

**Registre de Commerce et des Sociétés**

Numéro RCS : B60668

Référence de dépôt : L230099123

Déposé et enregistré le 07/06/2023

# GFG Funds

Société d'Investissement à Capital Variable incorporated in Luxembourg

Luxembourg R.C.S. B60668

Annual Report, including audited Financial Statements, as at 31.12.2022

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**Registered office**

GFG Funds  
5, rue Jean Monnet  
L-2180 Luxembourg  
Luxembourg R.C.S. B60668

**Board of Directors of the SICAV**

Mrs Simona INGINOLI, Chairman  
Director, GFG Groupe Financier de Gestion (Monaco) SAM,  
74, Boulevard d'Italie, MC-98000, Monaco

Mr. Leopoldo Brunacci  
Managing Director, SAFE CAPITAL MANAGEMENT SA  
Serafino Balestra 5, 6900 Lugano

Mr Miguel-Angel RUIZ, Director  
Chief Operating Officer, GFG Groupe Financier de Gestion S.A.,  
Av. des Toises 12, 1005 Lausanne, Switzerland

**Management Company**

MultiConcept Fund Management S.A.  
5, rue Jean Monnet  
L-2180 Luxembourg

**Board of Directors of the Management Company**

Annemarie Arens, Member of the Board  
Independent Director, Luxembourg

Arnold Spruit, Member of the Board (since 27.09.2022)  
Independent Director, Luxembourg

Thomas Schmuckli, Member of the Board (until 10.05.2022)  
Independent Director, Switzerland

Patrick Tschumper, Member of the Board  
Managing Director, Credit Suisse Funds AG, Zurich

Ilias Georgopoulos, Member of the Board (until 31.12.2022)  
Managing Director, MultiConcept Fund Management S.A., Luxembourg

Richard Browne, Member of the Board  
Director, Credit Suisse Fund Services (Luxembourg) S.A., Luxembourg

**Investment Manager**

GFG Groupe Financier de Gestion (Monaco) SAM  
« Le Patio Palace »  
2 etg – bureau n. B2A – lot n. 487  
41, Avenue Hector Otto  
98000 Monaco

**Depository and Paying Agent**

Credit Suisse (Luxembourg) S.A.  
5, rue Jean Monnet  
L-2180 Luxembourg

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

Credit Suisse Fund Services (Luxembourg) S.A.  
5, rue Jean Monnet  
L-2180 Luxembourg

**Cabinet de Révision Agréé/Auditor**

Deloitte Audit, *Société à responsabilité limitée*  
20, boulevard de Kockelscheuer  
L-1821 Luxembourg

**Distribution Agents and Paying Agents in Italy**

ALLFUNDS BANK S.A.  
Succursale di Milano,  
Via Santa Margherita 7,  
I-20121 Milano, Italy

**Legal Representative in Switzerland**

Waystone Fund Services (Switzerland) SA,  
Avenue Villamont 17,  
1005 Lausanne, Switzerland

**Paying Agent in Switzerland**

Helvetische Bank AG  
Seefeldstrasse 215,  
CH-8008 Zurich, Switzerland

GFG Funds (the "SICAV") will publish an Annual Report, including Audited Financial Statements, within four months after the end of the business year and an unaudited Semi-annual Report, within two months after the end of the period to which it refers.

All these reports will be made available to the Shareholders at the registered office of the SICAV, the Depository and the distribution agents.

In Switzerland, The Articles of Association, the prospectus, the Key Investor Information Documents, the annual and semi-annual reports and the transactions reports of the Fund are available free of charge on request from the Representative.

The net asset value per share of each sub-fund as well as the subscription and redemption prices will be made available to the public at the offices of the Depository and the distribution agents.

Any amendments to the Articles of Incorporation will be published in the *Recueil électronique des sociétés et associations* ("RESA") of the Grand Duchy of Luxembourg.

To the Shareholders of

**GFG Funds**

5, rue Jean Monnet

L-2180 Luxembourg

## REPORT OF THE REVISEUR D'ENTREPRISES AGREE

### Opinion

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

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

### Basis for Opinion

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

## **Other information**

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the “réviseur d’entreprises agréé” thereon.

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

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

## **Responsibilities of the Board of Directors of the Fund for the Financial Statements**

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

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

## **Responsibilities of the “réviseur d’entreprises agréé” for the Audit of the Financial Statements**

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

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

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

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

For Deloitte Audit, *Cabinet de révision agréé*

Virginie Ng Wing Lit-Boulot, *Réviseur d'entreprises agréé*  
Partner

Luxembourg, April 26, 2023

**Statement of Net Assets (in EUR)**

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**31.12.2022****Assets**

Investments in securities at market value	80,295,437.60
Cash at banks and at brokers	9,533,929.83
Income receivable	807,020.95
Formation expenses	2,373.81
Net unrealised gain on financial futures contracts	268,933.31
	<b>90,907,695.50</b>

**Liabilities**

Other payable	5,211.13
Provisions for accrued expenses	323,804.13
Net unrealised loss on financial futures contracts	85,560.00
	<b>414,575.26</b>

**Net assets** **90,493,120.24**

**Statement of Operations / Changes in Net Assets (in EUR)**

	<b>For the period from 01.01.2022 to 31.12.2022</b>
<b>Net assets at the beginning of the year</b>	<b>266,953,257.06</b>
<b>Income</b>	
Interest on investments in securities (net)	3,602,064.71
Dividends (net)	226,676.67
Bank Interest	25,224.22
Other income	57,585.15
	<b>3,911,550.75</b>
<b>Expenses</b>	
Management fee	1,486,974.50
Depositary fee	102,761.77
Administration expenses	226,433.98
Printing and publication expenses	14,256.67
Interest and bank charges	39,817.22
Audit, control, legal, representative bank and other expenses	353,994.68
"Taxe d'abonnement"	20,240.51
Amortisation of formation expenses	7,078.92
	<b>2,251,558.25</b>
<b>Net income (loss)</b>	<b>1,659,992.50</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	-21,601,576.42
Net realised gain (loss) on financial futures contracts	-2,675,337.88
Net realised gain (loss) on swaps contracts	-33.41
Net realised gain (loss) on foreign exchange	-67,693.61
	<b>-24,344,641.32</b>
<b>Net realised gain (loss)</b>	<b>-22,684,648.82</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	-12,745,806.88
Change in net unrealised appreciation (depreciation) on financial futures contracts	647,598.81
	<b>-12,098,208.07</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-34,782,856.89</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	57,995,707.47
Redemptions	-199,672,987.40
	<b>-141,677,279.93</b>
<b>Net assets at the end of the year</b>	<b>90,493,120.24</b>



**Note 1 - General information**

GFG Funds (the "SICAV") is an open-ended investment fund ("Société d'Investissement à Capital Variable") governed by Luxembourg Law, established in accordance with the provisions of Part I of the amended Law of 17.12.2020 (the "Law") relating to undertakings for collective investment in transferable securities. The SICAV was incorporated for an indefinite period on 11.09.1997, and its Articles of Incorporation were published in the official gazette "Mémorial C, Recueil Spécial des Sociétés et Associations du Grand-Duché de Luxembourg" (Mémorial C) on 14.10.1997. The Articles of Incorporation were last modified by notarial deed on 25.06.2010 and published in the Mémorial C on 20.08.2010. The SICAV is registered in the Commercial Register and Companies of Luxembourg under Number B60668.

The SICAV is managed by MultiConcept Fund Management S.A. ("Management Company") in accordance with the articles of incorporation of the Company (the "Articles of Incorporation").

As at 31.12.2022, the SICAV includes three sub-funds in operation:

- GFG Funds - EURO GLOBAL BOND, denominated in Euro (EUR),
- GFG Funds - INCOME OPPORTUNITY, denominated in Euro (EUR),
- GFG Funds - GLOBAL ENHANCED CASH, denominated in Euro (EUR).

The sub-fund GFG Funds - GLOBAL CORPORATE BOND has been liquidated as at 21.12.2022.

The final redemption was on 21.12.2022 for EUR 829,650.50. The final redemption was paid out on 23.12.2022.

As at 21.12.2022 the following accounts were still open:

Account Name	CCY	Balance
Cash at banks and at brokers	EUR	849,765.76
Income receivable	EUR	549.51
Provisions for accrued expenses	EUR	20,664.77

Three categories of shares are available for subscription in GFG Funds - EURO GLOBAL BOND and two are available for subscription in GFG Funds - INCOME OPPORTUNITY, GFG Funds - GLOBAL CORPORATE BOND (until 21.12.2022) and GFG Funds - GLOBAL ENHANCED CASH. The sub-funds may issue shares of different categories, which differ mainly in respect of fees, commissions and distribution policy. The SICAV reserves the possibility to create new sub-funds according to economic circumstances.

**Note 2 - Summary of significant accounting policies****a) Presentation of financial statements**

The financial statements are presented in accordance with the legal reporting requirements in Luxembourg and generally accepted accounting principles relating to undertakings for collective investment in transferable securities.

**b) Foreign exchange translation for each sub-fund**

Cash at banks and liquidities, other net assets as well as the market value of the securities portfolio in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate prevailing at year-end.

Income and expenses in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate prevailing at the transaction date.

Resulting net realised profit/loss and movement in net unrealised appreciation/depreciation on foreign exchange are included in the statement of operations and changes in net assets.

**c) Combined financial statements of the SICAV**

The combined financial statements of the SICAV are expressed in EUR and are equal to the sum of the corresponding items in the financial statements of the different sub-funds. Accounting items of the different sub-funds denominated in currencies other than EUR are converted in EUR at the exchange rates prevailing at the end of the year.

**d) Valuation of securities portfolio and cash at banks and liquidities**

The assets of the SICAV shall be valued as follows:

1. Securities admitted to official listing on an official stock exchange or traded on any other organised market are valued at the last available price, unless such a price is not deemed to be representative of their fair market value;

2. Securities not listed on stock exchanges or not traded on any organised market and securities with an official listing for which the last available price is not representative of a fair market value are valued, prudently and in good faith by the Board of Directors of the SICAV, on the basis of their estimated sale prices;

3. Cash at banks and liquidities are valued at their face value with interest accrued;

4. Units/shares of open-ended undertakings for collective investment ("UCIs") are valued on the basis of the last net asset value available; if the price determined is not representative of the fair value of these assets, the price is determined by the Board of Directors of the SICAV according to equitable and prudent criteria. Units/shares of closed-ended UCIs are valued on the basis of the last market value available.

**e) Net realised profit/loss on sales of securities portfolio**

The net realised profit/loss on sales of securities portfolio is calculated on the basis of the average cost of the investments sold.

**f) Cost of securities portfolio**

Cost of securities portfolio in currencies other than the currency of the sub-fund are translated into the currency of the sub-fund at the exchange rate applicable at purchase date.

**g) Forward foreign exchange contracts**

Unmatured forward foreign exchange contracts are valued at valuation date at forward exchange rates prevailing at this date and resulting unrealised gains or losses are posted to the statement of operations and are shown under "Net unrealised gain/loss on forward foreign exchange contracts" in the statement of net assets. Realised gains or losses are also posted to the statement of operations / changes in net assets under "Net realised gain (loss) on forward foreign exchange contracts".

**h) Revenues**

Dividends "net" are recorded at ex-date. Interest "net" is recorded on an accruals basis.

**i) Transaction fees**

The transaction fees represent the costs incurred by each sub-fund in connection with purchases and sales of investments.

They include brokerage fees as well as bank commissions, depositary fees and other transaction fees, and are included in the statement of operations and changes in net assets under Depositary fees.

**j) Financial futures contracts and options**

Unmatured financial future contracts are valued at valuation date at market prices prevailing at this date and resulting unrealised gains or losses are posted to the statement of operations and are shown under "Net unrealised gain/loss on financial futures contracts" in the statement of net assets. Realised gains or losses are also posted to the statement of operations / changes in net assets under "Net realised gain (loss) on financial futures contracts".

**k) Formation expenses**

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

**I) Valuation of contracts for differences**

Unmatured contracts for difference are valued at valuation date at market prices prevailing at this date and resulting unrealised gains or losses are posted to the statement of operations / changes in net assets under "Change in net unrealised appreciation (depreciation) on financial futures contracts" and are shown under unrealised gain/loss on financial future contracts in the statement of net assets. Realised gains or losses are also posted to the statement of operations / changes in net assets under "Net realised gain (loss) on financial futures contracts".

**Note 3 - "Taxe d'abonnement"**

In accordance with current Luxembourg law, the SICAV is not subject to any tax on income and capital gains or net wealth tax. Moreover, no dividends distributed by the SICAV are subject to withholding tax.

Each sub-fund is subject to a subscription tax or "taxe d'abonnement" at an annual rate of 0.05% of the net assets of the sub-fund and is calculated and payable quarterly on the basis of the sub-fund's net asset value at the end of each quarter, except for the Shares reserved for Institutional Investors who may benefit from a reduced rate of 0.01%, i.e. for -I- Shares.

The value of the net assets invested in units/shares of other Luxembourg Undertakings for Collective Investment is exempt from the "taxe d'abonnement" provided such units/shares have already been subject to this tax.

**Note 4 - Management Company fees**

The Management Company is entitled to receive from each sub-fund a fee of up to 0.04% per annum of the SICAV's assets, subject to a minimum annual fee, charged at Fund level, of up to EUR 20,000 per each active sub-fund.

**Note 5 - Investment Management and Advisory fees**

The SICAV will pay an investment management fee to the Investment Manager and to the financial intermediaries involved in the distribution of the Fund's Shares, at an annual rate.

Such investment management fee is levied on each sub-fund pro rata to its net assets and may be paid directly by the SICAV, on behalf of the Management Company, to the Investment Manager and to the financial intermediaries.

The investment manager shall also be entitled to a Shareholder Servicing Fee at the maximum rate of 0.10% per annum of the sub-fund's average net assets payable to the Investment Manager for operational support services provided by Investment Manager to financial intermediaries involved in the distribution of this sub-funds.

The detail of the Investment Management Fee (excluding the Shareholder Servicing fee) is as follows:

- GFG Funds - EURO GLOBAL BOND Class I EUR : up to 0.75%,
- GFG Funds - EURO GLOBAL BOND Class P EUR : up to 1.00%,
- GFG Funds - EURO GLOBAL BOND Class PP EUR : up to 1.25%,
- GFG Funds - INCOME OPPORTUNITY Class I EUR : up to 1.00%,
- GFG Funds - INCOME OPPORTUNITY Class P EUR : up to 1.50%.
- GFG Funds - GLOBAL CORPORATE BOND (until 21.12.2022) Class I EUR : up to 0.75%,
- GFG Funds - GLOBAL CORPORATE BOND (until 21.12.2022) Class PP EUR : up to 1.25%,
- GFG Funds - GLOBAL ENHANCED CASH Class I EUR : up to 0.25%,
- GFG Funds - GLOBAL ENHANCED CASH Class P EUR : up to 0.35%.

**Note 6 - Performance fees**

The sub-funds GFG Funds - EURO GLOBAL BOND and GFG Funds - GLOBAL CORPORATE BOND (until 21.12.2022) are not subject to a performance fee calculation.

For the sub-fund GFG Funds - INCOME OPPORTUNITY, the Investment Manager will receive a performance fee, accrued on each Valuation Date, paid yearly, based on the net asset value (NAV), equivalent to 15 % of the performance of the NAV per share (measured against the reference NAV) during the current period with the high water mark calculation. The high water mark calculation has been applicable since the start of the Sub-Fund and the performance fee payable on quarterly basis. As of the date of this Prospectus, the performance fee of the Sub-Fund (including the performance fee already accrued for the year 2021) is payable yearly.

Share Class	CCY	Performance fee rate	Amount of performance fee charged for the year	% on the Share Class NAV of performance fee charges for the year
I	EUR	15%	-	-
P	EUR	15%	-	-

No performance fee was charged during the year end.

For the sub-fund GFG Funds - GLOBAL ENHANCED CASH, the Investment Manager will receive a performance fee, calculated and accrued on each Valuation Date and paid at the end of each Calculation Period.

The Performance fee, based on the net asset value (NAV), will be equivalent to 15% of the performance of the NAV per share (measured against the Reference NAV) over the maximum between zero and the performance of the Reference Index from the date corresponding to the Reference NAV.

No Performance Fee will be due if the NAV per share before performance fee turns out to be below the Reference NAV for the Calculation Period in question.

The Performance Fee will become applicable at the launch of the Sub-Fund. The performance fee is calculated on the basis of the NAV after deduction of all expenses, liabilities and management fees (but excluding the performance fee), and is adjusted to take account of all subscriptions and redemptions.

Share Class	CCY	Performance fee rate	Amount of performance fee charged for the year	% on the Share Class NAV of performance fee charges for the year
I	EUR	15%	-	-
P	EUR	15%	-	-

No performance fee was charged during the year end.

**Note 7 - Administrative Agent and Depositary fees**

The Depositary and the Administrative Agent are paid by the SICAV on the basis of business practice in Luxembourg.

These fees are calculated on the basis of the net assets of the sub-funds and payable monthly in arrears at the following rates:

Administrative Agent fee	up to 0.040% per annum
Depositary fee	up to 0.045% per annum

**Note 8 - Total Expense Ratio (TER)**

(see detail at sub-fund level)

The TER expresses the sum of all costs and commissions charged on an ongoing basis to the sub-fund's assets, taken retrospectively as a percentage of these assets.

