

Ethna SICAV R.C.S. B 212494

Annual report including audited financial statements as of
31 December 2021

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
Société d'Investissement à Capital Variable (SICAV)

Luxembourg registered company B-155427



ETHENEA

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The Sales Prospectus with integrated Articles of Association, 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 investment company, or from the depositary, paying agents and the distributor in the respective countries of distribution. Additional information may be obtained from the investment company at any time during regular business hours.

Share 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.

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

Fund Management Report

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

Dear investors, Whereas 2020 was the “Annus Horribilis” that shook the global economy, 2021 was the year of the “Great Recovery”. Last year was defined by a strong upturn in the global economy, supported by unprecedented policy stimulus and the gradual introduction of effective COVID-19 vaccines.

The first half of the year benefited from both the reopening and strong political support, which led to a strong upturn in the global economy. However, the recovery, while robust, remained uneven in different countries and sectors, reflecting significant disparities in access to vaccines, disruptions due to the pandemic, and policy support. The solid economic growth slowed during the second half of the year as a result of the resurgence of the pandemic and rising energy prices, raw material shortages, bottlenecks in the global supply chain and rising inflation.

The “Great Recovery” was particularly rapid and highly unusual. It was driven by an increase in aggregate demand, which was made possible by the extraordinary support of fiscal and monetary policy. However, the compromised supply could not meet the recovery in aggregate demand, and the resulting demand-supply mismatch led to a sharp rise in inflation. Growth forecasts for 2021 were revised downwards, if only slightly, and the global economy is expected to have grown at a robust rate of 5.9% last year.

Cyclical growth will continue in 2022, although at a more moderate pace as the global economy is now in the middle of the cycle. The baseline scenario for 2022 is based on a continued expansion of global production at a solid, above-trend pace of around 5%. This will be supported by strong domestic demand, a reorientation of growth towards the services sector and an ongoing rebound in global trade once supply chain issues are resolved. Capital investment and rising inventories will also contribute to solid growth. While the labour market will gradually improve, it is expected to lag the manufacturing recovery and remain uneven across regions. Production gaps will gradually disappear in 2022, and global production is expected to return to pre-pandemic levels. Inflation is also expected to moderate and approach the central bank’s target of 2%.

Monetary and fiscal policy stimulus measures will continue to be key factors for economic development. Varying levels of political support in different countries and regions will continue to lead to disparities in the speed of recovery. While several emerging economies have already begun to reduce their policy support, governments in advanced economies will continue to provide significant fiscal support. Central banks will initiate a gradual normalisation of their policies, but will be cautious about withdrawing monetary support to ensure that the recovery is not interrupted and returns to the moderately good pre-pandemic growth outlook. The US Federal Reserve has started reducing its quantitative easing programme and will soon start raising key interest rates. The European Central Bank will continue its asset purchases after the expiry of its Pandemic Emergency Purchase Programme (PEPP) with an increase in its regular purchase programme (APP), and the Bank of Japan is also likely to continue its highly expansionary policy. Other central banks in the advanced economies (e.g. the Bank of England and the Bank of Canada) are likely to tighten policy earlier, but given the expected slowdown in growth and inflation, interest rates will only increase slowly. As a result, global financial conditions are likely to remain broadly accommodative in 2022.

Although the baseline scenario is encouraging, the global economy will face a number of headwinds and uncertainty will remain heightened. Persistent commodity shortages, supply chain bottlenecks and rising energy prices could lead to sustained inflationary pressures and entrenched inflation, forcing central banks to tighten policy sooner than expected. The above-mentioned imbalance between supply and demand poses the greatest downside risk to growth and the greatest upside risk to inflation. The combination of slowing economic momentum and persistently high inflation is both a concern for the macroeconomic outlook and a challenge for policymakers. Inflation is likely to remain high in the first half of 2022, but is expected to gradually return to pre-pandemic levels in most countries once the adverse impact of the pandemic has subsided and prices have appropriately adjusted to lower levels. Economic growth is expected to remain solid. Central banks in advanced economies will have to walk a fine line to continue providing support to the economic recovery while not losing control over inflation.

Macroeconomic and geopolitical developments in China and the future of the US-China relationship will also influence the global economy in 2022. Broadly speaking, the year now underway will provide further insights into the trajectory of globalisation. Decisions taken by policymakers around the globe on whether to resolve to return to the path of cooperation and multilateralism or opt for protectionism and unilateralism will shape economic cooperation, international trade and global growth in the years to come. In the final analysis, the COVID-19 pandemic is not yet fully under control, and the development of new infectious variants still poses a significant risk that threatens the resilience of the economic recovery. If inflationary pressures can be moderated and the COVID-19 pandemic can be gradually brought under control at the global level, the relatively favourable scenario of above-trend global growth could continue in 2022.

Ethna-AKTIV:

What a year! Almost two years after the onset of the biggest pandemic in recent memory, international stock markets are nonetheless trading near all-time highs and the global economy is growing at its fastest pace in 40 years. Although the coronavirus continued to have a negative impact on social and economic life, the coordinated actions of central banks and governments not only brought the recession to a rapid end, but also contributed to economic growth that is trending higher than before the crisis. The adverse side effect of this virtually textbook development is inflation, which is also experiencing a similarly textbook upward spiral.

This has confirmed our positive macro and market assessment at the beginning of last year. Even so, from a capital investor's point of view, this year was fraught with challenges. On the one hand, the expected interest rate hike occurred much more rapidly than anticipated, which led to a mini-crash on the bond market. On the other hand, in addition to this interest rate trend, frequent changes in thematic focus also brought about multiple changes in favourites in terms of equity styles and factors, which happened so quickly that overly active portfolio adjustment turned out to be counterproductive. Against this backdrop, it is no surprise that a broad-based index investment such as the S&P 500 was the measure of all things in 2021. Even though Ethna-AKTIV is managed independently of benchmarks, it was absolutely correct to use mainly US large caps for the equity portfolio last year. Accordingly, the majority of the annual performance of over five percent was generated with US equities. In bonds, the gains from the minimal narrowing of spreads and coupons were just enough to offset the losses from the interest rate developments mentioned earlier. However, it should be emphasised that bonds once again stabilised the portfolio this year, especially during phases of higher volatility. The fund's position in the US dollar, which grew over the year, also contributed more than one percent to the fund's success.

Looking ahead, we have to face the challenge that the current economic cycle is still relatively new in terms of time, while monetary and fiscal policy conditions are already pointing to a more advanced phase and valuations could even be in the end-of-cycle range. We are therefore not expecting an end to the bull market. This merely represents a worsening of the risk-reward ratio. But taking this ratio into account, equities are still the cheapest in relative terms. Consequently, the 40% equity allocation of the Ethna-AKTIV at the beginning of the year is also close to the maximum allocation of 49%. However, in view of the gradual withdrawal of massive liquidity, it has become all the more important to create a stable portfolio of major securities that are not so interest-sensitive. The price gains of the coming year will not be due to exuberant liquidity, but to convincing business models. We expect volatility to be much higher than in the past year. Finally, the political agenda with an election in France and the mid-term elections in the US will be a major source of turmoil. In our view, the US dollar will continue to trend stronger. For this reason, we are starting the year with an exposure of 40%, since, in addition to the interest rate differential, the strong but slowing economic growth compared to the previous year is another good argument in favour of the greenback. Rounded out by a very conservative portfolio of corporate and government bonds, the Ethna-AKTIV will start the new year virtually fully invested and, on the basis of this balanced portfolio, hopefully will hopefully be able to add many more records to the all-time high reached at the end of the year.

