt about the Fund’s ability to continue with its activities. Should we conclude that a material uncertainty exists, we are obliged to indicate this in the Report of the Réviseur d’entreprises agréé on the accompanying notes to the annual financial statements or, if the information is inappropriate, to amend our audit opinion. These conclusions are based on the principles of the audit evidence obtained up to the date of the Report of the Réviseur d’entreprises agréé. Future or events or circumstances may result in the Fund no longer being able to continue with its business activities.
- We assess the overall presentation, structure and contents of the annual financial statements, including the notes, and assess whether this gives a reasonable presentation of underlying transactions and events.

We communicate with those responsible for governance about the planned audit scope and time frame, as well as significant findings including material weaknesses in the internal control system identified within the framework of the audit.

Luxembourg, 13 March 2020

Ernst & Young
Société anonyme
Cabinet de révision agréé

Nadia Faber

Administration, distribution and advisory

38	Management company:	ETHENEA Independent Investors S.A. 16, rue Gabriel Lippmann L-5365 Munsbach
	Managing directors of the management company:	Thomas Bernard Frank Hauprich Josiane Jennes
	Board of Directors of the management company (managing body):	
	Chairman:	Luca Pesarini ETHENEA Independent Investors S.A.
	Directors:	Thomas Bernard ETHENEA Independent Investors S.A. Nikolaus Rummler IPConcept (Luxemburg) S.A. Arnoldo Valsangiacomo ETHENEA Independent Investors S.A.
	Auditor of the fund and the management company:	Ernst & Young S.A. 35E, Avenue John F. Kennedy L-1855 Luxembourg
	Depositary:	DZ PRIVATBANK S.A. 4, rue Thomas Edison L-1445 Strassen, Luxembourg
	Fund manager:	ETHENEA Independent Investors S.A. 16, rue Gabriel Lippmann L-5365 Munsbach

Central administration, registrar and transfer agent: **DZ PRIVATBANK S.A.**
4, rue Thomas Edison
L-1445 Strassen, Luxembourg

Paying agent in the Grand Duchy of Luxembourg: **DZ PRIVATBANK S.A.**
4, rue Thomas Edison
L-1445 Strassen, Luxembourg

**Information for investors in the
Federal Republic of Germany:**

Paying agent and information agent: **DZ BANK AG**
Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
Platz der Republik
D-60265 Frankfurt am Main

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Information for investors in Belgium:

**Unit classes (T) and (SIA - T) are licensed for public
distribution in Belgium. Units in other unit classes
may not be publicly distributed to investors in
Belgium.**

Paying agent and distributor: **CACEIS Belgium SA/NV**
Avenue du Port / Havenlaan 86C b 320
B-1000 Brussels

Distributor: **DEUTSCHE BANK AG**
Brussels branch, Marnixlaan 13 - 15
B-1000 Brussels

Information for investors in Austria:

**Credit institution as defined by section 141 (1)
of the Austrian Investment Fund Act (InvFG) 2011:** **ERSTE BANK**
der oesterreichischen Sparkassen AG
Am Belvedere 1
A-1100 Wien

**Agent from which unitholders may obtain the
prescribed information pursuant to section 141
of the Austrian Investment Fund Act (InvFG) 2011:** **ERSTE BANK**
der oesterreichischen Sparkassen AG
Am Belvedere 1
A-1100 Wien

**Domestic tax representative as as defined by
section 186 (2) no. 2 of the Austrian Investment
Fund Act (InvFG) 2011** **ERSTE BANK**
der oesterreichischen Sparkassen AG
Am Belvedere 1
A-1100 Wien

**Information for investors in the
Principality of Liechtenstein:**

Paying agent: **SIGMA Bank AG**
Feldkircher Strasse 2
FL-9494 Schaan

Information for investors in Switzerland:

Representative in Switzerland: **IPConcept (Schweiz) AG**
Münsterhof 12
Postfach
CH-8022 Zurich

Paying agent in Switzerland: **DZ PRIVATBANK (Schweiz) AG**
Münsterhof 12
Postfach
CH-8022 Zurich

Information for investors in Italy:

Paying agents:

BNP Paribas Securities Services
Via Ansperto no. 5
IT-20123 Milano

Société Générale Securities Services
Via Benigno Crespi, 19/A - MAC 2
IT-20159 Milano

RBC Investor Services Bank S.A.
Via Vittor Pisani 26
IT-20124 Milano

State Street Bank S.p.A.
Via Ferrante Aporti 10
IT-20125 Milano

Banca Sella Holding S.p.A.
Piazza Gaudenzio Sella 1
IT-13900 Biella

Allfunds Bank S.A.
Via Santa Margherita 7
IT-20121 Milano

Information for investors in Spain:

Paying agent: **Allfunds Bank S.A.**
c/ Estafeta nº 6 (La Moraleja)
Complejo Plaza de la Fuente - Edificio 3-
ES-28109 Alcobendas (Madrid)

Information for investors in France:

Paying agent:

Caceis Bank
1/3 Place Valhubert
F-75013 Paris

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