The Total Expense Ratio (TER) was calculated based on the version currently applicable of the "Guidelines on the calculation and disclosure of the Total Expense Ratio (TER) of collective investment schemes" of the Asset Management Association Switzerland (AMAS).

The TER is calculated for the last 12 months.

No TER is disclosed for share classes launched less than 6 months before closing date.

**Note 9 - Fund performance**

(see detail at sub-fund level)

The performance is based on the net asset values as calculated on the last business day of the year. Those net asset values reflect the market prices of the investments as of the last business day of the year.

The YTD (Year-To-Date) Performance includes the year from 01.01.2022 until 31.12.2022.

Historical performance is no indicator of current or future performance.

The performance data given does not take into account commissions and costs incurred in the purchase or redemption of sub-fund shares.

For shares launched more than 3 years ago no performance since inception is disclosed.

Performance of distributing shares includes reinvestments of dividends.

#### Note 10 - Other payable

As at 31.12.2022, the caption "Other payable" includes mainly payable on foreign exchange, administrative agent fees, depositary fees, risk management fees, directors fees and audit fees.

#### Note 11 - Subscription, redemption and conversion commission (Dilution levy)

The subscription price for shares in each sub-fund is equal to the net asset value per share in that sub-fund, calculated on the first valuation day of the net asset value following the applicable day of subscription.

The redemption price for shares in each sub-fund is equal to the net asset value per share in that sub-fund as calculated on the first valuation day after the application for redemption has been made.

On top of this price sales commissions may be added, which are paid to intermediaries and do not exceed:

- Maximum 5.00% of the net asset value per share for subscription;
- Maximum 3.00% of the net asset value per share for redemption;
- Maximum 1.00% of the net asset value per share for conversion.

The subscription price/redemption price shall be increased/reduced to cover any duties, taxes and stamp duties which might have to be paid. No such fees were charged to the investors for the year under review.

#### Note 12 - Changes in the composition of securities portfolio

The details of the changes in the composition of securities portfolio for the year ended 31.12.2022, are at the disposal of the Shareholders at the registered office of the SICAV and are available upon request free of charge.

#### Note 13 - Exchange rates

The exchange rates used as at 31.12.2022 for the calculation of the net asset value and the financial statements as follows:

1 EUR =	0.98745	CHF
1 EUR =	0.88725	GBP
1 EUR =	10.5135	NOK
1 EUR =	11.12025	SEK
1 EUR =	1.06725	USD

#### Note 14 - Cross Sub-fund investments

The following investments were not eliminated from the combined figures. At 31.12.2022, the total combined NAV of the Company excluding this investments amounted to EUR 87,962,681.15.

GFG Funds - EURO GLOBAL BOND investing into:

Investee sub-fund	Valuation (in EUR)
GFG Funds - GLOBAL ENHANCED CASH I EUR	1,442,078.19
	<b>1,442,078.19</b>

GFG Funds – INCOME OPPORTUNITY investing into:

Investee sub-fund	Valuation (in EUR)
GFG Funds - GLOBAL ENHANCED CASH I EUR	1,088,360.90
	<b>1,088,360.90</b>

#### Note 15 - Transparency of the promotion of environmental or social characteristics and of sustainable investments

Information on environmental and/or social characteristics and/or sustainable investments is available in the relevant annexes under the (unaudited) Transparency of the promotion of environmental or social characteristics and of sustainable investments section.

#### Note 16 - Russian security

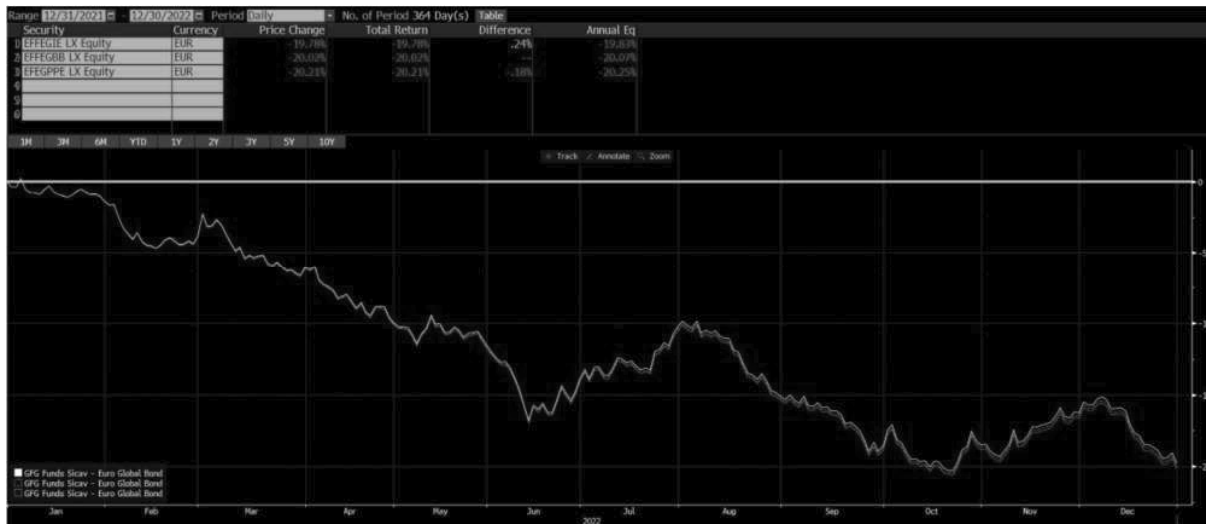
Preceding the military action taken by Russia against Ukraine, the security RUSSIAN FEDERATION 1.125%/20-201127 with the ISIN RU000A102CK5 (see page 29) was valued as of 23/02/2022 with EUR 80.11 per share (0.16% of the TNA). There were no transactions in the security throughout the financial year. Due to sanctions against Russian individuals, the Russian government and Russian Banks, some securities were no longer trade-able and settle-able. Following this development and as a direct consequence, it has been decided to write down the affected security to EUR 0; accruals were stopped with immediate effect. The Board of Directors is closely monitoring the effects of the Situation on the investors, investments and other stakeholders and have assessed that the Situation does not further impact the financial statements as at December 31, 2022 and the ability of the Company and its Sub-Funds to continue as going concern.

#### Note 17 - Subsequent events

On March 19, 2023, Credit Suisse Group AG and UBS Group AG entered into an agreement and plan of merger ("the merger"), to be completed at a date yet to be determined. The Fund receives various services and has banking relationships with consolidated subsidiaries of Credit Suisse Group AG, and as such these relationships and service providers may change in the future.

**GFG Funds - EURO GLOBAL BOND**

The 2022 Euro Global Bond performance stands at -19.78% for the I share class (LU0828733419), -20.02% for the P share class (LU0622616760) and -20.21% for the PP share class (LU1095075120).



Source: Bloomberg

**JANUARY 2022****Market Commentary**

The bearish sentiment that characterized year end, was followed by another negative month for the fixed income asset class. There was great hype around the last Fed's meeting, with a focus on the number of rate hikes we may see in 2022. The central bank's tone proved to be more on the hawkish side, bringing about a stronger widening in Euro yields than in the US ones.

Our strategic positioning suffered, mostly on the credit exposure. Corporate yields rose and spreads widened. At portfolio level, the main detractors were government bonds (-100 basis points), with no significant dislocation across countries, and corporate IG (-24 basis points).

**Performance Commentary**

In January Euro Global Bond delivered a net performance of -1.37%.

In February, we will focus particularly on central banks' speeches and market reaction. We will look for opportunities to reposition ourselves with a lower level of risk compared to the current one on the corporate side, decreasing the duration but keeping an overweight relative to index. Potential spikes in volatility could have a negative impact in the short term. At fund level, we will be assessing new strategies based on new inputs coming from monetary policy makers, as we move into what could be a new era for fixed income assets.

**FEBRUARY 2022****Market Commentary**

The impact of Omicron variant was lower than initially feared, both on public health and economy, and European countries eased Covid restrictions. Tensions between Russia and Ukraine reached a turning point with Putin invading Ukraine, triggering US, EU and UK financial sanctions. Inflation edged higher once again, and with commodities prices' pointing higher, we may see further pressure on the upside.

February has been another negative month for Fixed Income broad markets. Inflation scares and hawkish tones of central banks drove a bearish flattening movement on euro government rates. Furthermore, credit spreads (IG and HY) widened strongly, reaching 2018's levels. European Govies rates rose by 23 bps on average with peripheral vs core spreads almost unchanged over the month. On the credit side, we saw massive selling, pushing up yields for both IG and HY sectors by 40 bps and more than 70 bps respectively.

In our view things in Ukraine will get worse before they get better. Over the coming weeks, we are likely to see further reports of conflicts and casualties that would keep markets nervous. Central Banks are expected on one side to withdraw liquidity and raise rates and on the other hand to be more accommodative than market expects, in order to support euro rates.

**Performance Commentary**

In February, EGB delivered a net performance of -2.49%.

Despite the overweight (+0.3y) over the month on European Government Bonds, we ended the month flat vs the operational index, benefitting from our curve positioning on Germany due to the flattening movement of the curve. Our overweight exposure to Corporate Bonds (1y of duration vs 0.3y of the index), especially on the subordinated ones, penalized our performance in absolute and relative terms. Our exposure to Russia is very marginal: one bond of 300k of notional, 0.2% of AuM. We delivered -66 bps on corporates and -183 on the govies side.

We have now reduced our exposure to rates (0.8Y of duration below the Index) where we will keep a dynamic approach. We also maintain our current exposure to Corporate Bonds as we believe that current levels might start to attract investors into the asset class.

The information stated relates to the period under review and is not indicative of future returns.

**MARCH 2022****Market Commentary**

March has once again been bearish for safe assets. As we argued last month, we appear to be facing a new regime for fixed income markets. Inflation scares became inflation awareness with the Eurozone CPI YoY printing above 7% and reaching the highest level ever. Although policymakers continue to talk about temporarily inflation effects, market operators appear to be fearful of potential stagflation scenarios.

In US, Rates have been raised by 25bps and Powell confirmed the possibility to raise them at each meeting (7 in total) in 2022, plus another 3 to 4 hikes in 2023, even though they will have to remain nimble and able to adapt to an evolving macro picture.

Risky assets performed positively last month, supporting less rates sensitive bonds such as high yield and subordinated ones. Euro government bonds underperformed all other fixed income sectors, widening more than 30 bps on average with the strong flattening movement continuing to play out.

Corporate markets were mixed: junk bonds overperformed high quality ones due to a strong retracement of issuers exposed to the Russia-Ukraine war. The 30 bps of widening on corporate seniors were balanced by 25 bps of tightening on Subordinated assets.

**Performance Commentary**

In March Euro Global Bond delivered a net performance of -2.31%.

During the month we maintained a cautious approach, underweighting rates and government duration exposure. Towards the end of the month, we took a neutral positioning, trying to benefit from the partial retracement due to big short market positioning. On the other hand, we overweighted the corporate exposure, which performed better in relative terms. Despite the negative absolute results, we did better than the reference market average (-2.51%), saving more than 30 bps on the government side and giving back 5 bps on corporates.

Approaching April, we remain neutral on government duration exposure, as we believe that 40 bps area for the 10y bund might represent a fair range for safe heaven bonds. We expect credit spreads to continue overperforming. Should the Bund 10y fall below 40bps, we will be ready to reduce risk, by selling the medium-term part of the euro curves and keeping a spread strategy between core and peripheral countries.

**APRIL 2022****Market Commentary**

April was the ninth negative month in a row for fixed income asset class. "Inflation", "hawkishness" and "fear" became the most pronounced words across the world, and not only in finance.

The escalation of the Ukrainian war and market sentiment driven by the perceived "loss of control" by policy makers, played a significant role in the worst-ever market action in the Euro-denominated fixed income market for a single month. As a consequence, yields widened across the board, with riskier assets bearing the brunt of it.

This impacted negatively on all asset classes (Government, Corporate IG, HY and Subordinated), ranging from 50 bps of widening on safe heaven bonds to 95/100 bps on the subordinated sector.

**Performance Commentary**

In April, Euro Global Bond delivered a net performance of -4.15%.

Last month we argued we would have considered the possibility to increase our risk duration exposure should yields spike higher. Therefore, we bought core government bonds in the 7/10y maturity bucket, closing our underweight on this segment and leaving a structural overweight positioning on the corporate side.

For the month of May, we still believe that current levels represent a tactical entry point and we expect algo accounts to reduce some of the shorts heading into the US CPI numbers.

Last month's lower core print had led to hopes that US inflation may be peaking, and so we expect the market to closely watch the data for confirmation. Should we see a rebound, we will look to reduce duration exposure. In our view the medium-term strategy has changed and it should be structurally underweight.

**MAY 2022****Market Commentary**

Another strongly negative month for rates and broadly for fixed income markets. Although corporate spreads remained stable, the interest rate component played a fundamental role in the expansion of yields yet again, accelerating in pace after the release of the inflationary data in Europe which stood at 7.8% YoY. On average, rates rose by 20 bps along the curves with a slight flattening movement. On the corporate bond side, high yield and subordinated bonds outperformed the rest of the bond market with their average yield increasing by around 10 bps.

**Performance Commentary**

In May, Euro Global Bond delivered a net performance of -1.79%.

Last month we argued that we would look to extend the duration of the portfolio by favouring core assets, where we have a structural overweight in the corporate investment grade sector. The strategy did not pay off as, after an initial rebound early on, the last week of the month took back the positive relative performance.

As we approach June, we face the same dilemma again. Have we left behind the peak of inflation and the hawkishness of central banks or will we see further widening in the European curves? In the medium term, we believe the latter scenario to be more likely, but in the short term the market is pricing in a 125 bps rise from the ECB which we do not believe to be the base scenario. For this reason, we will maintain a slightly longer duration in the portfolio (+ 0.5 / + 0.7y) on the corporate component, cutting the exposure to government in the event of a return to the 1% area for Bund and 3/3.10% area for BTP. At 190 bps spread level we would look to take a short position, while we would build a long one at 215 bps.

**JUNE 2022****Market Commentary**

Last month was another bloody month for the fixed income asset class. June was disruptive for corporate bonds and credit spreads: euro rates widened on average by 25 bps across the curve, IG sectors yields increased up to 70 bps and HY euro bonds were the worst performers with a widening of 170 bps.

**Performance Commentary**

In June, Euro Global Bond delivered a net performance of -2.64%.

In this environment, at portfolio level, our structural positioning was penalized by its over-weight exposure to corporates. We had also increased our government exposure a few days in advance of the market rebound, therefore not fully benefitting of the positive movement.

We reduced our corporate exposure by 0.2y and we maintained the overall duration at around 7.5y vs 7y of the operational index.

As we approach the month of July, inflation data should give us more colour about short term market pressures. We might need to adjust our positioning fast as we see data being released. We will now wait for volatility on rates to wane before increasing relative risks further.

In short, we plan to increase by 0.5y the government duration in case of positive data and to decrease it by 0.7/1y should the releases be negative.

## JULY 2022

### Market Commentary

Following the longest monthly drawdown series ever seen in the fixed income world (7 months in a row), July was, finally, a positive month. At macro level, seasonality favoured fixed income assets after the strong sell-off. This was mainly due to inflation and growth warnings. On average, euro rates tightened roughly 50 bps across all countries. Peripheral spreads vs Core countries widened 10 bps and recorded a positive absolute result due to 40 bps of yield tightening. The corporate side did even better. The IG market marked a 90 bps tightening on the senior tranches and 150 bps on Jr subordinates. HY sectors traded in a range of 130/200 bps of tightening through the different capital structures.

### Performance Commentary

In July EGB delivered a net performance of +4.25%.

At portfolio level, we benefitted both in government and corporate bonds, overperforming the reference index and the market average by 41 and 20 bps respectively.

As we approach the month of August, we are confident that the positive trend will continue through to the end of the month due to the seasonality impact, after which we expect rebalances and less visibility to put more pressure on rates. On the corporate side we remain positive and we will keep our current overweight positioning on corporate investment grade sectors. We will tactically reduce our exposure during the last week of August on the government side.

## AUGUST 2022

### Market Commentary

Despite a good start to the month with ten positive sessions in a row, the Euro yield matrix shifted abruptly higher with a flattening movement following the highest ever inflation print. The ECB's hawkish tone and the change in expectations about further moves (from 25 to 75 bps hike in September meeting) pushed the market yields close to the highest levels of the year across all Euro countries (+70 bps on average). On the Corporate side, spreads were mixed in August as the IG sector followed the rates movement, closing the month flat spread-wise, whilst the HY segment registered a strong negative performance, with spreads widening more than 60 bps. Inflation and recession warnings have reignited and hit us considerably.

### Performance Commentary

In August, Euro Global Bond delivered a net performance of -5.41%.

At portfolio level, the corporate side was the worst performer, as we had kept a slightly higher duration exposure with respect to our operative index (+0.5 years). On the other hand, we benefitted from the overall shorter duration exposure on the Government sector, although we positioned ourselves long (+0.2 years) in the Peripheral bucket, where the yields widened the most.