Ethna-DEFENSIV:

The year under review was shaped by volatile bond markets. For investors, the challenge was to find a position between hopes of a reopening, concerns about the coronavirus and tighter monetary policy hinted at by the central banks. This up and down was also reflected in government bond yields. Investors sold long-dated government bonds in the reflation trade at the beginning of the year, betting that the recovery from the pandemic would usher in a period of sustained growth and high inflation rates. Then, in the autumn, shorter-dated bonds came under increasing pressure as central banks signalled that they would raise interest rates in response to high inflation. The corporate bond market turned in a slightly negative performance as it was burdened by rising yields and little potential for a further narrowing of risk premiums on corporate bonds.

Looking ahead, central bank policy will continue to be the determining factor for the bond markets in the coming year. With inflation at its highest level in decades, some market participants are concerned about a continuation of the austerity measures by the central banks in the form of interest rate hikes and liquidity cuts. Although in the coming year central banks will tighten monetary policy much more, with as many as three to four interest rate hikes in the US, the nominal interest rate will remain well below the rate of inflation, prolonging the investment emergency. Europe remains considerably further away from a first rate hike. On the contrary, the ECB's balance sheet will continue to be expanded until at least October 2022. In other words, the outlook for equities is positive, even though the equity markets are unlikely to continue to boom in the coming year in view of their high valuations. For bonds, in contrast, it will remain volatile. We anticipate a slight increase in 10-year government bond yields, which should settle at a level around 2% in the US and 0% in Germany. We don't think a significant overshoot is a realistic scenario. Risk premiums on investment-grade corporate bonds will remain low in the coming year because, in the final analysis, companies are fully financed for years to come and will take advantage of the bond market opportunistically, for example, when there are particularly favourable financing conditions. They are also only dependent on the take-up capacity of the bond market for refinancing mergers and acquisitions. The same applies to the high-yield market, which we fundamentally assess as stable. However, risk premiums may widen as a result of domino effects if there is a significant correction on the equity markets. Finally, given the difficult market environment, portfolio managers will have to be even more active in managing interest rate and credit risks and be very selective across sectors and issuers. Our company analysis will continue to take a fundamental bottom-up approach, with a preference for companies with robust business models and solid margins that are better able to pass on higher input costs to their customers due to their market position.

In December, Ethna-DEFENSIV (T class) achieved robust performance of +0.08% despite slightly higher yields and risk premiums for corporate bonds that were at times higher than those for safe government bonds. Our hedge against rising US dollar yields made a positive contribution to performance, while we left the interest rate risk open for euro-denominated bonds. Our US dollar currency position of 20% made a slightly negative contribution to performance in December. In contrast, the Swiss franc and the Norwegian krone made a positive contribution to the fund's performance. As a result, over the year as a whole, Ethna-DEFENSIV achieved a clearly positive performance of 1.39% (T class), while at the same time maintaining very low volatility of around 2%. This clearly demonstrates that conservative investments such as Ethna-DEFENSIV can make a positive contribution to returns even in times of rising interest rates and can be an important component for asset accumulation.

Ethna-DYNAMISCH:

The 2021 year on the capital markets is now history. But did it also make history? Perhaps not. Developments in 2021 were overshadowed by 2020, the year the global pandemic began. Very few economic, monetary, fiscal or fundamental developments in 2021 can be described or understood in isolation without reference to the previous year 2020. One year ago, we retrospectively described the exceptional year 2020 as unpredictable and speculated that 2021, the following year, would be almost too predictable. The baseline situation at the time was defined by the gradual control over the pandemic, strong economic growth, the positive effects of the massive fiscal programmes, record-low interest rates and continued bond-buying programmes by the central banks, as well as a return of risk tolerance among an increasing number of investors. All of these factors pointed in the direction of a continuation of the upward trend on the global stock markets that began during 2020. Today – one year later – we can describe the past trading year 2021 just as concisely. The many supporting factors mentioned above caused prices to rise significantly in the first few months of the year. Ethna-DYNAMISCH, with a correspondingly high net equity ratio of around 75% to 80%, benefited nicely from the bull market and marked new highs consistently into the summer. However offensively we structured our equity exposure, we were equally disciplined in dealing with underlying opportunities and risks. This meant that, on the one hand, we failed to fully exploit opportunities in more cyclical, structurally less attractive sectors such as oil, commodities and financials. At the same time, however, we sidestepped significant valuation risks in growth segments and in previous crisis winners, which had often already reached their highs for the year by mid-February and subsequently underwent price corrections, some of which were severe.

As the year wore on, the tailwind gradually weakened. This is why we took a more moderate approach in Ethna-DYNAMISCH and maintained the net equity ratio at roughly 60% by increasing the weighting of the hedging components. The decreasing attractiveness of the market environment was reflected in the equity markets, especially in decreasing market breadth. While major market capitalisation-weighted equity indices such as the S&P 500 and the MSCI World continued to push to new all-time highs, an expanding performance gap opened up with their equally weighted index variants (with the same individual equities, but weighted differently) from the summer onwards. A number of other well-known indices, such as the German DAX, the US Russell 2000 and MSCI Emerging Markets, also experienced total stagnation in their performance in the second half of the year. Unfortunately, Ethna-DYNAMISCH's individual equity portfolio was not immune to this broad-based trend, with the result that the performance of the fund in the second half of the year was only slightly positive. There are a variety of reasons for this, but in our opinion they are not sustainable. For example, equities held in the portfolio that benefit from a normalisation of economic and social activities came under renewed pressure as the Delta and Omicron virus variants began to spread. In spite of currently record high case numbers in many places, there is little evidence contradicting our basic scenario that the path back to social normality thanks to vaccinations and new advances in treatments is only a matter of time.

In contrast to equities, fixed-income securities and gold played only a very minor role in the portfolio construction of Ethna-DYNAMISCH in 2021. In light of the unattractive development of both asset classes, this was an opportune decision, and not just in retrospect.

Even in the new year, we consider bond yields too unattractive compared to the opportunities in equity markets to consider a significant investment in debt securities for Ethna-DYNAMISCH, the most offensive fund of the Ethna Funds. This is because the prospects for a continuation of the current bull market – albeit at a more moderate level – are not bad. Accordingly, global economic growth should again be above average in 2022. The central banks in the US and Europe continue to operate extremely cautiously despite higher inflation figures. In parallel to this, the continued low return expectations for fixed-income investments should mean that equities will also experience structurally increased demand in 2022 and current valuation levels will persist for the time being. With this in mind, we believe that the most important price drivers of the recent past will continue to be on the plus side of the equity markets in 2022, in addition to solid corporate sales and earnings growth. However, any further, sustained weakening of these supportive factors is likely to gradually increase uncertainty and nervousness among market participants, which can repeatedly lead to rapid and violent sector or style rotations. The high degree of flexibility of Ethna-DYNAMISCH continues to be correspondingly important to ensure that we are also appropriately prepared to cope with alternative scenarios.

Consolidated Annual Report of Ethna SICAV with the sub-funds Ethna SICAV - AKTIV A, Ethna SICAV - DEFENSIV A and Ethna SICAV - DYNAMISCH A

Composition of net fund assets

as of 31 December 2021

	EUR
Securities holdings (securities acquisition costs: EUR 20,796,514.27)	22,900,453.28
Cash at banks ¹⁾	16,294.06
Receivables from securities transactions	1,691.58
	22,918,438.92
Share redemptions payable	-1,691.55
Interest liabilities	-17.48
Other liabilities and equity ²⁾	-939.04
	-2,648.07
Net fund assets	22,915,790.85

Change in net fund assets

in the period under review from 1 January 2021 to 31 December 2021

	EUR
Total net fund assets at the beginning of the period under review	25,902,807.81
Ordinary net expenditure	-29,797.25
Income and expense equalisation	-2,135.97
Inflow of funds from sale of shares	1,025,421.72
Outflow of funds from redemption of shares	-5,107,671.32
Realised gains	314,110.24
Realised losses	-28.54
Net change in unrealised gains	843,756.54
Net change in unrealised losses	-653.84
Distribution	-30,018.54
Total net fund assets at the end of the period under review	22,915,790.85

¹⁾ See notes to the Report.

²⁾ This item comprises management fees.

Statement of operations

in the period under review from 1 January 2021 to 31 December 2021

	EUR
Income	
Income from investment units	26,010.89
Bank interest	-57.76
Income equalisation	-2,260.12
Total income	23,693.01
Expense	
Interest expense	-2.80
Management fee	-12,259.00
Taxe d'abonnement	-6.21
Publication and audit expenses	-7,216.52
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-6,763.46
Registrar and transfer agent fee	-1,754.61
Government fees	-16,521.64
Other expenses ¹⁾	-13,362.11
Expense equalisation	4,396.09
Total expense	-53,490.26
Ordinary net expenditure	-29,797.25

¹⁾ This item mainly comprises paying agent fees and custody fees.

Geographical breakdown by country and economic breakdown of the Ethna SICAV - AKTIV A sub-fund

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1 January 2021 - 31 December 2021

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The management company is entitled to create share classes that confer different rights depending on the shares.

Currently the following share class exists with these structural features:

Security identification no.:	A2AH5Q
ISIN code:	LU1546153187
Subscription fee:	up to 3.00%
Redemption fee:	none
Management fee:	0.05% p.a.
Minimum subsequent investment:	none
Dividend policy:	distributed
Currency:	EUR

Geographical breakdown by country ¹⁾

Luxembourg	99.94%
Securities holdings	99.94%
Cash at banks ²⁾	0.07%
Other receivables and payables (net)	-0.01%
	100.00%

Breakdown by economic sector ¹⁾

Investment fund units	99.94%
Securities holdings	99.94%
Cash at banks ²⁾	0.07%
Other receivables and payables (net)	-0.01%
	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.

Composition of net fund assets of the Ethna SICAV - AKTIV A sub-fund

10 Change over the last 3 financial years

Date	Net sub-fund assets in EUR millions	Outstanding shares	Net inflows In EUR thousands	Share value EUR
31/12/2019	27.72	260,367	-3,836.38	106.47
31/12/2020	24.74	230,395	-3,138.08	107.39
31/12/2021	21.71	192,908	-4,087.32	112.56

Composition of net sub-fund assets

as of 31 December 2021

	EUR
Securities holdings (securities acquisition costs: EUR 19,712,020.59)	21,700,678.25
Cash at banks ¹⁾	14,776.34
Receivables from securities transactions	1,691.58
	21,717,146.17
Share redemptions payable	-1,691.55
Interest liabilities	-14.55
Other liabilities and equity ²⁾	-889.86
	-2,595.96
Net sub-fund assets	21,714,550.21
Outstanding shares	192,908.355
Share value	EUR 112.56

¹⁾ See notes to the Report.

²⁾ This item mainly comprises management fees.

Change in net sub-fund assets

in the period under review from 1 January 2021 to 31 December 2021

	EUR
Total net sub-fund assets at the beginning of the period under review	24,742,860.20
Ordinary net expenditure	-27,895.95
Income and expense equalisation	-2,141.95
Inflow of funds from sale of shares	1,019,836.11
Outflow of funds from redemption of shares	-5,107,160.30
Realised gains	313,498.41
Net change in unrealised gains	797,375.77
Net change in unrealised losses	0.00
Distribution	-21,822.08
Total net sub-fund assets at the end of the period under review	21,714,550.21

Change in number of shares in circulation

	Number
Shares in circulation at the beginning of the period under review	230,395.253
Shares issued	9,265.102
Shares redeemed	-46,752.000
Shares in circulation at the end of the period under review	192,908.355

Statement of operations

of the Ethna SICAV - AKTIV A sub-fund

12 Statement of operations

in the period under review from 1 January 2021 to 31 December 2021

	EUR
Income	
Income from investment units	17,666.35
Bank interest	-44.95
Income equalisation	-2,262.59
Total income	15,358.81
Expense	
Interest expense	-1.51
Management fee	-11,656.89
Taxe d'abonnement	-5.04
Publication and audit expenses	-5,525.50
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-6,426.42
Registrar and transfer agent fee	-1,754.61
Government fees	-10,907.71
Other expenses ¹⁾	-11,381.62
Expense equalisation	4,404.54
Total expense	-43,254.76
Ordinary net expenditure	-27,895.95
Total transaction costs in the financial year ²⁾	0.00
Total expense ratio in percent ²⁾	0.21

¹⁾ This item mainly comprises paying agent fees and custody fees.

²⁾ See notes to the Report.

Statement of net assets of the sub-fund

Ethna SICAV - AKTIV A as of 31 December 2021

Statement of net assets as of 31 December 2021

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ISIN	Securities		Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
Investment fund units ²⁾								
Luxembourg								
LU0136412771	Ethna-AKTIV A	EUR	5,133	35,451	153,688	141.2000	21,700,678.25	99.94
							21,700,678.25	99.94
Investment fund units ²⁾							21,700,678.25	99.94
Securities holdings							21,700,678.25	99.94
Cash at banks - Current account ³⁾							14,776.34	0.07
Other receivables and payables (net)							-904.38	-0.01
Net sub-fund assets in EUR							21,714,550.21	100.00

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

²⁾ Information on subscription and redemption fees as well as the maximum amount of the management fee for target fund units may be obtained on application from the registered office of the management company and from the depositary and paying agents free of charge.

³⁾ See notes to the Report.

Acquisitions and disposals

1 January 2021 to 31 December 2021

of the Ethna SICAV - AKTIV A sub-fund

14 **Acquisitions and disposals from 1 January 2021 to 31 December 2021**

No other purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements, that were not reported in the statement of net assets.

Foreign exchange rates

As of 31 December 2021, there were only assets in the sub-fund currency euro.