For September, we will keep our strategic positioning unchanged in the first part of the month, whilst we assess the ECB statements. Seasonality has proven to be a negative factor in September, but we expect a rebound after policymakers' speeches due to the forward-looking expectations on the macro components of demand. Should this scenario materialize, we will take profit, reducing our government duration exposure proportionally across all countries. On the corporate side, we will remain underweight, favouring the subordinated and High-Yield sectors once again.

## SEPTEMBER 2022

### Market Commentary

The yield correction in fixed income markets started in mid-August and has continued aggressively through September. Central Banks rhetoric along with an expansionary fiscal policy has fuelled further the bear market over the last two weeks. The combination of these factors has resulted in an impressive market volatility forcing the BoE to buy long-end maturity bonds in an attempt to stabilize their yields. The 30y-Gilt retraced 100 bps in just one day (from 500 to 400 bps). As a consequence, the Euro area government bonds finished the month close to the highest levels of the year. Peripheral spreads widened slightly and, more specifically, BTP-Bund ended the month in the 240 bps area. Corporate-wise, spreads continued to widen MoM, following the widespread rates increase.

### Performance Commentary

In September, Euro Global Bond delivered a net performance of -4.05%.

At portfolio level, we managed our overweight on corporate bonds using tactical positions on rates, reducing it by more than 0.6 years versus market average for this sector. Although we protected the portfolio from the mark-to-market effect, overall we gave up more than 400 bps over the month.

For October, we plan to maintain an overweight positioning on duration but will apply a dynamic management approach. The pace of rate increments seems to be entirely priced-in and we believe that the valuations achieved, especially in short and intermediate maturities, could now be an interesting investment opportunity.

## OCTOBER 2022

### Market Commentary

Global rates pushed higher in the wake of the Fed's meeting, with Chair Powell playing down hopes of a move to a more dovish stance. Although there is wider evidence of the economy slowing growth across the board, inflation remains too high. In this context, the market seemed to be positioned short ahead of the ECB speech. We then saw a strong positive spike after the meeting and recorded the biggest daily performance in October. Credit wise, corporate credit enjoyed a constructive month in October, as investors put cash to work at attractive valuations.

### Performance Commentary

In October, Euro Global Bond delivered a net performance of +0.06%.

With this backdrop we closed the month with a small positive result. In terms of positioning, we bought duration risk just before ECB event and we reduced it at the end of the month.

Looking ahead, we think that patience is called for. We believe it makes sense to monitor data carefully and look for more confirmation of direction before adding more risk at portfolio level. We will keep our overweight positioning on corporate IG bonds and whilst being more dynamic in terms of government exposure after the CPI data publication.

**NOVEMBER 2022**

**Market Commentary**

Last month we argued that we could expect a rebound in fixed income assets and it would probably be driven by lower-than-expected CPI data. This is precisely what happened. On the rates side, Euro government bonds yields dropped by around 30 bps across the curves leading peripherals spreads to tighten by 10 bps. Credit was supported by both the equity market's surprising performance and the favourable rates movement.

At portfolio level, we outperformed the market average due to our tactical positioning. We increased government duration exposure from underweight to neutral, keeping an overweight of 0.6/0.7 years on the corporate side. This combination of factors helped us achieve an outperformance of 50 bps in relative terms.

**Performance Commentary**

In November Euro Global Bond delivered a net performance of +2.74%.

For December, we will work on the set up of the portfolio for the upcoming year, keeping our structural overweight on the corporate side and reducing high yield exposure in favour of the investment grade leg.

Rates-wise, we will continue to adopt a tactical and dynamic approach in order to achieve positive results as we expect markets to remain volatile.

**DECEMBER 2022**

**Market Commentary**

December was another negative month for the European bond market, with curves shifting by 60 basis points on average and with a marked steepening.

Peripheral spreads widened 10 basis points. The central banks' comments together with worse-than-expected inflation data made for a bleaker picture for the macroeconomic outlook and surprised the markets, which from mid-October to early December had recorded a good recovery, with a compression of yields in the euro area by around 100 bps. Volatility also remains high on the corporate bond side, but in relative terms, the performance has been somewhat more upbeat when compared with that of rates. The investment grade sector widened by 40 bps, while High Yield held on a little better and gave up 25 bps making risky assets the best performers in this last month of the year.

**Performance Commentary**

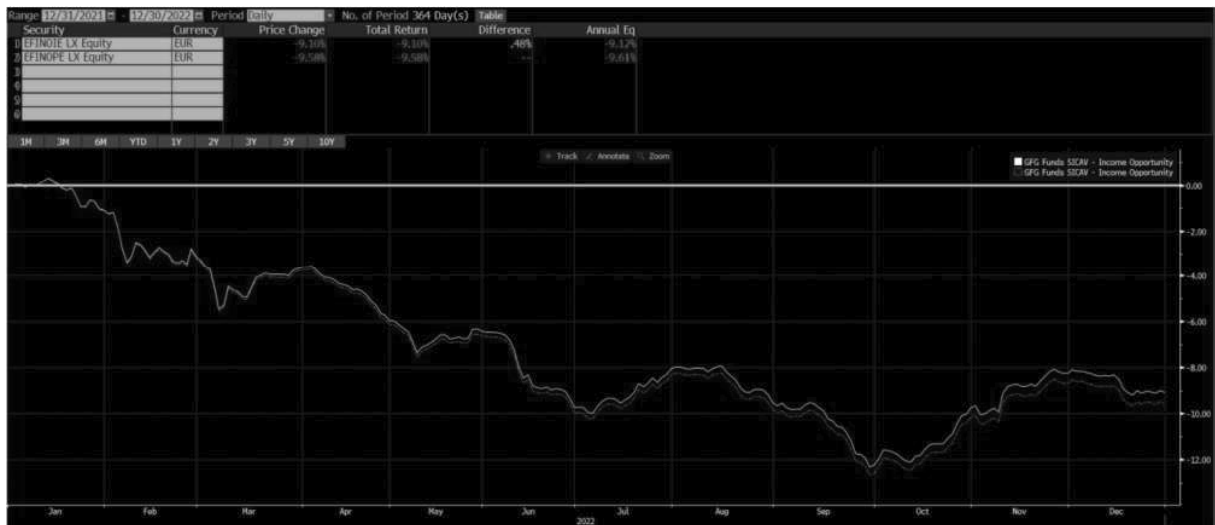
In December, Euro Global Bond recorded a net performance of -4.22%.

At portfolio level, EGB delivered a performance in line with the reference market, eroding 400 bps on the government sector and only 10 on the corporate sector, where we maintained our strategic overweight stance.

As we start 2023, we have slightly increased the weight of government bonds by increasing the overall duration of the portfolio by 0.3 years. We maintain a neutral positioning on duration for rates, with a bias on peripheral countries. We will also keep a positive view on the corporate investment grade sector and subordinated financials with maturities between 2 and 5 years. We prefer quality bonds as we believe a slowdown in inflation is likely and as a consequence, a compression of yields.

**GFG Funds - INCOME OPPORTUNITY**

The 2022 Income Opportunity performance stands at -9.10% for the institutional share class (LU1620753571) and -9.58% for the retail share class (LU1620753811). Income opportunity fund is a total return fund which aims to return a 3% to 4% annualized return net of fees investing in Euro corporate bonds and implementing a long/short strategy on a basket of equity stocks.



Source: Bloomberg

The information stated relates to the period under review and is not indicative of future returns.

**JANUARY 2022****Market Commentary**

The year began on the back foot as record high inflation spurred concerns about a potential hawkish turn by Central Banks and the Fed in particular. This translated into a steep rise of both nominal and real yields across Europe and the US and a massive selloff in risky assets. Credit spreads widened sharply (Itraxx Crossover moving from 240 to 280bps and Main from 47 to 57 bps) and equities reversed all of their December gains on the back of a strong sectorial rotation favouring value stocks out of growth/expensive firms.

Those fears finally materialized at the 26/01 FOMC meeting when Powell confirmed the end of the asset purchases by March and paved the way for a first hike on the same date, while remaining evasive about the future pace of rate rise for the remainder of the year. Powell promised to stay "humble and nimble" despite the fact the Fed was concerned that high levels of inflation would persist which would hurt the economy.

At the portfolio level, the combination of the repricing of rates and wider credit spreads had a negative impact on the fixed income part of the book, penalized in particular by the exposure to HY and subordinated issues. On the equity side, despite the selloff the markets, we managed to deliver a positive performance as the sectorial rotation benefitted the stocks we selected for the "High dividend" basket (introduced last month) as well as our Financials. We also managed to use our hedge overlay efficiently, which helped us in containing the negative contribution in our tech holdings.

**Performance Commentary**

In January, Income Opportunity delivered a net performance of -1.07%.

We remain positive on equities as a relative winning asset class this year. However, given the rather uncertain outlook, for the month to come we will adopt a wait and see and data dependent approach, as we wait for the release of the US CPI to provide further clarity on the path of inflation and a resolution of the Russia/Ukraine impasse. We expect rates and credit spreads to find a point of equilibrium, which would then allow us to increase our equity net exposure as planned.

**FEBRUARY 2022****Market Commentary**

The impact of Omicron variant was lower than initially feared, both on public health and economy, and European countries eased Covid restrictions. Tensions between Russia and Ukraine reached a turning point with Putin invading Ukraine, triggering US, EU and UK financial sanctions. Inflation edged higher once again, and with commodities prices' pointing higher, we may see further pressure on the upside.

February has been another negative month for Fixed Income broad markets. Inflation scares and hawkish tones of central banks drove a bearish flattening movement on euro government rates. Furthermore, credit spreads (IG and HY) widened strongly, reaching 2018's levels. European Govies rates rose by 23 bps on average with peripheral vs core spreads almost unchanged over the month. On the credit side, we saw massive selling, pushing up yields for both IG and HY sectors by 40 bps and more than 70 bps respectively.

In our view things in Ukraine will get worse before they get better. Over the coming weeks, we are likely to see further reports of conflicts and casualties that would keep markets nervous. Central Banks are expected on one side to withdraw liquidity and raise rates and on the other hand to be more accommodative than market expects, in order to support euro rates.

On the equity side, geopolitical tensions were the main market driver throughout the month, with risk aversion gripping the markets towards the end of the month and triggering a broad market selloff with only few sectors – Energy, Utilities and Basic Resources – posting positive performances (due to higher commodities prices and transformation plans announced by various European countries to reduce their dependency to Russian exports) while long duration assets like Technology or sectors the most affected by the sanctions, the inflation shock and the yield curve movement (Retail, Chemicals or Financials) were the most hit.

**Performance Commentary**

In February, IOF delivered a net performance of -2.09%.

In light of the broad-based selloff the fixed income markets experienced, we delivered a negative performance on both our senior IG and HY holdings. The escalation of the geopolitical conflict in Ukraine towards the end of the month also took its toll on the appetite for risky assets, which sold off quite aggressively and, with them, our hybrids, T2 and coco bonds.

On the equity side, we managed to deliver a positive performance thanks to the use of derivatives aimed at hedging the long positions we hold in our "High Dividend" and "Recovery" baskets. Our "Financials" basket was also a positive contributor to performance.

**MARCH 2022****Market Commentary**

March has once again been bearish for safe assets. We reiterate our view, as we appear to be facing a new regime for fixed income. Inflation scares have been backed up by Eurozone CPI YoY printing above 7% (highest level ever). Although policymakers still talk about temporarily effects, market operators appear to be fearful of potential stagflation scenarios.

In US, Rates have been raised by 25bps and Powell confirmed the possibility to raise them at each meeting (7 in total) in 2022, plus another 3 to 4 hikes in 2023, even though they will have to remain nimble and able to adapt to an evolving macro picture.

Euro government bonds underperformed all other fixed income sectors, widening more than 30 bps on average with the strong flattening movement continuing to play out. Corporate markets were mixed: junk bonds overperformed high quality ones due to a strong retracement of issuers exposed to the Russia-Ukraine war. The 30 bps of widening on corporate seniors were balanced by 25 bps of tightening on Subordinated assets.

On the equity side, market was once again highly volatile. The escalation of the Russo-Ukrainian conflict and the sanctions imposed by western countries triggered a massive selloff in the first week of the month. Starting from the second week, markets managed to bounce back after China's pledge to support the market. Moreover, the combination of a weak positioning, the TINA effect (There Is No Alternative) and more positive headlines regarding on-going negotiations fueled investors' optimism on risky assets and on another sectorial rotation, with Techs, Financials and Chemicals being the leading sectors, performance wise.

**Performance Commentary**

In March IOF delivered a net performance of -0.48%.

Our fixed income positioning has been cautious over the month. Some bonds retraced after the strong sell-off in February, contributing to our good relative performance, 45bps at fund level.

On the equity side, the market was once again highly volatile. At the beginning of march, we were concerned by a possible escalation of the conflict and decided to cut our exposure by 30%. We unfortunately did not fully benefit of the rally in the second part of the month, and the sectorial rotation had a negative impact on our performance. As of the end of march we record a positive YTD contribution, with all major equity indexes down more than 5%.

In the month of April, we will continue to keep a prudential approach as we believe geopolitical pressures and inflation scares could be the main drivers once again. Should we see higher levels on rates, implying possible inflation downforces linked to global demand and ECB measures, we will start looking for buying opportunities.



**APRIL 2022****Market Commentary**

April was the ninth negative month in a row for fixed income asset class. "Inflation", "hawkishness" and "fear" became the most pronounced words across the world, and not only in finance.

The escalation of the Ukrainian war and market sentiment driven by the perceived "loss of control" by policy makers, played a significant role in the worst-ever market action in the Euro-denominated fixed income market for a single month. As a consequence, yields widened across the board, with riskier assets bearing the brunt of it.

This impacted negatively on all asset classes (Government, Corporate IG, HY and Subordinated), ranging from 50 bps of widening on safe heaven bonds to 95/100 bps on the subordinated sector.

Global equity markets were negative, performing -2.5% on average.

**Performance Commentary**

In April, Income Opportunity delivered a net performance of -2.45%.

At portfolio level, we lost 230 bps from our fixed income exposure and we closed the month flat on the equity side. We performed better than market average due to our lower beta exposure to risky assets and by actively managing the equity component. Most importantly, the short positioning dampened our losses by 30 bps.

For the month of May, we still believe that current levels represent a tactical entry point and we expect algo accounts to reduce shorts heading into the US CPI numbers. Last month's lower core print had led to hopes that US inflation may be peaking, and so we expect the market to closely watch the data for confirmation.

**MAY 2022****Market Commentary**

Another strongly negative month for rates and broadly for the fixed income markets. Although corporate spreads remained stable, the interest rate component played a fundamental role in the expansion of yields yet again, accelerating in pace after the release of the inflationary data in Europe which stood at 7.8% YoY. On average, rates rose by 20 bps along the curves with a slight flattening movement. On the corporate bond side, high yield and subordinated bonds outperformed the rest of the bond market with their average yield increasing by around 10 bps.

**Performance Commentary**

In May Income Opportunity delivered a net performance of -0.48%.

At the portfolio level, we maintained a conservative profile on both asset classes. On the fixed income side, we reduced the weight by around 15%. This allowed us, despite an absolute negative result (-40 bps), to outperform the market average by 60 bps. In fact, during the month, high yield credit widened by 10 bps on average, while the investment grade segment by 18/20 bps.

The biggest contributor was equity, which performed positively around 15 bps.

In June, we will continue to maintain a more conservative profile than the market average, seeking to protect the portfolio from any rates shocks due to possible new spikes in inflation levels.

**JUNE 2022****Market Commentary**

Last month was another bloody month for the fixed income asset class. Euro rates widened on average by 25 bps across the curve, IG sectors yields increased up to 70 bps and HY euro bonds were the worst performers with a widening of 170 bps.

On the equity side, June was also disastrous, with the Stoxx 50 losing 8.82%, bringing the YTD loss to -19.62%, amid a cyclical rotation penalizing cyclical sectors first, as the market shifted its attention from inflation towards growth fears. Despite this negative performance, we believed that the market could stabilize from here thanks to the gradual lifting of lockdowns in China, helping their economy to reopen strongly and softening inflation pressure. This could, in turn, potentially lead central banks to soften their tone towards the end of the year.

**Performance Commentary**

In June Income Opportunity Fund delivered a net performance of -3.57%.

Despite the negative result in absolute terms, we managed to provide a better result than both equity and fixed income markets. At portfolio level, we held more cash than the previous month and we slightly decreased our fixed income exposure in favour of equity. Fixed Income wise, we reduced portfolio duration to 1y, well below our historical average of 2.5/3y.

On the equity side we took the opportunity to increase the gross exposure to above 30% and bring back our net around 10%, notably by building a position in US quality names that have suffered deep negative losses YTD and that we consider now attractive from a fundamental standpoint.

As we approach July, we await macro data releases before making changes to our portfolio positioning. We believe and expect that inflation could have indeed peaked last month. As summer months are typically characterized by strong seasonality, we plan to increase our duration contribution on the credit side.

**JULY 2022****Market Commentary**

Following the longest monthly drawdown series ever seen in the fixed income world (7 months in a row), July was, finally, a positive month. At macro level, seasonality favoured fixed income assets after the strong sell-off. This was mainly due to inflation and growth warnings. On average, euro rates tightened roughly 50 bps across all countries. Peripheral spreads vs Core countries widened 10 bps and recorded a positive absolute result due to 40 bps of yield tightening. The corporate side did even better. The IG market marked a 90 bps tightening on the senior tranches and 150 bps on Jr subordinates. HY sectors traded in a range of 130/200 bps of tightening through the different capital structures.