Geographical breakdown by country and economic breakdown of the Ethna SICAV - DEFENSIV A sub-fund

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1 January 2021 - 31 December 2021

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The management company is entitled to create share classes that confer different rights depending on the shares.

Currently the following share class exists with these structural features:

Security identification no.:	A2AH5R
ISIN code:	LU1546156875
Subscription fee:	up to 2.50%
Redemption fee:	none
Management fee:	0.05% p.a.
Minimum subsequent investment:	none
Dividend policy:	distributed
Currency:	EUR

Geographical breakdown by country ¹⁾	
Luxembourg	99.85%
Securities holdings	99.85%
Cash at banks ²⁾	0.15%
Other receivables and payables (net)	0.00%
	100.00%

Breakdown by economic sector ¹⁾	
Investment fund units	99.85%
Securities holdings	99.85%
Cash at banks ²⁾	0.15%
Other receivables and payables (net)	0.00%
	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.

Composition of net fund assets of the Ethna SICAV - DEFENSIV A sub-fund

16 Change over the last 3 financial years

Date	Net sub-fund assets in EUR millions	Outstanding shares	Net inflows In EUR thousands	Share value EUR
31/12/2019	0.50	5,018	0.00	100.40
31/12/2020	0.51	5,027	0.84	101.00
31/12/2021	0.50	5,028	0.10	99.87

Composition of net sub-fund assets

as of 31 December 2021

	EUR
Securities holdings (securities acquisition costs: EUR 503,154.94)	501,418.65
Cash at banks ¹⁾	763.19
	502,181.84
Interest liabilities	-1.59
Other liabilities and equity ²⁾	-20.69
	-22.28
Net sub-fund assets	502,159.56
Outstanding shares	5,028.000
Share value	EUR 99.87

¹⁾ See notes to the Report.

²⁾ This item mainly comprises management fees.

Change in net sub-fund assets

in the period under review from 1 January 2021 to 31 December 2021

	EUR
Total net sub-fund assets at the beginning of the period under review	507,749.91
Ordinary net income	2,610.28
Income and expense equalisation	3.43
Inflow of funds from sale of shares	610.29
Outflow of funds from redemption of shares	-511.02
Realised losses	-28.54
Net change in unrealised gains	0.00
Net change in unrealised losses	-653.84
Distribution	-7,620.95
Total net sub-fund assets at the end of the period under review	502,159.56

Change in number of shares in circulation

	Number
Shares in circulation at the beginning of the period under review	5,027.000
Shares issued	6.100
Shares redeemed	-5.100
Shares in circulation at the end of the period under review	5,028.000

Statement of operations

of the Ethna SICAV - DEFENSIV A sub-fund

18 **Statement of operations**
in the period under review from 1 January 2021 to 31 December 2021

	EUR
Income	
Income from investment units	7,588.90
Bank interest	-7.25
Income equalisation	-3.02
Total income	7,578.63
Expense	
Interest expense	-0.69
Management fee	-254.23
Taxe d'abonnement	-0.64
Publication and audit expenses	-828.44
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-141.21
Government fees	-2,780.94
Other expenses ¹⁾	-961.79
Expense equalisation	-0.41
Total expense	-4,968.35
Ordinary net income	2,610.28
Total transaction costs in the financial year ²⁾	0.00
Total expense ratio in percent ²⁾	0.99

¹⁾ This item mainly comprises general management costs and membership fees.

²⁾ See notes to the Report.

Statement of net assets of the sub-fund

Ethna SICAV - DEFENSIV A as of 31 December 2021

Statement of net assets as of 31 December 2021

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ISIN	Securities		Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
Investment fund units ²⁾								
Luxembourg								
LU0279509904	Ethna-DEFENSIV A	EUR	3	29	3,692	135.8200	501,418.65	99.85
							501,418.65	99.85
Investment fund units ²⁾							501,418.65	99.85
Securities holdings							501,418.65	99.85
Cash at banks - Current account ³⁾							763.19	0.15
Other receivables and payables (net)							-22.28	0.00
Net sub-fund assets in EUR							502,159.56	100.00

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

²⁾ Information on subscription and redemption fees as well as the maximum amount of the management fee for target fund units may be obtained on application from the registered office of the management company and from the depositary and paying agents free of charge.

³⁾ See notes to the Report.

Acquisitions and disposals

1 January 2021 to 31 December 2021

of the Ethna SICAV - DEFENSIV A sub-fund

20 **Acquisitions and disposals from 1 January 2021 to 31 December 2021**

No other purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements, that were not reported in the statement of net assets.

Foreign exchange rates

As of 31 December 2021, there were only assets in the sub-fund currency euro.

Geographical breakdown by country and economic breakdown of the Ethna SICAV - DYNAMISCH A sub-fund

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The management company is entitled to create share classes that confer different rights depending on the shares.

Currently the following share class exists with these structural features:

Security identification no.:	A2AH5S
ISIN code:	LU1546162501
Subscription fee:	up to 5.00%
Redemption fee:	none
Management fee:	0.05% p.a.
Minimum subsequent investment:	none
Dividend policy:	distributed
Currency:	EUR

Geographical breakdown by country ¹⁾

Luxembourg	99.90%
Securities holdings	99.90%
Cash at banks ²⁾	0.11%
Other receivables and payables (net)	-0.01%
	100.00%

Breakdown by economic sector ¹⁾

Investment fund units	99.90%
Securities holdings	99.90%
Cash at banks ²⁾	0.11%
Other receivables and payables (net)	-0.01%
	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.

Composition of net fund assets of the Ethna SICAV - DYNAMISCH A sub-fund

22 Change over the last 3 financial years

Date	Net sub-fund assets in EUR millions	Outstanding shares	Net inflows In EUR thousands	Share value EUR
31/12/2019	0.63	5,775	9.70	108.92
31/12/2020	0.65	5,755	-2.19	113.33
31/12/2021	0.70	5,797	4.98	120.59

Composition of net sub-fund assets

as of 31 December 2021

	EUR
Securities holdings (securities acquisition costs: EUR 581,338.74)	698,356.38
Cash at banks ¹⁾	754.53
	699,110.91
Interest liabilities	-1.34
Other liabilities and equity ²⁾	-28.49
	-29.83
Net sub-fund assets	699,081.08
Outstanding shares	5,797.055
Share value	EUR 120.59

¹⁾ See notes to the Report.

²⁾ This item comprises management fees.

Change in net sub-fund assets

in the period under review from 1 January 2021 to 31 December 2021

	EUR
Total net sub-fund assets at the beginning of the period under review	652,197.70
Ordinary net expenditure	-4,511.58
Income and expense equalisation	2.55
Inflow of funds from sale of shares	4,975.32
Realised gains	611.83
Net change in unrealised gains	46,380.77
Net change in unrealised losses	0.00
Distribution	-575.51
Total net sub-fund assets at the end of the period under review	699,081.08

Change in number of shares in circulation

	Number
Shares in circulation at the beginning of the period under review	5,755.055
Shares issued	42.000
Shares redeemed	0.000
Shares in circulation at the end of the period under review	5,797.055

Statement of operations

of the Ethna SICAV - DYNAMISCH A sub-fund

24 Statement of operations

in the period under review from 1 January 2021 to 31 December 2021

	EUR
Income	
Income from investment units	755.64
Bank interest	-5.56
Income equalisation	5.49
Total income	755.57
Expense	
Interest expense	-0.60
Management fee	-347.88
Taxe d'abonnement	-0.53
Publication and audit expenses	-862.58
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-195.83
Government fees	-2,832.99
Other expenses ¹⁾	-1,018.70
Expense equalisation	-8.04
Total expense	-5,267.15
Ordinary net expenditure	-4,511.58
Total transaction costs in the financial year ²⁾	0.00
Total expense ratio in percent ²⁾	0.76

¹⁾ This item mainly comprises general management costs and membership fees.

²⁾ See notes to the Report.

Statement of net assets of the sub-fund

Ethna SICAV - DYNAMISCH A as of 31 December 2021

Statement of net assets as of 31 December 2021

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ISIN	Securities		Acquisitions in the period under review	Disposals in the period under review	Holdings	Price	Price EUR	% share of NFA ¹⁾
Investment fund units ²⁾								
Luxembourg								
LU0455734433	Ethna-DYNAMISCH A	EUR	56	43	7,569	92.2700	698,356.38	99.90
							698,356.38	99.90
Investment fund units ²⁾							698,356.38	99.90
Securities holdings							698,356.38	99.90
Cash at banks - Current account ³⁾							754.53	0.11
Other receivables and payables (net)							-29.83	-0.01
Net sub-fund assets in EUR							699,081.08	100.00

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

²⁾ Information on subscription and redemption fees as well as the maximum amount of the management fee for target fund units may be obtained on application from the registered office of the management company and from the depositary and paying agents free of charge.

³⁾ See notes to the Report.

Acquisitions and disposals

1 January 2021 to 31 December 2021

of the Ethna SICAV - DYNAMISCH A sub-fund

26 **Acquisitions and disposals from 1 January 2021 to 31 December 2021**

No other purchases and sales of securities, promissory note loans and derivatives executed during the period under review, including changes excluding capital movements, that were not reported in the statement of net assets.

Foreign exchange rates

As of 31 December 2021, there were only assets in the sub-fund currency euro.



Notes to the Annual Report as of 31 December 2021

1.) General

The investment company Ethna SICAV is a public limited company with variable capital (société d'investissement à capital variable), incorporated under the laws of the Grand Duchy of Luxembourg, with its registered office at 4, rue Thomas Edison, L-1445 Strassen, Luxembourg, Luxembourg. It was established in the form of an umbrella fund on 3 February 2017 for an indefinite period of time. Its Articles of Association were published in the Recueil électronique des sociétés et associations ("RESA"), the information platform of the Trade and Companies Register in Luxembourg. The investment company is registered with the Luxembourg Trade and Companies Register under the registration number R.C.S. Luxembourg B-212494.

Ethna SICAV is a Luxembourg investment company (société d'investissement à capital variable) set up 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"), in the form of an umbrella fund ("investment company" or "Fund") with one or more sub-funds. The objective of the investment policy of Ethna SICAV with its three respective sub-funds as feeder UCITS is to replicate the performance of the respective mono-funds Ethna - AKTIV, Ethna - DEFENSIV and Ethna - DYNAMISCH, which are legally dependent investment funds pursuant to Chapter 2 of the Law of 17 December 2010 in the form of a mono-fund, as master UCITS. The respective sub-funds are therefore feeder UCITS within the meaning of Article 77 of the Law of 17 December 2010.

The Management Regulations were last amended on 1 January 2020 and published in the Recueil électronique des sociétés et associations ("RESA").

The Board of Directors of the investment company has entrusted ETHENEA Independent Investors S.A. ("management company"), a public limited company incorporated under the laws of the Grand Duchy of Luxembourg with its registered office at 16, rue Gabriel Lippmann, L-5365 Munsbach, with the investment management, administration and distribution of the shares of the investment company. It was established on 10 September 2010 for an indefinite period. Its Articles of Association were published on 15 September 2010 in the Mémorial. The most recent amendment 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

The current version of the Sales Prospectus, including the management regulations, the latest annual and semi-annual reports as well as the Key Investor Information Document of the respective master UCITS can be found on the homepage of the Management Company at www.ethenea.com.

2.) Main accounting and valuation principles; share 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 financial statements lies with the Board of Directors of the investment company.

1. The net assets of the investment company are denominated in euro (EUR) ("reference currency").
2. The value of a fund share ("net asset value per share") is stated in the currency ("(sub-)fund currency") as specified in the respective annex to the Sales Prospectus, unless a currency other than the (sub-)fund currency is specified for any other share classes in the respective annex to the Sales Prospectus ("share class currency").
3. The net asset value per share is calculated by the management company or its delegate under the supervision of the depositary on each day that is a bank working day in Luxembourg, with the exception of 24 and 31 December of each year ("valuation day"), and rounded to two decimal places. The Board of Directors of the investment company may stipulate a different arrangement for individual sub-funds, taking into account that the net asset value per share must be calculated at least twice a month.

4. To calculate the net asset value per share, the value of the assets in the respective sub-fund less any liabilities of the respective sub-fund (“net sub-fund assets”) is calculated on each valuation day, divided by the number of shares in the respective sub-fund in circulation on the valuation day. However, the management company may decide to determine the net asset value per share on 24 and 31 December of any given year, without this constituting a calculation of the net asset value per share on a valuation day as specified in sentence 1 above of this point 4. Consequently, shareholders may not request the issue, redemption and/or conversion of shares on the basis of a net asset value per share determined on 24 December and/or 31 December of any year.
5. To the extent that information regarding the position of the net assets of the company 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 respective fund assets are translated into the reference currency. The respective net sub-fund assets are calculated on the basis of 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 may determine for individual sub-funds that 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 closing price of the trading day which ensures a reliable valuation. This is mentioned in the annex to the respective sub-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 individual sub-funds 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 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. This is mentioned in the annex to the respective sub-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. If a sub-fund is structured as a feeder UCITS, the units in the master UCITS are valued at the redemption price of the master UCITS on the valuation day.
- e) if the applicable prices are not in line with the market, if the financial instruments referred to in b) are not traded on a regulated market and if no prices have been determined for financial instruments other than those referred to in letters a) to d), these financial instruments shall be valued in the same way as the other legally permissible assets at the applicable market value as determined by the management company in good faith and in accordance with generally recognised and verifiable valuation rules (e.g. suitable valuation models taking into account current market conditions).
- f) cash and cash equivalents are valued at their nominal 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 respective sub-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. Profits and losses from foreign exchange transactions are added or deducted as appropriate.

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

The respective net sub-fund assets are reduced by any distributions paid to shareholders in the sub-fund concerned.

6. The net asset value per share is calculated separately for each sub-fund in accordance with the aforementioned criteria. However, if share classes have been created within a sub-fund, the net asset value per share is calculated separately for each share class within the respective sub-fund in accordance with the aforementioned criteria.