Equity markets rebounded in a way that seems to deny a bearish scenario and a recession. Broadly speaking, the average performance was +7%/10% across the different market indexes.

**Performance Commentary**

In July IOF delivered a net performance of +1.91%.

At portfolio level, we gained from our positioning both in equity and fixed income assets, +25 bps and +166 bps respectively.

As we begin the month of August, we will keep a prudential approach, even more so after the strong rebound we witnessed during the last month. We still believe that inflation prints and growth concerns should put some pressure on volatility and market reactions. A lot of investors are currently bearish both on rates and risky assets for H2. We are not overly negative, but visibility is low, especially until inflation will not clearly show signs of slowdown. With a forecasted 50 bps hikes for both September and November and a 25 bps hike for December, we believe the market is now pricing-in too much. This is the reason why we could look to increase our duration exposure from 1 to 1.5/2y if macro data improves.

## AUGUST 2022

### Market Commentary

Despite a good start of the month with ten positive sessions in a row, the Euro yield matrix shifted abruptly higher with a flattening movement following the highest ever inflation print. The ECB's hawkish tone and the change in expectations about its future actions (from 25 to 75 bps hike in September meeting) pushed the market yields close to the highest levels of the year across Euro countries (+70 bps on average). On the Corporate side, spreads were mixed in August. On one hand, IG sector followed the rates movement, closing the month flat spread-wise. On the other hand, HY registered a strong negative performance over the month, with their spreads widening more than 60 bps. Summarizing, inflation and recession warnings pulled up and hit us considerably.

Equity markets ended the month negative in a -4%/-5% range. Recession fears were the main driver to the weak performance. At sector level, Semiconductors were the worst performers after some profit warnings were published.

### Performance Commentary

In August, Income Opportunity a net performance of -1.61%.

At portfolio level, we suffered losses both in the equity relative value strategy (-42 bps) and in the fixed income bucket. In the latter, we performed better than the market average, both in IG (-36 bps vs -110 bps) and in the HY sector (-37 bps vs -78 bps).

For September, we will keep our strategic positioning unchanged in the first part of the month, waiting for the ECB's statements. We may look to increase our final duration exposure (currently set at around 1 year) by investing in Investment Grade senior and subordinated issues should the market offer rewarding opportunities.

## SEPTEMBER 2022

### Market Commentary

Once again, September was a negative month for all asset classes. The yield correction in fixed income markets started in mid-August and has continued aggressively through September. Central Banks rhetoric along with an expansionary fiscal policy has fuelled further the bear market over the last two weeks. The combination of these factors has resulted in an impressive market volatility forcing the BoE to buy long-end maturity bonds in an attempt to stabilize their yields. The 30y-Gilt retraced 100 bps in just one day (from 500 to 400 bps). As a consequence, the Euro area government bonds finished the month close to the highest levels of the year. Peripheral spreads widened slightly and, more specifically, BTP-Bund ended the month in the 240 bps area. Corporate-wise, spreads continued to widen MoM, following the widespread rates increase.

### Performance Commentary

In September, Income Opportunity a net performance of -3.02%.

At portfolio level, we maintained a cautious profile on both asset classes we manage. The overall portfolio duration was still well anchored at around 1 year, thus allowing us to protect capital over the month.

For the month of October, we will be data dependent and, should the markets be favourable, we will consider increasing portfolio duration risk exposure. We plan to buy bonds which have a bullet structure in the medium-term maturity buckets.

## OCTOBER 2022

### Market Commentary

Global rates pushed higher in the wake of the Fed's meeting, with Chair Powell playing down hopes of a move to a more dovish stance. Although there is wider evidence of the economy slowing growth across the board, inflation remains too high. In this context, the market seemed to be positioned short ahead of the ECB speech. We then saw a strong positive spike after the meeting and recorded the biggest daily performance in October. Credit wise, corporate credit enjoyed a constructive month in October, as investors put cash to work at attractive valuations. Equity markets delivered one of the best monthly performances in a while in October. Euro Stoxx 50 was up a solid +9.12% and S&P 500 gained +8.10%.

### Performance Commentary

In October Income Opportunity delivered a net performance of +2.86%.

Over the month the main portfolio contributors were corporate bonds (+1.09%) and relative value strategies in equity (+1.62%).

Looking ahead, we will carefully evaluate the CPI prints in mid-November for the US and at the end of the month for the Eurozone, in order to assess whether we would look to add risks at portfolio level. We prefer IG bonds to HY in the cyclical sector and we will keep an exposure to financial subordinated bonds with duration around 3 years.

## NOVEMBER 2022

### Market Commentary

Last month we argued that we could expect a rebound in fixed income assets and it would probably be driven by lower-than-expected CPI data. This is precisely what happened. On the rates side, Euro government bonds yields dropped by around 30 bps across the curves leading peripherals spreads to tighten by 10 bps. Credit was supported by both the equity market's surprising performance and the favourable rates movement.

At portfolio level we performed on both the fixed income and equity legs (125 bps and 95 bps). The HY sector was the best performer, where yields tightened by over 100 bps across the curve. On the IG side, the tightening movement was around 80 bps. Performance-wise, we delivered 84 bps on the HY bucket and 41 on the IG one.

### Performance Commentary

In November Income Opportunity delivered a net performance of +1.68%.

For December, we will work on the set up of the portfolio for 2023. We believe that traders' focus next year will shift away from monetary policy and systemic risk towards single-names fundamentals. From a macro perspective, we believe we could see central banks move closer to their terminal rates should inflation rates peak. The risk of energy rationing for Europe is decreasing this winter and political leaders still seem very sensitive to the risks of financial instability. In our opinion, all of this should lead primarily to a stabilization of the European yield curves and to a simultaneous reduction in the spreads between government and corporate bonds. In particular, we believe this effect will lead to a quite significant appreciation in IG bonds, where valuations have become extremely attractive. However, while tail risks are diminishing, we still expect a mild recession in Europe for the next two quarters, which could put pressure on issuers with weaker balance sheets and thus lead to a default cycle, albeit limited. As a result, there could be further weakness in the senior high yield sector.

**DECEMBER 2022**

**Market Commentary**

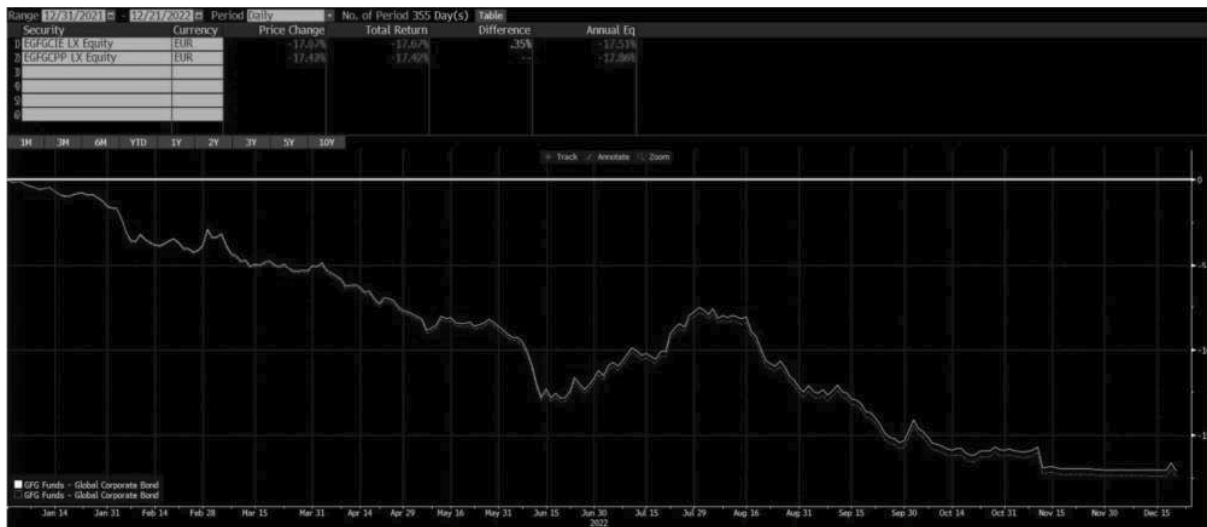
December was a negative month for all reference asset classes, bonds and equity. European stocks recorded an average negative result of about 5 percentage points. Overseas things went even worse with a fall of 6%, while emerging markets (thanks to China) only eroded around 1.5%. On the European bond market, the curves widened by an average of 60 basis points with a marked steepening movement, while peripheral spreads widened by 10 basis points. The central banks' comments together with worse-than-expected inflation data made for a bleaker picture for the macroeconomic outlook and surprised the markets, which from mid-October to early December had recorded a good recovery, with a compression of yields in the euro area by around 100 bps. Volatility also remains high on the corporate bond side, but in relative terms, the performance has been somewhat more upbeat when compared with that of rates. The investment grade sector widened by 40 bps, while High Yield held on a little better and gave up 25 bps making risky assets the best performers in this last month of the year.

**Performance Commentary**

In December, Income Opportunity recorded a net performance of -0.95%. At portfolio level, we recorded a slightly negative result on bonds mainly due to the low exposure to the reference market and the relative outperformance of bank subordinates compared to senior high yield bonds. The alpha component of the portfolio contributed -100 bps. In January, we will look for performance in the credit portfolio by combining positions in the 3/7y area in investment grade bonds and in solid subordinated financials and bringing the overall duration of the portfolio between 2.5y and 3y. Should the macro data show further weakness, we will look to implement defensive strategies for the portfolio. As US and European Equity markets are having to digest a negative EPS revision in 2023, we will also keep a cautious stance on this asset class and similarly to last year we will favor quality companies that are able to pay a higher-than-average dividend yield.

**GFG Funds - GLOBAL CORPORATE BOND (until 21.12.2022)**

The 2022 Global Corporate Bond performance stands at -17.07% for the I share class (LU1981743195) and -17.42% for the PP share class (LU1981743351). The sub-fund was liquidated on 21/12/2022. The last redemption occurred on 26/10/2022.



Source: Bloomberg

**JANUARY 2022**

**Market Commentary**

Corporate yields widened on average by 26 basis points on IG senior, 37 basis points on IG Tier 2, 43 basis points on IG CoCo and 60 basis points on HY Senior tranches. At portfolio level, we kept an overall duration close to our operational index. The corporate IG sector accounted for -121 basis points of the January performance, while HY bonds lost 13 basis points. Government exposure was a detractor of 10 basis points over the month.

**Performance Commentary**

In January Global Corporate Bond delivered a net performance of -1.56%. We will start in February with an overall duration slightly short relative to the operational index. We consider any strong widening in Euro rates market as a buy opportunity, as we continue to believe ECB will not hike rates by 50 basis points in 2022. On the corporate side, we prefer quality assets (financials and industrials) always mindful that our exposure has a higher beta when compared to the market average.

The information stated relates to the period under review and is not indicative of future returns.

**FEBRUARY 2022****Market Commentary**

The impact of Omicron variant was lower than initially feared, both on public health and economy, and European countries eased Covid restrictions. Tensions between Russia and Ukraine reached a turning point with Putin invading Ukraine, triggering US, EU and UK financial sanctions. Inflation edged higher once again, and with commodities prices pointing higher, we may see further pressure on the upside.

February has been another negative month for Fixed Income broad markets. Inflation scares and hawkish tones of central banks drove a bearish flattening movement on euro government rates. Furthermore, credit spreads (IG and HY) widened strongly, reaching 2018's levels. European Govies rates rose by 23 bps on average with peripheral vs core spreads almost unchanged over the month. On the credit side, we saw massive selling, pushing up yields for both IG and HY sectors by 40 bps and more than 70 bps respectively.

In our view things in Ukraine will get worse before they get better. Over the coming weeks, we are likely to see further reports of conflicts and casualties that would keep markets nervous. Central Banks are expected on one side to withdraw liquidity and raise rates and on the other hand to be more accommodative than market expects, in order to support euro rates.

**Performance Commentary**

In February, GCB delivered a net performance of -2.33%.

During the month we lost 15 bps on our tactical allocation on rates. We believed market was cheap but the disruptive price action on commodities was not beneficial. The overall performance breakdown was mainly down to the corporate's action and was as follows: Senior IG -143, Subordinated IG -52 and -12 bps for HY.

We do not have direct exposure to Russian or Ukrainian bonds. Nevertheless, we remain vigilant as further upward pressures on rates could have a negative impact on Bund-like corporate bonds. We will therefore keep our strategic underweight positioning on the latter and also reduce our tactical exposure to rates.

**MARCH 2022****Market Commentary**

March has once again been bearish for safe assets. As we argued last month, we appear to be facing a new regime for fixed income markets. Inflation scares became inflation awareness with the Eurozone CPI YoY printing above 7% and reaching the highest level ever. Although policymakers continue to talk about temporarily inflation effects, market operators appear to be fearful of potential stagflation scenarios.

In US, Rates have been raised by 25bps and Powell confirmed the possibility to raise them at each meeting (7 in total) in 2022, plus another 3 to 4 hikes in 2023, even though they will have to remain nimble and able to adapt to an evolving macro picture.

Risky assets performed positively last month, supporting less rates sensitive bonds such as high yield and subordinated ones. Euro government bonds underperformed all other fixed income sectors, widening more than 30 bps on average with the strong flattening movement continuing to play out.

Corporate markets were mixed: junk bonds overperformed high quality ones due to a strong retracement of issuers exposed to the Russia-Ukraine war. The 30 bps of widening on corporate seniors were balanced by 25 bps of tightening on Subordinated assets.

**Performance Commentary**

In March, GCB delivered a net performance of -1.23%.

At portfolio level, we perform negatively both on corporate bonds and on rates exposure, but overall, we did better than the market average. -94 bps are due to credit exposure and -20 bps are due to our tactical government bond strategy.

Global central banks usually follow the Fed when hiking rates, but we nevertheless still see upside potential through a stabilization in rates environment at lower levels than the current ones. Approaching the month of April, we will try to benefit from our tactical strategy on Government Bonds as we keep a structural underweight on the investment grade sector. The overall duration will be managed actively to promptly react to potential upward pressures linked to inflation data and expectations.

**APRIL 2022****Market Commentary**

April was the ninth negative month in a row for fixed income asset class. "Inflation", "hawkishness" and "fear" became the most pronounced words across the world, and not only in finance.

The escalation of the Ukrainian war and market sentiment driven by the perceived "loss of control" by policy makers, played a significant role in the worst-ever market action in the Euro-denominated fixed income market for a single month. As a consequence, yields widened across the board, with riskier assets bearing the brunt of it.

This impacted negatively on all asset classes (Government, Corporate IG, HY and Subordinated), ranging from 50 bps of widening on safe heaven bonds to 95/100 bps on the subordinated sector.

**Performance Commentary**

In April, Global Corporate Bond delivered a net performance of -2.84%.

At portfolio level, we performed in line with the market average. The major contributor was the underweight positioning on the IG sector, where we performed 55 bps better than the reference peer group. On the other hand, we lost 14 bps on HYs.

Overall, we performed 30 bps in relative terms on this part of the portfolio. However, our tactical building of a long position of 0.8y on euro rates, returned a negative 30 bps performance over the month.

For the month of May, we still believe that current levels represent a tactical entry point and we expect algo accounts to reduce some of the shorts heading into the US CPI numbers. Last month's lower core print had led to hopes that US inflation may be peaking, and so we expect the market to closely watch the data for confirmation.

**MAY 2022****Market Commentary**

Another strongly negative month for rates and broadly for the fixed income markets. Although corporate spreads remained stable, the interest rate component played a fundamental role in the expansion of yields yet again, accelerating in pace after the release of the inflationary data in Europe which stood at 7.8% YoY. On average, rates rose by 20 bps along the curves with a slight flattening movement. On the corporate bond side, high yield and subordinated bonds outperformed the rest of the bond market with their average yield increasing by around 10 bps.

**Performance Commentary**

In May, Global Corporate Bond delivered a net performance of -1.01%.

At portfolio level, during the month we kept duration in line with the market average, with an underweight in the investment grade component of around 1 year. This contributed positively to the performance in relative terms with around 50 bps. Tactically, we increased exposure to interest rates by 0.2y. This reduced the overall result by 15 bps.

In June, the main events are related to the FED and ECB meetings and release of inflation data for May. We believe that the government market is negatively positioned at these levels and approaches such events with a negative asymmetry. For this reason, we believe it is more likely to see a 20/30 bps tightening on the European curves. In this case we will reduce the overall exposure to rates in the middle part of the curve.

**JUNE 2022****Market Commentary**

Last month was another bloody month for the fixed income asset class. June was disruptive for corporate bonds and credit spreads: euro rates widened on average by 25 bps across the curve, IG sectors yields increased up to 70 bps and HY euro bonds were the worst performers with a widening of 170 bps.

**Performance Commentary**

In June, Global Corporate Bond delivered a net performance of -3.30%.

Although during this year the portfolio monthly results have been repeatedly negative, we delivered a better performance relative to the market average due to our strategic spread positioning vs government rates, that outperformed corporates.

As we approach the month of July, inflation data should give us more colour about short term market pressures. We might need to adjust our positioning fast as we see data being released. We will wait for volatility on rates to wane before increasing relative risks further.

In short, we plan to increase by 0.5y the government duration in case of positive data and to decrease it by 0.7/1y should the releases be negative. We will still keep an underweight positioning on IG bonds of around 1y of duration contribution.

**JULY 2022****Market Commentary**

Following the longest monthly drawdown series ever seen in the fixed income world (7 months in a row), July was, finally, a positive month. At macro level, seasonality favoured fixed income assets after the strong sell-off. This was mainly due to inflation and growth warnings. On average, euro rates tightened roughly 50 bps across all countries. Peripheral spreads vs Core countries widened 10 bps and recorded a positive absolute result due to 40 bps of yield tightening. The corporate side did even better. The IG market marked a 90 bps tightening on the senior tranches and 150 bps on Jr subordinates. HY sectors traded in a range of 130/200 bps of tightening through the different capital structures.

**Performance Commentary**

In July GCB delivered a net performance of +4.39%.

At portfolio level, we underperformed the market average in relative terms on the IG component while we outperformed it on the government side. In absolute terms, we profited by more than 400 bps thanks to our positioning and 25 bps by tactical rates exposure (0.5y of duration).

As we approach the month of August, we are confident that the positive trend will continue through to the end of the month due to the seasonality impact, after which we expect rebalances and less visibility to put more pressure on rates. We will keep our strategic positioning (subordinated vs senior) on the corporate side, but keeping less beta exposure on bonds which are affected by rates movement.

**AUGUST 2022****Market Commentary**

Despite a good start of the month with ten positive sessions in a row, the Euro yield matrix shifted abruptly higher with a flattening movement following the highest ever inflation print. The ECB's hawkish tone and the change in expectations about its future actions (from 25 to 75 bps hike in September meeting) pushed the market yields close to the highest levels of the year across Euro countries (+70 bps on average). On the Corporate side, spreads were mixed in August. On one hand, IG sector followed the rates movement, closing the month flat spread-wise. On the other hand, HY registered a strong negative performance over the month, with their spreads widening more than 60 bps. Summarizing, inflation and recession warnings pulled up and hit us considerably.

**Performance Commentary**

In August, Global Corporate Bond delivered a net performance of -4.79%.

At portfolio level, we underperformed the market both on the Corporate IG component and the government one.

For September, we will keep our strategic positioning unchanged in the first part of the month, whilst we assess the ECB's statements. Seasonality has proven to be a negative factor in September, but we expect a rebound after policymakers' speeches due to the forward-looking expectations on the macro components of demand. Should this scenario materialize, we will take profit, reducing our government duration exposure proportionally across all countries. On the corporate side, we will remain underweight, favouring the subordinated and High-Yield sectors once again.

**SEPTEMBER 2022****Market Commentary**

The yield correction in fixed income markets started in mid-August and has continued aggressively through September. Central Banks rhetoric along with an expansionary fiscal policy has fuelled further the bear market over the last two weeks. The combination of these factors has resulted in an impressive market volatility forcing the BoE to buy long-end maturity bonds in an attempt to stabilize their yields. The 30y-Gilt retraced 100 bps in just one day (from 500 to 400 bps). As a consequence, the Euro area government bonds finished the month close to the highest levels of the year. Peripheral spreads widened slightly and, more specifically, BTP-Bund ended the month in the 240 bps area. Corporate-wise, spreads continued to widen MoM, following the widespread rates increase.

**Performance Commentary**

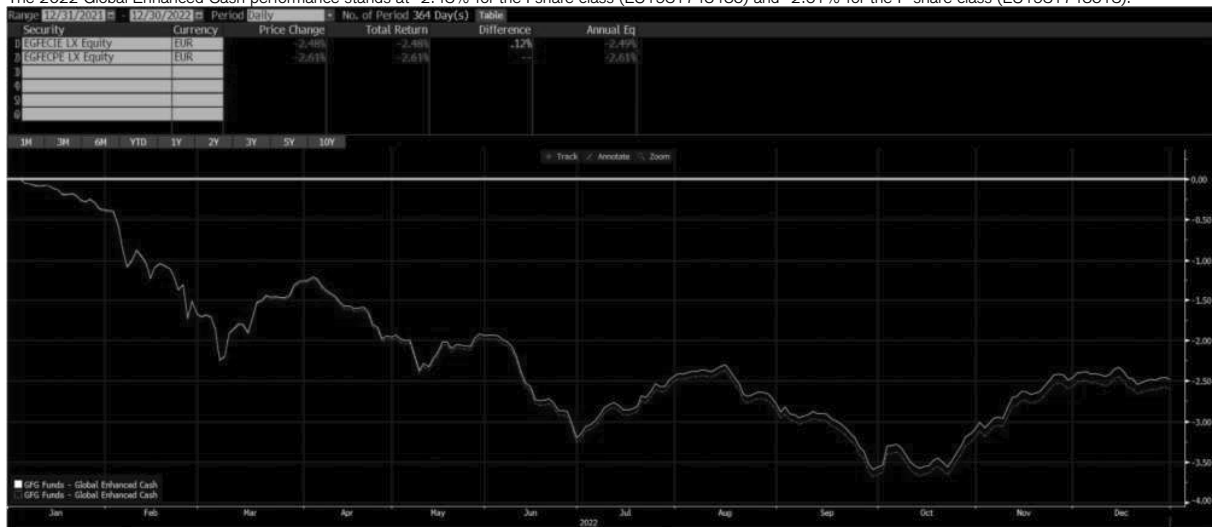
In September, Global Corporate Bond delivered a net performance of -3.54%.

Our positioning overperformed the euro corporate IG index. The main contributor was the underweight of duration exposure in relative terms. In the course of the month, we reduced our long government exposure.

In October, we plan to keep our positioning unchanged, with a dynamic approach to government spread strategies.

**GFG Funds - GLOBAL ENHANCED CASH**

The 2022 Global Enhanced Cash performance stands at -2.48% for the I share class (LU1981743435) and -2.61% for the P share class (LU1981743518).



Source: Bloomberg

**JANUARY 2022****Market Commentary**

The short-term credit environment has worsened in January as tensions linked to inflation pressures, policy makers' perceived loss of control and potential changes in their future guidance exacerbated. All this has led market participants to think about the possibility that a new market cycle for fixed income is beginning, in which rate hikes will steal much of the limelight.

All of this has led market participants to start thinking about a new era for the fixed income world, in which we will witness a lot of rate hikes.

At portfolio level, the short exposure relative to the government bonds was to the benefit of our performance. The main detractor was in short-term financials HY, which widened of 40 basis points.

**Performance Commentary**

In January Global Enhanced Cash delivered a net performance of -0.38%.

For the month of February, we will evaluate the possibility of reducing the risk on the government part of the portfolio through short positions on derivatives, while maintaining the same exposure to corporates, as we believe that in the next 12 months (our analysis horizon, consistent with the duration of the product), the portfolio's overall yield can be a good proxy for its performance.

**FEBRUARY 2022****Market Commentary**

The impact of Omicron variant was lower than initially feared, both on public health and economy, and European countries eased Covid restrictions. Tensions between Russia and Ukraine reached a turning point with Putin invading Ukraine, triggering US, EU and UK financial sanctions. Inflation edged higher once again, and with commodities prices' pointing higher, we may see further pressure on the upside.

The information stated relates to the period under review and is not indicative of future returns.

February has been another negative month for Fixed Income broad markets. Inflation scares and hawkish tones of central banks drove a bearish flattening movement on euro government rates. Furthermore, credit spreads (IG and HY) widened strongly, reaching 2018's levels. European Govies rates rose by 23 bps on average with peripheral vs core spreads almost unchanged over the month. On the credit side, we saw massive selling, pushing up yields for both IG and HY sectors by 40 bps and more than 70 bps respectively.

In our view things in Ukraine will get worse before they get better. Over the coming weeks, we are likely to see further reports of conflicts and casualties that would keep markets nervous. Central Banks are expected on one side to withdraw liquidity and raise rates and on the other hand to be more accommodative than market expects, in order to support euro rates.

#### Performance Commentary

In February, GEC delivered a net performance of -1.30%.

Our credit spread strategies penalized our performance. Short term government bonds tightened by 5 bps while corporate bonds widened by more than 70 bps due to geopolitical issues. We do not have direct exposure to Russian or Ukrainian bonds and we believe that credit yield levels offer attractive opportunities to perform over the next month. Some positions are in a range of 250/300 bps right now. We have also gradually increased our short position on Schatz futures over the month, as we believe that it might pay off as the market volatility linked to Ukraine's invasion by Russia will normalize.

### MARCH 2022

#### Market Commentary

March has once again been bearish for safe assets. As we argued last month, we appear to be facing a new regime for fixed income markets. Inflation scares became inflation awareness with the Eurozone CPI YoY printing above 7% and reaching the highest level ever. Although policymakers continue to talk about temporarily inflation effects, market operators appear to be fearful of potential stagflation scenarios.

In US, Rates have been raised by 25bps and Powell confirmed the possibility to raise them at each meeting (7 in total) in 2022, plus another 3 to 4 hikes in 2023, even though they will have to remain nimble and able to adapt to an evolving macro picture.

Risky assets performed positively last month, supporting less rates sensitive bonds such as high yield and subordinated ones. Euro government bonds underperformed all other fixed income sectors, widening more than 30 bps on average with the strong flattening movement continuing to play out.

Corporate markets were mixed: junk bonds overperformed high quality ones due to a strong retracement of issuers exposed to the Russia-Ukraine war. The 30 bps of widening on corporate seniors were balanced by 25 bps of tightening on Subordinated assets.

#### Performance Commentary

In March GEC delivered a net performance of 0.41%.

Despite the negative performance of many asset classes in the fixed income world, we benefited from both idiosyncratic exposure on credit side and our short positions on Schatz 2y, Bobl 5y and Btp 2y. The credit component contributed 19 bps to the monthly gross performance, while the government short exposure delivered 22bp. The credit environment remains attractive in this portion of the euro curve, even if it is still weak as it is affected by strong upward pressures in rates and potential future ECB measures.

During the next month, in order to be less sensitive to short term rates, we will reduce our short exposure, therefore increasing the overall duration towards 1Y.

### APRIL 2022

#### Market Commentary

April was the ninth negative month in a row for fixed income asset class. "Inflation", "hawkishness" and "fear" became the most pronounced words across the world, and not only in finance.

The escalation of the Ukrainian war and market sentiment driven by the perceived "loss of control" by policy makers, played a significant role in the worst-ever market action in the Euro-denominated fixed income market for a single month. As a consequence, yields widened across the board, with riskier assets bearing the brunt of it.

This impacted negatively on all asset classes (Government, Corporate IG, HY and Subordinated), ranging from 50 bps of widening on safe heaven bonds to 95/100 bps on the subordinated sector.

#### Performance Commentary

In April, Global Enhanced Cash delivered a net performance of -0.69%.

At portfolio level, we saw a 90-bps widening in the short-term part of the credit curves. Given our total duration of 0.8y, we lost around 80 bps in April partially hedged by the short positioning on the government side, which registered a positive performance of 20 bps.

For the month May, we will keep the same positioning as we believe current levels are attractive enough to increase overall duration and credit risk. We expect algo accounts to reduce some shorts heading into the US CPI numbers. As, the short end of the market is already pricing three hikes by the end of year, we do not expect further widening in this segment.

### MAY 2022

#### Market Commentary

Another strongly negative month for rates and broadly for the fixed income markets. Although corporate spreads remained stable, the interest rate component played a fundamental role in the expansion of yields yet again, accelerating in pace after the release of the inflationary data in Europe which stood at 7.8% YoY. On average, rates rose by 20 bps along the curves and by around 12 bps in the shorter segment, where the fund is invested.

#### Performance Commentary

In May, Global Enhanced Cash delivered a net performance of +0.01%.

The long component of the portfolio contributed 7 bps against a market average of around -35 bps. This is mainly due to positive idiosyncratic and sectoral elements in the bonds held in the portfolio. The government bond hedge in the short-term portion of the portfolio yielded around 2 bps.

In June, our approach will be tactical as far as short-term rates exposure is concerned. After the ECB meeting, we could look to extend duration in the event that the prospected rate hikes up to the end of the year are less than the 125 bps that the market is currently discounting.

**JUNE 2022****Market Commentary**

Last month was another bloody month for the fixed income asset class. June was disruptive for corporate bonds and credit spreads, especially in the short-term part of the curves where the IG sectors yields increased by up to 50 bps and HY euro bonds posted an even worse result, with a widening of 200 bps.

**Performance Commentary**

In June, Global Enhanced Cash delivered a net performance of -1.29%.

At the portfolio level, the biggest detractor was our high yield portion of the portfolio which lost 46 bps in mark to market.

As we approach the month of July, inflation data should give us more colour about short term market pressures. We might need to adjust our positioning fast as we see data being released. We will wait for volatility on rates to wane before increasing relative risks further.

In short, we plan to increase by 0.25y the duration on government bonds in case of positive data and to keep exposure unchanged should the releases be negative.

**JULY 2022****Market Commentary**

Following the longest monthly drawdown series ever seen in the fixed income world (7 months in a row), July was, finally, a positive month. At macro level, seasonality favoured fixed income assets after the strong sell-off. This was mainly due to inflation and growth warnings. On average, euro rates tightened roughly 50 bps across all countries. Peripheral spreads vs Core countries widened 10 bps and recorded a positive absolute result due to 40 bps of yield tightening. The corporate side did even better. The IG market marked a 90 bps tightening on the senior tranches and 150 bps on Jr subordinates. HY sectors traded in a range of 130/200 bps of tightening through the different capital structures.

**Performance Commentary**

In July GEC delivered a net performance of +0.79%.

At portfolio level, modified duration has been kept around 0.6y and we increased our quality bond exposure (BBB and A- rating) maintaining our structural positions on the subordinated financial sector. Despite the low duration we held, we outperformed the market average in July.

For the month of August, we will keep a cautious approach. We do not feel that it is yet time to increase risk exposure. We will wait until we have visibility on further potential inflation pressures.

**AUGUST 2022****Market Commentary**

Despite a good start of the month with ten positive sessions in a row, the Euro yield matrix shifted abruptly higher with a flattening movement following the highest ever inflation print. The ECB's hawkish tone and the change in expectations about its future actions (from 25 to 75 bps hike in September meeting) pushed the market yields close to the highest levels of the year across Euro countries (+70 bps on average). On the Corporate side, spreads were mixed in August. On one hand, IG sector followed the rates movement, closing the month flat spread-wise. On the other hand, HY registered a strong negative performance over the month, with their spreads widening more than 60 bps. Summarizing, inflation and recession warnings pulled up and hit us considerably.

**Performance Commentary**

In August, Global Enhanced Cash delivered a net performance of -0.35%.

At portfolio level, we reduced the modified duration to 0.52 years. This allowed us to limit losses, given the adverse yield movement.

For September, we will leave our strategic positioning unchanged in the first part of the month, as we wait for the ECB's statements. Should we witness a rebound on the short-term part of the curve we will cut our short leg, increasing the overall duration exposure and taking advantage of our credit spread strategy.

**SEPTEMBER 2022****Market Commentary**

The yield correction in fixed income markets started in mid-August and has continued aggressively through September. Central Banks rhetoric along with an expansionary fiscal policy has fuelled further the bear market over the last two weeks. The combination of these factors has resulted in an impressive market volatility forcing the BoE to buy long-end maturity bonds in an attempt to stabilize their yields. The 30y-Gilt retraced 100 bps in just one day (from 500 to 400 bps). As a consequence, the Euro area government bonds finished the month close to the highest levels of the year.

**Performance Commentary**

In September, Global Enhanced Cash delivered a net performance of -0.80%.

At portfolio level, we kept the modified duration at around 0.5 years. This allowed us to protect the portfolio given the adverse yield movement of around 100 bps.

For the month of October, should we witness a rebound in the short-term part of the curve, we stand ready to cut our short leg in government bonds, increasing the overall duration exposure and taking advantage of our credit spread strategy.

**OCTOBER 2022****Market Commentary**

Global rates pushed higher in the wake of the Fed's meeting, with Chair Powell playing down hopes of a move to a more dovish stance. Although there is wider evidence of the economy slowing growth across the board, inflation remains too high. In this context, the market seemed to be positioned short ahead of the ECB speech. We then saw a strong positive spike after the meeting and recorded the biggest daily performance in October. Credit wise, corporate credit enjoyed a constructive month in October, as investors put cash to work at attractive valuations.

**Performance Commentary**

In October Global Enhanced Cash delivered a net performance of +0.48%.

We believe it makes sense to monitor data carefully and look for more confirmation of direction before adding more risk at portfolio level and will look to increase duration up to 1 year.



**NOVEMBER 2022****Market Commentary**

Last month we argued that we could expect a rebound in fixed income assets and it would probably be driven by lower-than-expected CPI data. This is precisely what happened. On the rates side, Euro government bonds yields dropped by around 30 bps across the curves leading peripherals spreads to tighten by 10 bps. Credit was supported by both the equity market's surprising performance and the favourable rates movement.