3.) Taxation

Taxation of the investment company

The assets of the Company are not liable to tax on its income or profits in the Grand Duchy of Luxembourg. The assets of the Company are only subject to the tax d'abonnement in the Grand Duchy of Luxembourg at the current rate of 0.05% p.a. A reduced tax d'abonnement at the rate of 0.01% p.a. is applicable to (i) sub-funds of the share classes, the shares of which are issued exclusively to institutional shareholders pursuant to Article 174 of the Law of 17 December 2010, (ii) sub-funds, the exclusive purpose of which is to invest in money market instruments, term deposits at credit institutions, or both. The tax d'abonnement is payable quarterly on the net assets of the Company as reported at the end of each quarter. The rate of the tax d'abonnement for the respective sub-fund or share classes is mentioned in the respective annex to the Sales Prospectus. An exemption from the tax d'abonnement is applicable, inter alia, if the fund assets are invested in other Luxembourg investment funds that are already subject to the tax d'abonnement.

Income earned by the sub-fund (in particular interest and dividends) may be subject to withholding tax or other taxes in the countries in which the respective sub-fund assets are invested. The fund may also be liable to tax on realised or unrealised capital gains on its investments in the source country. Neither the depositary nor the management company is required to collect tax certificates.

Taxation of shareholder income from shares in the investment company

Shareholders that are or were not tax resident in the Grand Duchy of Luxembourg, and do not have a permanent establishment or permanent representative there, are not subject to any Luxembourg income tax in relation to their income from or gains from disposals of their fund shares.

Natural persons who are tax residents in the Grand Duchy of Luxembourg are subject to Luxembourg's progressive income tax.

Companies that are tax resident in the Grand Duchy of Luxembourg are liable to pay corporation tax on income from fund units.

It is recommended that shareholders and prospective shareholders ensure they are informed about laws and regulations applicable to the taxation of assets of the Company and to the subscription, purchase, ownership, redemption or transfer of shares and obtain advice from an independent third party, in particular from a tax advisor.

4.) Appropriation of income

Further information on the appropriation of income are provided in the Sales Prospectus.

5.) Information relating to charges and expenditure

Information on management and depositary fees 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 respective sub-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 essentially include commissions, settlement fees and taxes.

7.) Total Expense Ratio (TER)

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

$$\text{TER} = \frac{\text{Total cost in sub-fund currency}}{\text{Average sub-fund volume}} \times 100$$

(Basis: daily NFA*)

* NFA = net sub-fund assets

The TER indicates the level of expenses charged to the respective sub-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 respective sub-fund. It shows the total amount of these respective costs as a percentage of the average sub-fund volume in a financial year.

8.) 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 shares pays for as part of the issue price and the seller of shares receives as part of the redemption price.

9.) 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.

10.) 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 sub-funds managed by the management company. In accordance with the Law of 17 December 2010 and the applicable regulatory requirements of the Commission de Surveillance du Secteur Financier ("CSSF"), the management company reports regularly to the CSSF on the risk management process adopted. The management company shall ensure, as part of the risk management process, using appropriate and reasonable methods, that the total risk associated with derivatives of the sub-funds under management does not exceed the total net value of their portfolios. The management company uses the following methods for this purpose:

Commitment approach:

Under the Commitment Approach, positions in derivative financial instruments are converted into their underlying equivalent (delta-weighted, if applicable) or nominal values. 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.

For sub-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 sub-fund. Furthermore, the expected leverage published is explicitly not to be understood as an investment limit.

Sub-fund:

Ethna SICAV - AKTIV A

Risk management procedure applied

absolute VaR

In the period from 1 January 2021 to 31 December 2021, the absolute VaR approach was used to monitor and measure the total risk associated with derivatives. An absolute value of 15% was used for the internal limit.

The VaR figure in relation to this internal limit was a minimum of 23.09%, a maximum of 49.24% and an average of 32.36% over the period in question. 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.

The leverage had the following values in the period from 1 January 2021 to 31 December 2021:

Lowest leverage:	0.00%
Highest leverage:	0.00%
Median leverage:	0.00% (0.00%)
Calculation method:	Nominal value method (total of nominal values of all derivatives)

Sub-fund: Risk management procedure applied

Ethna SICAV - DEFENSIV A absolute VaR

In the period from 1 January 2021 to 31 December 2021, 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. The VaR figure in relation to this internal limit was a minimum of 10.46%, a maximum of 25.59% and an average of 17.27% over the period in question. 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.

The leverage had the following values in the period from 1 January 2021 to 31 December 2021:

Lowest leverage:	0.00%
Highest leverage:	0.00%
Median leverage:	0.00% (0.00%)
Calculation method:	Nominal value method (total of nominal values of all derivatives)

Sub-fund:

Ethna SICAV - DYNAMISCH A

In the period from 1 January 2021 to 31 December 2021, the absolute VaR approach was used to monitor and measure the total risk associated with derivatives for the Ethna-DYNAMISCH A fund.

11.) Significant events during the period under review

- The Sales Prospectus was updated with effect from 19 February 2021. The following amendments entered into force:
- Adjustment with reference to the Disclosure Regulation (SFDR):
- The fund has been classified as an Art. 8 fund and the ESG strategy has been accordingly included under the investment objectives.
- Alignments to template and editorial changes

Information regarding the COVID-19 pandemic

On 11 March 2020, the World Health Organization (WHO) declared a global pandemic as a result of the spread of the coronavirus (COVID-19). This is the first time this has happened since the outbreak of the H1N1 virus over 10 years ago in 2009/2010.

The pandemic that started in China at the end of December 2019 is first and foremost a humanitarian catastrophe. However, since the imposition of extensive lockdowns worldwide from March 2020, it is also having a significant impact on the global economy. Record daily falls in practically all major indices in March 2020 are just one sign of this, alongside many others.

As such, developments as a result of the COVID-19 outbreak also have a concrete impact on the performance of the sub-fund:

1. The crisis management implemented by all of the fund's counterparties means that its daily operations can be maintained. All of the fund's service providers (including the management company, central administration, depositary, registrar and transfer agent, paying agent and fund manager) are in a position to continue with the provision of the same fund management services, thanks to the potential for full server-based homeworking. In the event of general lockdowns, border closures or more far-reaching measures, which had not yet been announced on the date of the audit opinion in Luxembourg, this would ensure the unrestricted continuation of the fund management. All of the fund's counterparties have adequate staff to continue to fulfil their contractual duties, even in the event of the spread of COVID-19 and related staff absences due to employees contracting the illness. All employees in each team have adequate training to be able to take over the duties of any other team members who may be absent due to illness.
2. The management company is responsible for the risk management of the sub-fund. In this context, ETHENEA Independent Investors S.A. has introduced a range of measures, including closer scrutiny of unit transactions, in particular, in order to identify any significant redemptions and take the necessary action. Although the sub-fund generally consists of assets that can be liquidated on a short-term basis, there is a risk that significant redemptions could not be met during the extreme market conditions prevailing during the crisis. The Board of Directors of the SICAV can suspend unit transactions if such a situation regarding redemptions appears likely. Should redemptions occur at such a level that liquidation of the sub-funds and consequently of the funds becomes an issue for consideration, the Board of Directors of the SICAV will take the appropriate measures to ensure that all investors in the sub-fund are treated equally.