In the shorter end of the euro curves results were mixed. Volatility on rates was still the main factor, following the policy makers' ambiguous speeches on additional rate hikes by the end of the year. Despite market operators expecting further moves by the central banks, every hawkish comment has been interpreted as positive for future inflation numbers.

**Performance Commentary**

In November Global Enhanced Cash delivered a net performance of +0.65%.

At portfolio level, credit spread strategies delivered a positive performance. Both short and long leg posted positive results during the month, delivering 18 bps and 55 bps respectively.

For December, we will work on the set up for the portfolio for the upcoming year, preferring bullet IG bonds with maturities in the 2/5 years range and financial high yield bonds with duration lower than 2 years.

**DECEMBER 2022****Market Commentary**

December was another negative month for the European bond market, with curves shifting by 60 basis points on average and with a marked steepening. Peripheral spreads widened 10 basis points. The central banks' comments together with worse-than-expected inflation data made for a bleaker picture for the macroeconomic outlook and surprised the markets, which from mid-October to early December had recorded a good recovery, with a compression of yields in the euro area by around 100 bps. Volatility also remains high on the corporate bond side, but in relative terms, the performance has been somewhat more upbeat when compared with that of rates. The investment grade sector widened by 40 bps, while High Yield held on a little better and gave up 25 bps making risky assets the best performers in this last month of the year. In the short-term part of the curve, things looked a little better with yields widening by 20 bps versus the reference market (Aggregate 1/3y).

**Performance Commentary**

In December, Global Enhanced Cash recorded a net performance of -0.02%.

At portfolio level, the main contributor was the short leg on short-term rates which recorded a positive result of 5 bps, while on cash bond positions the net result was zero against a reference market negative of as much as 60 bps.

We will start the year cautiously, but in January the objective will be to increase the beta of the credit portfolio and reduce the short leg on rates, trying to take advantage of any positive macro surprises (PMI and CPI) and at the same time increase the overall yield of the portfolio, which currently stands at 3.73%.

## Technical Data and Notes

### Technical Data

		Valoren	ISIN	Management Fee	Unaudited Total Expense Ratio
Class I	EUR	19424745	LU0828733419	0.75%	1.13%
Class P	EUR	12909862	LU0622616760	1.00%	1.46%
Class PP	EUR	25029901	LU1095075120	1.25%	1.70%

### Fund Performance

		YTD	Since Inception	2021	2020	2019
Class I	EUR	-19.78%	/	-3.89%	4.30%	6.56%
Class P	EUR	-20.02%	/	-4.17%	4.08%	6.22%
Class PP	EUR	-20.21%	/	-4.41%	3.68%	5.96%

### Notes

#### Financial futures contracts and contracts for differences

Description	Currency	Quantity	Engagement	Valuation
<i>Counterparty</i>				
EURO BOBL COMMODITIES -100000- 08/03/23	EUR	15	1,735,650.00	-42,600.00
EURO BUND COMMODITIES -100000- 08/03/23	EUR	3	398,550.00	-28,290.00
EURO BUXL COMMODITIES -100000- 08/03/23	EUR	-4	-539,920.00	91,700.00
EURO OAT COMMODITIES -100000- 08/03/23	EUR	7	890,540.00	-70,280.00
EURO SCHATZ DTB COMMODITIES -100000- 08/03/23	EUR	10	1,054,050.00	-13,950.00
EURO-BTP LONG TERM COMMODITIES -100000- 08/03/23	EUR	9	978,480.00	-22,140.00
<b>Net unrealised loss on financial futures contracts and contracts for differences</b>				<b>-85,560.00</b>

Counterparty: Credit Suisse SA - Luxembourg

**Statement of Net Assets (in EUR) and Fund Evolution**

		<b>31.12.2022</b>			
<b>Assets</b>					
Investments in securities at market value		21,878,350.47			
Cash at banks and at brokers		746,215.83			
Income receivable		279,111.74			
		<b>22,903,678.04</b>			
<b>Liabilities</b>					
Provisions for accrued expenses		132,018.90			
Net unrealised loss on financial futures contracts		85,560.00			
		<b>217,578.90</b>			
<b>Net assets</b>		<b>22,686,099.14</b>			
<b>Fund Evolution</b>		<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2020</b>	
<b>Total net assets</b>	<b>EUR</b>	<b>22,686,099.14</b>	<b>191,793,584.41</b>	<b>253,906,652.16</b>	
<b>Net asset value per share</b>					
Class I	EUR	98.75	123.10	128.08	
Class P	EUR	115.48	144.39	150.68	
Class PP	EUR	85.71	107.42	112.37	
<b>Number of shares outstanding</b>		<b>At the end of the year</b>	<b>At the beginning of the year</b>	<b>Number of shares issued</b>	<b>Number of shares redeemed</b>
Class I	EUR	189,993.658	1,484,804.516	244,978.783	1,539,789.641
Class P	EUR	1,105.021	9,669.963	0.000	8,564.942
Class PP	EUR	44,296.915	70,855.010	487.251	27,045.346

**Statement of Operations / Changes in Net Assets (in EUR)**

	<b>For the period from 01.01.2022 to 31.12.2022</b>
<b>Net assets at the beginning of the year</b>	<b>191,793,584.41</b>
<b>Income</b>	
Interest on investments in securities (net)	2,185,776.65
Bank Interest	3,469.86
Other income	34,720.12
	<b>2,223,966.63</b>
<b>Expenses</b>	
Management fee	920,050.83
Depositary fee	61,293.79
Administration expenses	155,725.86
Printing and publication expenses	8,053.49
Interest and bank charges	11,109.96
Audit, control, legal, representative bank and other expenses	179,231.71
"Taxe d'abonnement"	11,152.16
	<b>1,346,617.80</b>
<b>Net income (loss)</b>	<b>877,348.83</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	-19,136,011.57
Net realised gain (loss) on financial futures contracts	-2,734,745.91
	<b>-21,870,757.48</b>
<b>Net realised gain (loss)</b>	<b>-20,993,408.65</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	-8,670,727.29
Change in net unrealised appreciation (depreciation) on financial futures contracts	306,990.00
	<b>-8,363,737.29</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-29,357,145.94</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	27,987,237.49
Redemptions	-167,737,576.82
	<b>-139,750,339.33</b>
<b>Net assets at the end of the year</b>	<b>22,686,099.14</b>

## Statement of Investments in Securities

### Breakdown by Country

Italy	23.78
Spain	14.64
Luxembourg	11.24
Netherlands	9.44
France	9.18
Austria	7.04
Finland	6.50
Ireland	3.61
USA	2.83
United Kingdom	2.11
Belgium	1.84
Portugal	1.38
Greece	1.31
Denmark	1.05
Germany	0.48
Russia	0.00
<b>Total</b>	<b>96.44</b>

### Breakdown by Economic Sector

Countries and central governments	48.78
Banks and other credit institutions	18.24
Investment trusts/funds	6.36
Supranational organisations	4.88
Financial, investment and other div. companies	4.64
Energy and water supply	4.49
Vehicles	2.09
Environmental services and recycling	1.96
Computer hardware and networking	1.57
Aeronautic and astronautic industry	1.25
Tobacco and alcoholic beverages	1.14
Insurance companies	1.04
<b>Total</b>	<b>96.44</b>

### Statement of Investments in Securities

Description	Quantity / Nominal	Valuation (in EUR)	% of net assets
<b>Securities listed on a stock exchange or other organised markets</b>			
<b>Bonds</b>			
EUR ABANCA CORP BANCARIA SA S FF FRN/180129	500,000	496,140.00	2.19
EUR APPLE 1.375%/17-240529	400,000	356,932.00	1.57
EUR AUSTRIA 144A 3.8%/12-260162	65,000	73,321.30	0.32
EUR AUSTRIA 3.15%/12-200644	130,000	127,903.10	0.56
EUR AUSTRIA A 6 6.25%/97-150727	880,000	1,009,219.20	4.45
EUR AZIMUT HOLDING SPA 1.625%/19-121224	800,000	759,384.00	3.35
EUR BANCO BILBAO VIZCAYA ARG (SUBORDINATED) FIX-TO-FRN FRN/20-16.01.2030	400,000	362,412.00	1.60
EUR BELGIUM KINGDOM 144A 1.7%/19-220650	600,000	416,496.00	1.84
EUR BONOS Y OBLIG 0.7%/22-300432	200,000	154,932.00	0.68
EUR BONOS Y OBLIG DEL EST 0.8%/22-300729	560,000	477,288.00	2.10
EUR BRD 3.25%/10-040742	100,000	109,930.00	0.48
EUR BUONI POLIENNALI DEL 144A 1.7%/010951	550,000	298,716.00	1.32
EUR BUONI POLIENNALI DEL TES 1.75%/19-010724	200,000	195,716.00	0.86
EUR BUONI POLIENNALI DEL TES 2.8%/22-150629	650,000	597,135.50	2.63
EUR DAVIDE CAMPARI-MILANO SP 1.25%/20-061027	300,000	259,284.00	1.14
EUR EDF 4.625%/09-110924	1,000,000	1,019,730.00	4.49
EUR EFSF 1.25%/17-240533	400,000	331,952.00	1.46
EUR EFSF 2%/17-280256	1,000,000	776,030.00	3.42
EUR FCA BANK SPA IRELAND 0.5%/20-18.09.2023	800,000	783,456.00	3.45
EUR FERRARI NV 1.5%/20-270525	500,000	473,260.00	2.09
EUR FINLAND 2.625%/12-040742	240,000	221,232.00	0.98
EUR FINLAND 2.75%/12-04.07.2028	480,000	476,419.20	2.10
EUR FINNISH GOVERNMENT 144A 0%/21-150926	320,000	288,537.60	1.27
EUR FINNISH GOVERNMENT 144A 0.125%/21-150452	130,000	60,378.50	0.27
EUR FINNISH GOVERNMENT 144A 0.125%/21-150931	550,000	428,312.50	1.89
EUR FRANCE (GOVT OF) 144A 1.5%/19-250550	600,000	404,430.00	1.78
EUR FRANCE OAT 4.5%/09-250441	570,000	658,464.00	2.90
EUR GENERALI FINANCE FIX-TO-FRN 4.596%/14-PERPETUAL	300,000	292,524.00	1.29
EUR GOLDMAN SACHS GROUP 1.25%/16-010525	300,000	285,516.00	1.26
EUR HELLENIC REPUBLIC 144A 3.875%/19-120329	300,000	297,366.00	1.31
EUR INTESA SANPAOLO 3.928%/14-150926	255,000	251,503.95	1.11
EUR IRELAND 1%/16-150526	240,000	228,482.40	1.01
EUR IRELAND 1.7%/17-150537	70,000	57,803.20	0.25
EUR IRISH TSY 1.10%/2029 1.1%/19-150529	500,000	447,935.00	1.97
EUR IRISH TSY 1.3% 2033/19-150533	100,000	83,898.00	0.37
EUR ITALY BTP 5%/07-010839	450,000	456,579.00	2.01
EUR JYSKE BANK (SUBORDINATED) FIX-TO-FRN 2.25%/17-05.04.2029	250,000	238,707.50	1.05
EUR LLOYDS BANKING GROUP PLC FRN/20-010426	200,000	196,820.00	0.87
EUR NETHERLANDS 0.5%/16-150726	300,000	278,091.00	1.23
EUR NETHERLANDS 3.75%/10-150142	200,000	224,586.00	0.99
EUR NETHERLANDS GOVERNMENT 0.75%/18-150728	900,000	810,351.00	3.57
EUR NETHERLANDS GOVERNMENT 144A 0%/20-150152	200,000	95,360.00	0.42
EUR OBRIGACOES DO TESOURO 2.125%/18-171028	100,000	95,276.00	0.42
EUR OBRIGACOES DO TESOURO 2.25%/18-180434	250,000	218,537.50	0.96
EUR REPUBLIC OF AUSTRIA 144A 0.5%/19-200229	450,000	387,508.50	1.71
EUR ROLLS-ROYCE PLC 0.875%/18-090524	300,000	282,879.00	1.25
EUR RUSSIAN FEDERATION 1.125%/20-201127*	300,000	0.03	0.00
EUR SERVICIOS MEDIO AMBIENT 1.661%/19-041226	500,000	444,260.00	1.96
EUR SPAIN 1.95%/16-300426	620,000	599,087.40	2.64
EUR SPAIN 3.45%/16-300766	280,000	247,340.80	1.09
EUR SPAIN 4.2%/05-310137	320,000	333,606.40	1.47
EUR SPAIN 4.9%/07-300740	180,000	205,576.20	0.91
EUR UNICREDIT SPA SUB FF FRN/19-230929	500,000	459,155.00	2.02
EUR UNICREDIT SPA SUB FF FRN/20-150132	500,000	420,385.00	1.85
EUR UNIONE DI BANCHE ITAL SUB FF FRN/120729	400,000	398,844.00	1.76
EUR UNIONE DI BANCHE ITALIA 2.625%/19-200624	250,000	245,947.50	1.08
EUR UNIPOLSAI ASSICURAZIONI SUB 3.875%/18-01	250,000	235,335.00	1.04
<b>Total Bonds</b>		<b>20,436,272.28</b>	<b>90.08</b>
<b>Total securities listed on a stock exchange or other organised markets</b>		<b>20,436,272.28</b>	<b>90.08</b>
<b>Investment funds</b>			
<b>Fund Units (Open-End)</b>			
EUR GFG FUNDS - GLOBAL ENHANCED CASH I EUR	14,575	1,442,078.19	6.36
<b>Total Fund Units (Open-End)</b>		<b>1,442,078.19</b>	<b>6.36</b>
<b>Total investment funds</b>		<b>1,442,078.19</b>	<b>6.36</b>
<b>Total of Portfolio</b>		<b>21,878,350.47</b>	<b>96.44</b>
Cash at banks and at brokers		746,215.83	3.29
Other net assets		61,532.84	0.27
<b>Total net assets</b>		<b>22,686,099.14</b>	<b>100.00</b>

\* See the Note 16 - Russian security.

The notes are an integral part of the financial statements.

Any differences in the percentage of Net Assets are the result of roundings.

## Technical Data and Notes

### Technical Data

		Valoren	ISIN	Management Fee	Unaudited Total Expense Ratio
Class I	EUR	36692596	LU1620753571	1.00%	1.44%
Class P	EUR	36695603	LU1620753811	1.50%	1.93%

### Fund Performance

		YTD	Since Inception	2021	2020	2019
Class I	EUR	-9.10%	/	0.19%	3.19%	3.16%
Class P	EUR	-9.58%	/	-0.32%	2.73%	2.60%

### Notes

#### Financial futures contracts and contracts for differences

Description	Currency	Quantity	Engagement	Valuation
Counterparty				In EUR
ANHEUSER-BUSH INBEV 19/05/32	EUR	-2,125	-119,573.75	-19,906.67
CAC 40 INDEX -10- 20/01/23	EUR	-9	-582,345.00	21,470.00
CIE FINANCIERE RICHEMONT REG 04/04/25	CHF	-1,605	-192,439.50	2,466.06
DEUTSCHE LUFTHANSA REG 01/05/36	EUR	-24,400	-189,466.00	8,686.40
DEUTSCHE POST REG 22/12/31	EUR	7,010	246,611.80	-45,100.64
DJ STOXX 600 OIL & GAS EUR INDEX INDEX - 17/03/23	EUR	-40	-687,400.00	6,600.00
EASYJET 01/05/36	GBP	20,000	64,920.00	-21,820.87
EUR / CHF FX -125000- 13/03/23	CHF	6	739,800.00	3,189.01
EUR / GBP FX -125000- 13/03/23	GBP	19	2,113,631.25	63,778.66
EUR / USD FX CURRENCY -125000- 13/03/23	USD	50	6,721,250.00	37,044.02
EURO BOBL COMMODITIES -100000- 08/03/23	EUR	-24	-2,778,000.00	99,840.00
EURO SCHATZ DTB COMMODITIES -100000- 08/03/23	EUR	-36	-3,795,120.00	49,500.00
EURO STOXX BANKS INDEX -50- 17/03/23	EUR	-200	-962,500.00	-20,750.00
EURO-BTP SHORT TERM COMMODITIES - 08/03/23	EUR	-43	-4,519,730.00	94,170.00
FTSE 100 INDEX -10- 17/03/23	GBP	-7	-522,620.00	2,886.03
FTSE MIB INDEX -5- 17/03/23	EUR	-5	-592,700.00	22,425.00
GAZTRANSPORT ET TECHNIGAZ -1 - 01/05/36	EUR	1,350	134,730.00	-16,065.00
INFINEON TECHNOLOGIES REG 18/10/2031	EUR	2,200	62,546.00	-5,913.98
INTC US 14/11/37	USD	-3,790	-100,169.70	6,585.15
J.SAINSBURY 01/05/36	GBP	-95,600	-208,121.20	281.67
JNJJN 01/05/36	USD	1,089	192,371.85	5,838.74
LGENI 05/36	GBP	-30,000	-74,850.00	-8,636.47
LVMH 01/05/2036	EUR	-280	-190,372.00	8,515.90
MARKS & SPENCER 01/05/36	GBP	-257,000	-316,881.00	-42,990.22
MICROSOFT 01/05/36	USD	1,620	388,508.40	-2,098.30
MINI DAX INDEX -5- 17/03/23	EUR	-14	-979,160.00	38,990.00
NASDAQ 100 E-MINI INDEX -20- 17/03/23	USD	-3	-661,335.00	32,867.82
ORANGE 08/06/32	EUR	20,005	185,666.41	-25,995.48
ROYAL DUTCH SHELL A 01/05/36	EUR	8,700	230,376.00	-15,515.02
S&P E-MINI 500 INDEX -50- 17/03/23	USD	-4	-772,200.00	15,016.35
STOXX INDICES INDEX -50- 17/03/23	EUR	-10	-317,900.00	7,350.00
STXE 600 BAS RES EUR (PRICE) INDEX -50- 17/03/23	EUR	-9	-278,325.00	6,435.00
TESCO PLC 07/11/30	GBP	65,600	147,075.20	-25,641.09
THALES 04/03/37	EUR	2,300	274,390.00	15,016.50
TOTAL (X1) 06/10/31	EUR	-6,000	-351,900.00	-29,951.44
TXNN 01/05/36	USD	-2,210	-365,136.20	-8,407.85
WAL-MART STORES 01/05/36	USD	-1,150	-163,058.50	-12,225.97
<b>Net unrealised gain on financial futures contracts and contracts for differences</b>				<b>247,933.31</b>

Counterparty: Credit Suisse SA – Luxembourg, Interactive Brokers (U.K.) Limited and Interactive Brokers (IE) Limited

**Statement of Net Assets (in EUR) and Fund Evolution**

		<b>31.12.2022</b>			
<b>Assets</b>					
Investments in securities at market value		41,017,068.13			
Cash at banks and at brokers		7,749,989.05			
Income receivable		340,046.76			
Net unrealised gain on financial futures contracts		247,933.31			
		<b>49,355,037.25</b>			
<b>Liabilities</b>					
Other payable		5,211.13			
Provisions for accrued expenses		165,038.98			
		<b>170,250.11</b>			
<b>Net assets</b>		<b>49,184,787.14</b>			
<b>Fund Evolution</b>					
		<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2020</b>	
<b>Total net assets</b>	<b>EUR</b>	<b>49,184,787.14</b>	<b>32,973,689.94</b>	<b>39,404,033.39</b>	
<b>Net asset value per share</b>					
Class I	EUR	90.69	99.77	99.57	
Class P	EUR	88.17	97.52	97.83	
<b>Number of shares outstanding</b>					
		<b>At the end of the year</b>	<b>At the beginning of the year</b>	<b>Number of shares issued</b>	<b>Number of shares redeemed</b>
Class I	EUR	540,185.597	325,631.537	214,554.060	0.000
Class P	EUR	2,240.464	4,993.928	0.000	2,753.464

**Statement of Operations / Changes in Net Assets (in EUR)**

	<b>For the period from 01.01.2022 to 31.12.2022</b>
<b>Net assets at the beginning of the year</b>	<b>32,973,689.94</b>
<b>Income</b>	
Interest on investments in securities (net)	829,297.56
Dividends (net)	226,676.67
Bank Interest	18,982.58
Other income	18,845.22
	<b>1,093,802.03</b>
<b>Expenses</b>	
Management fee	442,336.11
Depositary fee	25,097.35
Administration expenses	59,374.78
Printing and publication expenses	3,229.01
Interest and bank charges	16,342.59
Audit, control, legal, representative bank and other expenses	95,286.44
"Taxe d'abonnement"	4,214.41
	<b>645,880.69</b>
<b>Net income (loss)</b>	<b>447,921.34</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	-695,122.33
Net realised gain (loss) on financial futures contracts	-29,954.37
Net realised gain (loss) on swaps contracts	-33.41
Net realised gain (loss) on foreign exchange	-67,693.61
	<b>-792,803.72</b>
<b>Net realised gain (loss)</b>	<b>-344,882.38</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	-3,512,126.29
Change in net unrealised appreciation (depreciation) on financial futures contracts	328,038.81
	<b>-3,184,087.48</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-3,528,969.86</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	20,000,000.00
Redemptions	-259,932.94
	<b>19,740,067.06</b>
<b>Net assets at the end of the year</b>	<b>49,184,787.14</b>



## Statement of Investments in Securities

### Breakdown by Country

Italy	17.71
Germany	15.42
USA	12.07
France	9.48
Spain	6.53
United Kingdom	5.79
Netherlands	5.75
Luxembourg	2.95
Portugal	2.01
Austria	1.74
Finland	0.81
Switzerland	0.77
Jersey	0.76
Ireland	0.72
Sweden	0.65
Japan	0.24
<b>Total</b>	<b>83.39</b>

### Breakdown by Economic Sector

Banks and other credit institutions	21.13
Countries and central governments	20.06
Financial, investment and other div. companies	9.35
Telecommunication	4.71
Energy and water supply	4.63
Insurance companies	4.47
Pharmaceuticals, cosmetics and medical products	3.93
Internet, software and IT services	2.87
Investment trusts/funds	2.21
Petroleum	2.15
Traffic and transportation	1.71
Building materials and building industry	1.50
Vehicles	1.20
Healthcare and social services	0.88
Electronics and semiconductors	0.52
Non-ferrous metals	0.45
Food and soft drinks	0.45
Electrical appliances and components	0.31
Aeronautic and astronautic industry	0.31
Retailing, department stores	0.24
Packaging industries	0.17
Chemicals	0.16
<b>Total</b>	<b>83.39</b>

### Statement of Investments in Securities

Description	Quantity / Nominal	Valuation (in EUR)	% of net assets
<b>Securities listed on a stock exchange or other organised markets</b>			
<b>Shares</b>			
USD ADVANCED MICRO DEVICES	4,265	268,051.42	0.52
USD AKAMAI TECHNOLOGIES	4,675	368,148.06	0.75
EUR ALSTOM	6,704	152,985.28	0.31
GBP ANGLO AMERICAN	2,950	107,846.78	0.22
GBP AVIVA PLC	57,200	286,096.92	0.58
EUR BANCO BPM	71,600	238,714.40	0.49
USD BANK OF AMERICA	10,495	324,702.85	0.66
USD BOOKING HOLDINGS INC	230	432,988.70	0.88
GBP CENTRICA	400,000	436,100.76	0.89
USD CHENIERE ENERGY	2,145	300,480.34	0.61
USD CHIPOTLE MEXICAN A	170	220,339.37	0.45
USD CSX	11,985	346,842.88	0.71
EUR DEUTSCHE BOERSE REG	2,300	371,220.00	0.75
EUR DEUTSCHE POST REG	6,442	226,629.56	0.46
GBP DIRECT LINE INSURANCE GROUP	116,500	291,217.10	0.59
EUR EDP-ENERGIAS DE PORTUGAL	84,865	395,131.44	0.80
EUR EIFFAGE	4,415	408,826.80	0.83
EUR ENGIE	28,535	382,026.58	0.78
EUR ENI	26,000	345,436.00	0.70
EUR EUROAPI	44	609.40	0.00
EUR FAURECIA	19,180	271,013.40	0.55
USD FORTINET	8,005	365,590.33	0.74
USD HUMANA	900	430,612.80	0.88
EUR K & S	4,200	77,175.00	0.16
USD MARVELL TECHNOLOGY INC	5,000	173,003.27	0.35
GBP NATWEST GROUP PLC	108,500	325,022.03	0.66
EUR NORDEA BANK ABP	39,900	400,197.00	0.81
EUR ORANGE	7,600	70,535.60	0.14
USD PFIZER	8,985	430,071.37	0.87
GBP RHI MAGNESITA NV	5,183	130,204.36	0.26
GBP RIO TINTO	1,700	111,336.27	0.23
CHF ROCHE HOLDING CERT	1,284	376,724.03	0.77
EUR SANOFI	6,800	610,912.00	1.24
EUR SCOR REGPT	7,500	161,175.00	0.33
EUR ST GOBAIN	7,240	330,506.00	0.67
EUR STELLANTIS NV	23,932	317,434.05	0.65
SEK TELE2 -B-	18,150	138,437.96	0.28
EUR TELECOM ITALIA	1,059,500	229,169.85	0.47
EUR THALES	1,284	153,181.20	0.31
USD UNION PACIFIC	1,395	269,839.00	0.55
USD UNITEDHEALTH GROUP	1,044	517,055.51	1.05
USD VISA A	2,020	392,036.62	0.80
GBP VODAFONE GROUP	120,700	114,851.10	0.23
USD WILLIAMS COMPANIES	12,700	390,312.94	0.79
<b>Total Shares</b>		<b>12,677,791.23</b>	<b>25.78</b>
<b>Bonds</b>			
EUR ABANCA CORP BANCARIA SA S FF FRN/180129	500,000	496,140.00	1.01
EUR ABANCA CORP BANCARIA SUB FF FRN/21-PERP	200,000	175,400.00	0.36
EUR ABN AMRO BANK NV SUB FF FRN/20-PERP	500,000	462,115.00	0.94
EUR ALTICE FRANCE SA 4.125%/20-150129	100,000	76,620.00	0.16
EUR ALTICE FRANCE SA 5.875%/18-010227	300,000	262,944.00	0.53
EUR ARDAGH PKG FIN/HLDG USA 2.125%/20-150826	100,000	83,707.00	0.17
EUR AT&T INC SUB FF FRN/20-PERP	200,000	180,026.00	0.37
EUR AVIS BUDGET FINANCE PLC 4.75%/18-300126	400,000	374,992.00	0.76
EUR AZIMUT HOLDING SPA 1.625%/19-121224	500,000	474,615.00	0.96
EUR BANCA POPOLARE SONDRIO FF FRN/21-250232	200,000	162,170.00	0.33
EUR BANCO BILBAO VIZCAY SUB FF FRN/20-PERP	600,000	572,976.00	1.16
EUR BANCO BPM SPA SUB FF FRN/20-PERP	500,000	461,920.00	0.94
EUR BANCO BPM SPA SUB S 13 FF FRN/20-140930	500,000	486,100.00	0.99
EUR BANCO COMERC PORTU SUB FF FRN/19-270330	500,000	395,940.00	0.81
EUR BANCO DE SABADELL SA SUB FF FRN/21-PERPE	200,000	174,376.00	0.35
EUR BANCO SANTANDER FF 4.75%/17-PERP	600,000	526,854.00	1.07
EUR BANCO SANTANDER SA (SUBORDINATED) 2.125%/18-08.02.2028	600,000	534,966.00	1.09
EUR BNP PARIBAS (SUBORDINATED) FIX-TO-FRN FRN/20-15.01.2032	300,000	292,570.00	0.51
EUR BUNDESSCHATZANW 0%/22-150324	4,000,000	3,881,640.00	7.89
EUR BUONI POLIENALI DEL TES 0%/21-151224	3,450,000	3,241,896.00	6.59
EUR CAIXABANK SA (SUBORDINATED) FIX-TO-FRN FRN/18-17.04.2030	600,000	547,380.00	1.11
EUR CAIXABANK SA SUB FF FRN/20-PERP	200,000	183,536.00	0.37
EUR COOPERAT RABOBK UA SUB FF FRN/19-PERP	400,000	341,408.00	0.69
EUR CREDIT AGRICOLE ASSURANCES (SUBORDINATED) FIX-TO-FRN 15-PERPETUAL	500,000	487,405.00	0.99
EUR CREDIT AGRICOLE SA SUB FF FRN/20-PERP	300,000	265,836.00	0.54
EUR EIRCOM FINANCE DAC 3.5%/19-150526	300,000	271,944.00	0.55
EUR ENEL SPA SUB FF FRN/19-240580	500,000	475,125.00	0.97
EUR ENERGIAS DE PORTUGAL SA S FF FRN/300479	200,000	197,434.00	0.40
EUR GENERALI FINANCE FIX-TO-FRN 4.596%/14-PERPETUAL	500,000	487,540.00	0.99
EUR GERMANY 0.25%/17-150227	3,000,000	2,741,400.00	5.57
EUR GROUPAMA FF 6.375%/14-PERP	500,000	508,940.00	1.03
EUR INEOS FINANCE PLC 2.875%/19-010526	350,000	303,240.00	0.62
EUR INTESA SANPAOLO SPA SUB FF FRN/20-PERP	250,000	206,840.00	0.42
EUR INTESA SANPAOLO SPA SUB FF FRN/20-PERP	700,000	596,652.00	1.21
EUR INTESA SANPAOLO SUB FF FRN/22-PERP	200,000	172,156.00	0.35
EUR LLOYDS BANKING REG S FF 6.375%/14-PERP	500,000	479,610.00	0.98
EUR LOXAM SAS 2.875%/19-150426	300,000	268,224.00	0.55
EUR MYLAN 2.25%/16-22.11.2024	300,000	289,584.00	0.59

The notes are an integral part of the financial statements.  
Any differences in the percentage of Net Assets are the result of roundings.

**Statement of Investments in Securities (Continued)**

Description	Quantity / Nominal	Valuation (in EUR)	% of net assets
EUR NETFLIX INC 4.625%/18-150529	250,000	245,380.00	0.50
EUR NN GROUP FF 4.625%/17-130148	400,000	385,392.00	0.78
EUR OMV FF 6.25%/15-PERPETUAL	400,000	413,620.00	0.84
EUR POSTE ITALIANE SPA SUB FF FRN/21-PERPET	100,000	76,605.00	0.16
EUR RAIFFEISEN BANK INTERNATIONAL (SUBORDINATED) FIX-TO-FRN 6.125%/17- PERPETUAL	400,000	359,476.00	0.73
EUR RAIFFEISEN BNK INTL SUB FF FRN/20-180632	100,000	82,064.00	0.17
EUR RAKUTEN GROUP INC SUB FF FRN/21-PERPET	200,000	115,900.00	0.24
EUR SAPEM FINANCE INTL BV 2.625%/17-070125	200,000	189,658.00	0.39
EUR SAPEM FINANCE INTL BV 3.125%/21-310328	500,000	416,175.00	0.85
EUR TELECOM ITALIA REG S 3.625%/16-250526	300,000	280,785.00	0.57
EUR TELEFONICA EUROPE FF 5.875%/14-PERPET	300,000	299,037.00	0.61
EUR TELENET FINANCE LUX NOTE 3.5%/17- 01.03.2028	400,000	363,500.00	0.74
EUR UNICREDIT SPA FF FRN/20-220727	250,000	226,127.50	0.46
EUR UNICREDIT SPA SUB FF FRN/20-150132	250,000	210,192.50	0.43
EUR UNICREDIT SPA SUB FF FRN/20-PERPET	200,000	149,412.00	0.30
EUR UNIONE DI BANCHI ITALIA SUB FF FRN/PERPET	200,000	188,070.00	0.38
EUR VERISURE HOLDING AB 3.875%/20-150726	200,000	181,608.00	0.37
EUR VODAFONE GROUP PLC (SUBORDINATED) FIX- TO-FRN FRN/18-03.01.2079	400,000	392,360.00	0.80
EUR VOLKSWAGEN FIN SERV AG 1.5%/19-011024	300,000	287,301.00	0.58
EUR VOLKSWAGEN INTL FIN NV SUB FRN/18-PERPET	300,000	286,032.00	0.58
<b>Total Bonds</b>		<b>27,250,916.00</b>	<b>55.41</b>
<b>Total securities listed on a stock exchange or other organised markets</b>		<b>39,928,707.23</b>	<b>81.18</b>
<b>Investment funds</b>			
<b>Fund Units (Open-End)</b>			
EUR GFG FUNDS - GLOBAL ENHANCED CASH I EUR	11,000	1,088,360.90	2.21
<b>Total Fund Units (Open-End)</b>		<b>1,088,360.90</b>	<b>2.21</b>
<b>Total investment funds</b>		<b>1,088,360.90</b>	<b>2.21</b>
<b>Total of Portfolio</b>		<b>41,017,068.13</b>	<b>83.39</b>
Cash at banks and at brokers		7,749,989.05	15.76
Other net assets		417,729.96	0.85
<b>Total net assets</b>		<b>49,184,787.14</b>	<b>100.00</b>

The notes are an integral part of the financial statements.  
Any differences in the percentage of Net Assets are the result of roundings.