3. Information regarding the most recent market trends for the sub-funds is available upon request, and on the website of the management company: www.ethnea.com. All investors will be informed in good time of any further events to explain the most recent market trends for the sub-funds. Furthermore, any documentation connected to such events will subsequently be available upon request from the management company.

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

12.) Significant events after the period under review

The Sales Prospectus was updated with effect from 1 January 2022. The following amendments entered into force:

- Implementation of the Taxonomy Regulation
- Implementation of the ESMA Guidelines on performance fees
- Alignments to template

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

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13.) Master-feeder structure

The objective of the investment policy of Ethna SICAV with its respective sub-funds as feeder UCITS is to replicate the performance of the respective mono-funds Ethna - AKTIV, Ethna - DEFENSIV and Ethna - DYNAMISCH, which are legally dependent investment funds pursuant to Chapter 2 of the Law of 17 December 2010 in the form of a mono-fund, as master UCITS. The respective sub-funds are therefore feeder UCITS within the meaning of Article 77 of the Law of 17 December 2010.

Aggregate expenses and investment policy:

Ethna SICAV - AKTIV A

Aggregate fees master - UCITS Ethna-AKTIV A (class SAL) and feeder - Ethna SICAV - AKTIV A
as of 31 December 2021

Aggregate fees

as of 31 December 2021

	Pro rata expenses of the master UCITS	Expenses of the feeder UCITS	Aggregate expenses
Performance fee	-401,327.74	0.00	-401,327.74
Management fee	-24,507,674.56	-11,656.89	-24,519,331.45
Taxe d'abonnement	-709,262.28	-5.04	-709,257.24
Publication and audit expenses	-154,627.14	-5,525.50	-160,152.64
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-8,453.33	-6,426.42	-14,879.75
Registrar and transfer agent fee	-31,726.44	-1,754.61	-33,481.05
Government fees	-29,357.45	-10,907.71	-40,265.16
Other expenses	-916,816.19	-11,381.62	-928,197.81
Total expense	-26,759,245.13	-47,657.79	-26,806,902.92

Percentage share of the expenses of the
feeder UCITS in the aggregate expenses:

0.18

Master fund (unit class)	Feeder fund	Currency	Total aggregate fees	Percentage share of the feeder UCITS in the master UCITS
Ethna - AKTIV A LU0136412771	Ethna SICAV - AKTIV A	EUR	-28,806,902.92	0.96%

Investment policy of the master UCITS Ethna - AKTIV

To attain the investment objective, the fund assets will be invested in accordance with the principle of risk diversification, whereby equities as well as fixed or variable-interest bonds, debt securities, convertible bonds and warrant bonds whose warrants are denominated in securities, as well as certificates, will be acquired. This also includes certificates on precious metals and commodities and corresponding indices that track the performance of the respective underlying on a 1:1 basis and for which physical delivery is excluded. Investments in these certificates may not exceed 20% of the net fund assets. The proportion of equities, equity funds and equity-like securities may not exceed a total of 49% of the net fund assets. Units in UCITS or other UCIs (target funds) may be acquired up to a maximum limit of 10% of the fund assets; the Fund is accordingly eligible for target funds. Depending on the market situation and taking into account the interests of the unitholders, up to 100% of the fund assets may also be invested in fixed-term deposits, money market instruments or cash and cash equivalents, including demand deposits.

Ethna SICAV - DEFENSIV A**Aggregate fees master - UCITS Ethna-DEFENSIV A (class SAL) and feeder - Ethna SICAV - DEFENSIV A**

as of 31 December 2021

Aggregate fees

as of 31 December 2021

	Pro rata expenses of the master UCITS	Expenses of the feeder UCITS	Aggregate expenses
Management fee	-1,343,336.46	-254.23	-1,343,590.69
Taxe d'abonnement	-69,237.21	-0.64	-69,237.85
Publication and audit expenses	-31,556.68	-828.44	-32,385.12
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-4,998.06	-141.21	-5,139.27
Registrar and transfer agent fee	-5,331.85	0.00	-5,331.85
Government fees	-6,174.45	-2,780.94	-8,955.39
Other expenses	-126,610.55	-961.79	-127,572.34
Total expenses	-1,587,245.26	-4,967.25	-1,592,212.51

Percentage share of the expenses of the feeder UCITS in the aggregate expenses:

0.31

Master fund (unit class)	Feeder fund	Currency	Total aggregate fees	Percentage share of the feeder UCITS in the master UCITS
Ethna-DEFENSIV A LU0279509904	Ethna SICAV - DEFENSIV A	EUR	-1,592,212.51	0.13%

Investment policy of the master UCITS Ethna - DEFENSIV

To attain the investment objective, the fund assets will be invested in accordance with the principle of risk diversification, whereby investments may be made in fixed and variable-interest bonds, convertible bonds and bonds with warrants denominated in securities, as well as in profit participation certificates, bank debt securities, index certificates on interest or bond indices, promissory note loans, credit-linked notes and other fixed-interest securities (e.g. zero bonds) of international issuers from OECD countries. In addition, investments may be made in certificates on precious metals and commodities and corresponding indices that track the performance of the respective underlying on a 1:1 basis and for which physical delivery is excluded. These certificates may not exceed 20% of the net fund assets. The fund's assets may also be invested in high-yield bonds, convertible bonds and corporate bonds from OECD countries. To attain the investment objective, investments may also include the use of derivatives such as futures or forward contracts. Depending on the market situation and taking into account the interests of the unitholders, up to 100% of the fund assets may also be invested in fixed-term deposits, money market instruments or cash and cash equivalents, including demand deposits. Up to 10% of the net fund assets may be invested in equities and equity-like securities. Units of other UCITS and other UCIs may only be acquired for the fund assets up to a total of 10% of the net fund assets.

Ethna SICAV - DYNAMISCH A

Aggregate fees master - UCITS Ethna-DYNAMISCH A (class SAL) and feeder - Ethna SICAV - DYNAMISCH A

Aggregate fees

as of 31 December 2021

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	Pro rata expenses of the master UCITS	Expenses of the feeder UCITS	Aggregate expenses
Performance fee	-12,200.82	0.00	-12,200.82
Management fee	-632,261.30	-347.88	-632,609.18
Taxe d'abonnement	-16,599.15	-0.53	-16,599.68
Publication and audit expenses	-13,346.43	-862.58	-14,209.01
Typesetting, printing and postage and packaging for the annual and semi-annual reports	-1,702.86	-195.83	-1,898.69
Registrar and transfer agent fee	-2,035.41	0.00	-2,035.41
Government fees	-1,305.53	-2,832.99	-4,138.52
Other expenses	-42,046.35	-1,018.70	-43,065.05
Total expenses	-721,497.85	-5,258.51	-726,756.36

Percentage share of the expenses of the feeder UCITS in the aggregate expenses:

0.72

Master fund (unit class)	Feeder fund	Currency	Total aggregate fees	Percentage share of the feeder UCITS in the master UCITS
Ethna-DYNAMISCH A LU0455734433	Ethna SICAV - DYNAMISCH A	EUR	-726,756.36	0.47%

Investment policy of the master UCITS Ethna - DYNAMISCH

To attain the investment objective, the Fund's assets will be invested in accordance with the principle of risk diversification in open-ended equity, bond or money market funds, including in the form of exchange-traded funds (ETFs), as well as directly worldwide in equities, fixed or floating-rate bonds and money market instruments.

The Fund may also invest in certificates (which are considered securities under the provisions of Article 41 (1) of the Law of 17 December 2010).

This also includes certificates on precious metals and commodities and corresponding indices that track the performance of the respective underlying on a 1:1 basis and for which physical delivery is excluded. Investments in these certificates may not exceed 20% of the net fund assets.

The proportion of equities, equity funds and equity-like securities may not exceed 70% of the net fund assets. This flexible mix of different asset classes makes it possible to achieve an improved capital yield and risk ratio, depending on the assessment of the economic and capital market situation.

This offers investors the opportunity to participate in the growth prospects of the economic and capital markets.

14.) Portfolio turnover rate (TOR)

Asset managers are required to disclose certain information on the basis of Shareholder Rights Directive II (SRD II).

This document contains the portfolio turnover ratios (TORs) for the same period as the annual reports of the listed sub-funds as part of specific sub-fund disclosures.

The turnover figures are calculated using the following method adopted by the CSSF:

Turnover = ((Total 1 - Total 2) / M)*100 Where: Total 1 = Total of all securities transactions (purchases and sales) made during the period; Total 2 = Total of all new investments and redemptions made during the period; M = Average net assets of the fund.

The TOR for the Ethna SICAV and its sub-funds for the period from 1 January 2021 to 31 December 2021 is:

Ethna SICAV - AKTIV A: -2.44

Ethna SICAV - DEFENSIV A: 0.64

Ethna SICAV - DYNAMISCH A: 0.57

15.) Classification under the SFDR Regulation (EU 2019/2088) (unaudited)

Article 8 of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852 (EU Taxonomy) apply to this Fund.

In compliance with the ESG strategy of the fund manager, ESG criteria, in particular sustainability risks, are taken into consideration for the fund in the investment decision process.

ETHENEA Independent Investors S.A. (management company and fund manager of the fund) has signed the UN PRI (United Nations-supported Principles for Responsible Investment).

The investment universe includes global equities and corporate bonds, which have been subject to a systematic selection process. This selection process also takes into consideration ESG aspects based on our own analyses and supported by external research services. The fund invests exclusively in corporate securities that apply best practice in corporate governance and do not fall under the general exclusion criteria.

In addition, the fund management of the Management Company makes use of external research from one or more sustainability rating agencies. Their findings are taken into consideration as one component in the fund manager's investment decision process.

For the assessment of the suitability of investments for the fund assets, the individual ESG criteria are accordingly taken into account in addition to the traditional parameters for risk and return expectations.

Detailed information on the principles of responsible investment of the Management Company and the appointment of sustainability rating agencies used can be found on www.ethenea.com under "ABOUT ETHENEA".

The fund manager does not currently consider any adverse impact of investment decisions on sustainability factors for this fund. In the market, the relevant data that must be used to determine and weight the adverse sustainability impacts are currently not sufficiently available. No later than 30 December 2022, the fund manager will provide information on whether and how the main adverse effects of investment decisions on sustainability factors are taken into account.

16.) 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 and variable performance and results-based remuneration.

As of 31 December 2020, the total remuneration of the 23 employees of ETHENEA Independent Investors S.A. for the year was EUR 1,817,473.43 in fixed annual salaries plus EUR 484,000.00 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.

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. A hard-copy version will be provided to investors free of charge upon request.

17.) Transparency of securities 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").

No securities financing transactions or total return swaps within the meaning of this Regulation were used in the financial year of the investment fund. 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

36 To the shareholders of Ethna SICAV
4, rue Thomas Edison
L-1445 Strassen, Luxembourg

Audit opinion

We have audited the annual financial statements of Ethna SICAV (“the Fund”) and for each of its sub-funds, consisting of the composition of net sub-fund assets as of 31 December 2021, changes in net sub-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 accompanying financial statements give a true and fair view of the financial position of the Fund and each of its sub-funds as at 31 December 2021, and of its financial performance and its changes in net assets for the year ended on that date in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for the 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 under the Law of 23 July 2016 and the ISA Standards is further described in the section “Responsibility of the Réviseur d’entreprises agréé for the audit of the financial statements”. We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the “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 are of the opinion that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinion.

Additional information

The 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, based on the work we have performed, we conclude that any other information contains a material misstatement, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Board of Directors for the annual financial statements

The Board of Directors 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 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 financial statements, the Board of Directors is responsible for assessing the ability of the Fund and each of its sub-funds to continue as a going concern and, as applicable, to disclose matters related to the going concern assumption as a matter of accounting policy unless the Board of Directors intends to liquidate the Fund or one of its sub-funds, to cease operations, 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 level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with the ISAs adopted for Luxembourg by the CSSF will always identify a material misstatement, if any. Misstatements can arise from error or fraud and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

38 In accordance with the Law of 23 July 2016 and the ISAs as adopted for Luxembourg by the CSSF, we have carried out our audit in accordance with our professional judgement and have maintained a critical perspective. 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 will not be identified is higher for fraud than for errors, as fraud may involve collusion, forgery, intentional omissions, misleading statements or the override of internal controls.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We reach a conclusion on the appropriateness of the application of the going concern accounting principle by the Board of Directors 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 ability of the Fund or one of its sub-funds to continue with its activities. If we conclude that there is material uncertainty, we are required to draw attention in the report of the Réviseur d'entreprises agréé to the related notes to the financial statements or, if the disclosures are inadequate, to modify our opinion. These conclusions are based on the audit evidence obtained up to the date of the report of the Réviseur d'entreprises agréé. Future events or circumstances may result in the Fund or one of its sub-funds 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, 11 March 2022

Ernst & Young
Société anonyme
Cabinet de révision agréé

Nadia Faber

Administration, distribution and advisory

Investment company:	Ethna SICAV 4, rue Thomas Edison L-1445 Strassen, Luxembourg	39
Board of Directors of the investment company:		
Chairman of the Board of Directors	Frank Hauprich ETHENEA Independent Investors S.A.	
Directors:	Josiane Jennes ETHENEA Independent Investors S.A.	
	Michael Molter IPConcept (Luxemburg) S.A.	
Management company:	ETHENEA Independent Investors S.A. 16, rue Gabriel Lippmann L-5365 Munsbach	
Managing directors of the management company:	Frank Hauprich Thomas Bernard Josiane Jennes	
Board of Directors of the management company (managing body):		
Chairman of the Board of Directors	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.	

Depositary:	DZ PRIVATBANK S.A. 4, rue Thomas Edison L-1445 Strassen, Luxembourg
Registrar and transfer agent and central administration:	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
Paying and information agent in Belgium:	CACEIS Belgium SA/NV Avenue du Port / Havenlaan 86C b 320 B-1000 Brussels
Auditor of the investment company and the management company:	Ernst & Young S.A. 35E, Avenue John F. Kennedy L-1855 Luxembourg

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