## Technical Data and Notes

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### Technical Data

		Valoren	ISIN	Management Fee	Unaudited Total Expense Ratio
Class I	EUR	47336324	LU1981743195	0.75%	/
Class PP	EUR	47336343	LU1981743351	1.25%	/

### Fund Performance

		PTD	Since Inception	2021	2020
Class I	EUR	-17.07%	-16.06%	-1.59%	3.06%
Class PP	EUR	-17.42%	-17.34%	-2.12%	2.50%

PTD = Performance to date (from 01.01.2022 to 21.12.2022)

**Statement of Net Assets (in EUR) and Fund Evolution**

<b>Fund Evolution</b>		<b>21.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2020</b>	
<b>Total net assets</b>	EUR	<b>829,650.50*</b>	<b>8,988,735.55</b>	<b>9,140,171.55</b>	
<b>Net asset value per share</b>					
Class I	EUR	83.94	101.22	102.86	
Class PP	EUR	82.66	100.09	102.26	
* Total net assets before liquidation					
<b>Number of shares outstanding</b>		<b>At the end of the period</b>	<b>At the beginning of the period</b>	<b>Number of shares issued</b>	<b>Number of shares redeemed</b>
Class I	EUR	0.000	72,388.872	0.000	72,388.872
Class PP	EUR	0.000	16,597.000	88.000	16,685.000

**Statement of Operations / Changes in Net Assets (in EUR)**

	<b>For the period from 01.01.2022 to 21.12.2022 (liquidation date)</b>
<b>Net assets at the beginning of the period</b>	<b>8,988,735.55</b>
<b>Income</b>	
Interest on investments in securities (net)	106,277.41
Bank Interest	1,015.45
Other income	3,923.84
	<b>111,216.70</b>
<b>Expenses</b>	
Management fee	53,168.28
Depository fee	3,367.08
Administration expenses	2,400.01
Printing and publication expenses	1,009.05
Interest and bank charges	4,107.76
Audit, control, legal, representative bank and other expenses	33,235.34
"Taxe d'abonnement"	852.47
Amortisation of formation expenses	4,618.33
	<b>102,758.32</b>
<b>Net income (loss)</b>	<b>8,458.38</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	-1,175,650.01
Net realised gain (loss) on financial futures contracts	-92,895.08
	<b>-1,268,545.09</b>
<b>Net realised gain (loss)</b>	<b>-1,260,086.71</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	53,775.75
Change in net unrealised appreciation (depreciation) on financial futures contracts	6,750.00
	<b>60,525.75</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-1,199,560.96</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	8,469.99
Redemptions	-7,797,644.58
	<b>-7,789,174.59</b>
<b>Net assets at the end of the period</b>	<b>0.00</b>

## Technical Data and Notes

### Technical Data

		Valoren	ISIN	Management Fee	Unaudited Total Expense Ratio
Class I	EUR	47336093	LU1981743435	0.25%	0.63%
Class P	EUR	47336107	LU1981743518	0.35%	0.75%

### Fund Performance

		YTD	Since Inception	2021
Class I	EUR	-2.49%	-1.06%	-0.03%
Class P	EUR	-2.61%	-1.22%	-0.16%

### Notes

#### Financial futures contracts and contracts for differences

Description	Currency	Quantity	Engagement	Valuation In EUR
Counterparty				
EURO SCHATZ DTB COMMODITIES -100000- 08/03/23	EUR	-15	-1,581,075.00	21,000.00
Net unrealised gain on financial futures contracts and contracts for differences				21,000.00

Counterparty: Credit Suisse SA - Luxembourg

**Statement of Net Assets (in EUR) and Fund Evolution**

	<b>31.12.2022</b>
<b>Assets</b>	
Investments in securities at market value	17,400,019.00
Cash at banks and at brokers	1,037,724.95
Income receivable	187,862.45
Formation expenses	2,373.81
Net unrealised gain on financial futures contracts	21,000.00
	<b>18,648,980.21</b>
<b>Liabilities</b>	
Provisions for accrued expenses	26,746.25
	<b>26,746.25</b>
<b>Net assets</b>	<b>18,622,233.96</b>

<b>Fund Evolution</b>		<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
<b>Total net assets</b>	<b>EUR</b>	<b>18,622,233.96</b>	<b>33,197,247.16</b>	<b>7,650,857.59</b>
<b>Net asset value per share</b>				
Class I	EUR	98.94	101.46	101.49
Class P	EUR	98.78	101.43	101.59

<b>Number of shares outstanding</b>		<b>At the end of the year</b>	<b>At the beginning of the year</b>	<b>Number of shares issued</b>	<b>Number of shares redeemed</b>
Class I	EUR	151,048.222	155,361.605	100,581.967	104,895.350
Class P	EUR	37,225.093	171,881.906	0.000	134,656.813

**Statement of Operations / Changes in Net Assets (in EUR)**

	<b>For the period from 01.01.2022 to 31.12.2022</b>
<b>Net assets at the beginning of the year</b>	<b>33,197,247.16</b>
<b>Income</b>	
Interest on investments in securities (net)	480,713.09
Bank Interest	1,756.33
Other income	95.97
	<b>482,565.39</b>
<b>Expenses</b>	
Management fee	71,419.28
Depository fee	13,003.55
Administration expenses	8,933.33
Printing and publication expenses	1,965.12
Interest and bank charges	8,256.91
Audit, control, legal, representative bank and other expenses	46,241.19
"Taxe d'abonnement"	4,021.47
Amortisation of formation expenses	2,460.59
	<b>156,301.44</b>
<b>Net income (loss)</b>	<b>326,263.95</b>
<b>Realised gain (loss)</b>	
Net realised gain (loss) on sales of investments	-594,792.51
Net realised gain (loss) on financial futures contracts	182,257.48
	<b>-412,535.03</b>
<b>Net realised gain (loss)</b>	<b>-86,271.08</b>
<b>Change in net unrealised appreciation (depreciation)</b>	
Change in net unrealised appreciation (depreciation) on investments	-616,729.05
Change in net unrealised appreciation (depreciation) on financial futures contracts	5,820.00
	<b>-610,909.05</b>
<b>Net increase (decrease) in net assets as a result of operations</b>	<b>-697,180.13</b>
<b>Subscriptions / Redemptions</b>	
Subscriptions	9,999,999.99
Redemptions	-23,877,833.06
	<b>-13,877,833.07</b>
<b>Net assets at the end of the year</b>	<b>18,622,233.96</b>



## Statement of Investments in Securities

### Breakdown by Country

Germany	29.14
Italy	22.10
France	14.88
United Kingdom	10.63
Netherlands	6.15
Spain	3.97
USA	2.62
Sweden	2.60
Bermuda	1.34
<b>Total</b>	<b>93.44</b>

### Breakdown by Economic Sector

Countries and central governments	31.22
Banks and other credit institutions	24.62
Insurance companies	11.21
Food and soft drinks	4.25
Energy and water supply	4.14
Petroleum	2.61
Chemicals	2.58
Financial, investment and other div. companies	2.42
Environmental services and recycling	2.39
Lodging and catering industry, leisure facilities	1.61
Telecommunication	1.59
Tobacco and alcoholic beverages	1.34
Aeronautic and astronautic industry	1.01
Miscellaneous services	0.99
Real estate	0.92
Electronics and semiconductors	0.53
<b>Total</b>	<b>93.44</b>

### Statement of Investments in Securities

Description	Quantity / Nominal	Valuation (in EUR)	% of net assets
<b>Securities listed on a stock exchange or other organised markets</b>			
<b>Bonds</b>			
EUR ALLIANZ SE FIX-TO-FRN (SUBORDINATED) 6.25%/13-PERPETUAL	700,000	696,164.00	3.74
EUR AVIVA FF 3.875%/14-030744	100,000	97,761.00	0.52
EUR AVIVA FF 6.125%/13-050743	100,000	100,850.00	0.54
EUR BACARDI 2.75%/13-030723	250,000	249,340.00	1.34
EUR BARCLAYS PLC FF 2%/17-070228	700,000	695,352.00	3.73
EUR BAYER FIX-TO-FRN 3.75%/14-01.07.2074	500,000	481,165.00	2.58
EUR BUNDESSCHATZANWEISUNGEN 0%/21-150923	2,000,000	1,970,000.00	10.58
EUR BUNDESSCHATZANWEISUNGEN 0%/21-160623	2,000,000	1,983,680.00	10.65
EUR BUONI POLIENALI DEL TES 1.75%/19-010724	1,900,000	1,859,302.00	9.98
EUR CAIXABANK FF 2.75%/17-140728	300,000	294,411.00	1.58
EUR DANONE FF 1.75%/17-PERPET	600,000	593,562.00	3.19
EUR DELTA LLOYD FF 4.375%/14-PERPET	500,000	494,670.00	2.66
EUR DOMETIC GROUP AB 3%/18-130923	300,000	299,949.00	1.61
EUR ELECTRICITE DE FRANCE SA (SUBORDINATED) FIX-TO-FRN FRN/18-PERPETUAL	500,000	470,245.00	2.53
EUR ENEL SPA FF 13-100174	300,000	300,261.00	1.61
EUR FCA BANK SPA IRELAND 0.5%/20-18.09.2023	200,000	195,854.00	1.05
EUR FCE BANK 1.615%/16-110523	300,000	297,267.00	1.60
EUR HOIST FINANCE AB 3.375%/20-271124	200,000	185,152.00	0.99
EUR INFINEON TECHNOLOGIES AG 0.75%/20-240623	100,000	99,150.00	0.53
EUR ING GROUP FF 17-110428	200,000	199,092.00	1.07
EUR INTESA SANPAOLO REGS 730 6.625%13-130923	300,000	305,625.00	1.64
EUR JP MORGAN CHASE 0.625%/16-250124	500,000	488,635.00	2.62
EUR LLOYDS BANKING GROUP FIX-TO-FRN 0.625%/18-15.01.2024	600,000	600,072.00	3.22
EUR METRO AG 1.125%/18-060323	200,000	197,092.00	1.06
EUR RABOBANK NEDERLAND 3.875%/13-25.07.2023	250,000	251,222.50	1.35
EUR ROLLS-ROYCE PLC 0.875%/18-090524	200,000	188,586.00	1.01
EUR SAIPEM FIN 3.75%/16-080923	200,000	199,534.00	1.07
EUR SERVICIOS MEDIO AMBIENT 1.661%/19-041226	500,000	444,260.00	2.39
EUR SOCIETE GENERALE 4%/13-070623	500,000	501,085.00	2.69
EUR SOCIETE GENERALE FF 1.375%/18-230228	300,000	297,087.00	1.60
EUR SOLVAY FINANCE FF 5.869%/15-PERPET	250,000	251,527.50	1.35
EUR TELECOM ITALIA 2.5%/17-190723	300,000	296,004.00	1.59
EUR TOTAL (SUBORDINATED) FIX-TO-FRN 2.708%/16-PERPETUAL	300,000	297,426.00	1.60
EUR TOTAL SA SUB FF FRN/19-PERPET	200,000	189,304.00	1.02
EUR UNIBAIL-RODAMCO FIX-TO-FLOATERS 2.125%/18- PERPETUAL	200,000	171,644.00	0.92
EUR UNICREDIT SPA SUB FF FRN/19-230929	500,000	459,155.00	2.47
EUR UNIPOLSAI SUB FF 5.75%/14-PERPET	700,000	698,523.00	3.75
<b>Total Bonds</b>		<b>17,400,019.00</b>	<b>93.44</b>
<b>Total securities listed on a stock exchange or other organised markets</b>		<b>17,400,019.00</b>	<b>93.44</b>
<b>Total of Portfolio</b>		<b>17,400,019.00</b>	<b>93.44</b>
Cash at banks and at brokers		1,037,724.95	5.57
Other net assets		184,490.01	0.99
<b>Total net assets</b>		<b>18,622,233.96</b>	<b>100.00</b>

The notes are an integral part of the financial statements.  
Any differences in the percentage of Net Assets are the result of roundings.

### Risk management

The global exposure of the sub-funds is calculated and monitored under the commitment approach, except for the sub-fund GFG Funds – INCOME OPPORTUNITY which is calculated and monitored under the absolute VaR approach.

#### VaR information

The sub-fund listed in the table below follow the Absolute VaR approach for calculation of global exposure. The VaR levels reached during the year and VaR limits are shown in the below table:

Fund Name	Lowest VaR	Average VaR	Highest VaR	Market Risk Internal limit	Regulatory limit
GFG Funds – INCOME OPPORTUNITY	1.59%	3.71%	6.86%	10.00%	20.00%

#### Applied calculation standards

The following calculation standards are used in daily calculation of the VaR:

■	Confidence interval:	99.00%
■	Holding period:	20 days
■	Effective observation period:	250 days
■	Calculation frequency:	daily
■	Model:	Monte Historical Simulation

The average level of leverage reached during the year is 45.93% for GFG Funds – INCOME OPPORTUNITY.

### Remuneration

The total remuneration disclosed is related to the activities of MultiConcept Fund Management S.A. (The Management Company) regarding its monitoring of delegated functions and risk management activities and does not include any remuneration for delegated investment managers.

The remuneration information represents a proportion of the total remuneration to staff of the Management Company function as attributable to all the funds it manages taking into consideration non-UCITS and UCITS alike, in relation to the total net assets of the Company.

The Management Company has implemented a series of safeguards that refrain staff from taking undue risks compared to the activity profile.

The aggregate remuneration for these individuals in relation to GFG Funds was 15,045.37 CHF out of which 12,399.83 CHF are fixed and 2,645.54 CHF are variable for the financial year.

Under the methodology the number of staff considered is 11, and 5 persons with function of Conducting Officer.

### Securities Financing Transaction Regulation

Securities Financing Transaction Regulation ("SFTR") introduces reporting requirements for securities financing transactions ("SFTs") and total return swaps.

A Security Financing Transaction ("SFT") is defined as per Article 3 (1) of the SFTR as:

- a repurchase/reverse repurchase agreement,
- securities or commodities lending and securities or commodities borrowing,
- a buy-sell back transaction or sell-buy back transaction, or
- a margin lending transaction.

The SICAV did not hold any total return swaps or enter in security financing transactions during the year ended 31.12.2022.

### Transparency of the promotion of environmental or social characteristics and of sustainable investments

As requested in Art. 11(1) of Regulation (EU) 2019/2088 (SFDR), Subfunds as referred to in Art. 8 of that Regulation, shall describe the extent to which environmental or social characteristics are met. Products as referred to in SFDR Art. 9 shall describe the overall sustainability-related impact of the Subfund by means of relevant sustainability indicators.

For Subfunds falling under Art. 8 or 9 of SFDR the respective information are disclosed on Subfund level below.

Subfunds not falling under Art. 8 or 9 of SFDR are not listed below. The investments underlying those Subfunds do not take into account the EU criteria for environmentally sustainable economic activities.

ANNEX IV

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

Product name: GFG Funds SICAV – Euro Global Bond      Legal entity identifier: 529900DAOBBDCY8NV798

## Environmental and/or social characteristics

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

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

### Did this financial product have a sustainable investment objective?

**Yes**

It made **sustainable investments with an environmental objective**: \_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: \_\_\_%

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



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

The Sub-Fund integrated environmental and social characteristics into the investment decision process by adhering to a dedicated ESG policy, including value-, norm- and business conduct exclusion. In this respect, the investments of the Sub-Fund were restricted to issuers evidencing a sound ESG rating and which follow good governance practices. In order to assess good governance practices, we relied on the governance score of each investee company, provided by the external data provider.

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

Specifically, the ESG metrics deployed by the ESG data providers include animal mistreatment, climate change, GHG emissions, global pollution, impacts on landscapes, ecosystems and biodiversity, local pollution, overuse and wasting of resources, waste issues.

The Sub-Fund solely invested in instruments from issuers meeting the Investment Manager's ESG policy. In this respect, the exclusions applied to the investment universe relied on a two-levels approach:

1. Controversial activities and Jurisdictions. This exclusion was made using, among others the following screening:

- jurisdictions mentioned in United Nations Security Council Sanctions
- Jurisdictions mentioned in Financial Action Task Force list of "High-Risk Jurisdictions subject to a Call for Action"
- all instruments issued by a company within the proprietary model's exclusion list;
- all instruments whose ultimate parent companies was within the proprietary model's exclusion list; and
- all securities having as Industry Sector Gambling or Tobacco

2. All entities displaying weak ESG ratings: we screened out of the Prospectus-compliant investment universe:

- all the companies displaying weak ESG Scores, i.e. having an ESG Score above 65, indicating an extremely high ESG risk exposure;
- all Government Bonds having an ESG Score above 60.

All Corporate Bonds, Stocks, Government Bonds and Listed Derivatives (with the only exception of derivatives on currencies, on volatility, and on indices) were assigned an ESG score. A specific methodology was defined to assign a proxy score also to companies eventually not covered by the ESG data providers. As they were not part of the core investment strategy, derivatives which are not Listed Derivatives (with the exception above-mentioned) did not undergo such exclusion criteria and were instead assessed on a case-by-case basis.

With respect to the factors listed above, the Sub-Fund entirely met its environmental and social characteristics, being every evaluable financial instrument held within the portfolio itself compliant with the ESG Policy of the financial product.

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

During the reporting period from 01 January 2022 to 31 December 2022, the Sub-Fund was 96% invested in securities aligned with E/S characteristics promoted by the Sub-Fund itself. It was not possible to assess 4% of the assets against the indicators, as they corresponded to liquidity deposits. The Sub-Fund applied ESG scores to analyse issuers and to monitor investments, denoting ESG risk exposure, ranging from zero (lowest) to 100 (highest). As of 31.12.2022, the weighted average scores for the Sub-Fund were as follows:

- ESG Score: 20.67
  - o Environment Score: 7.75
  - o Social Score: 5.39
  - o Governance Score: 7.54

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

N/A

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Sub-Fund did not commit to make any sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The Sub-Fund did not commit to make any sustainable investments.

— ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The Sub-Fund did not commit to make any sustainable investments.

— ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The Sub-Fund did not commit to make any sustainable investments.

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

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

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

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



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

The Sub-Fund did not considered principal adverse impacts on sustainability factors.



### What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31.12.2022

Largest investments	Sector	% Assets	Country
GFG FUNDS - GLOBAL ENHANCED CASH I EUR EDF 4.625%/09-110924	Financial And Insurance Activities	6.4	Luxembourg
AUSTRIA A 6 6.25%/97-150727	Electricity, Gas, Steam And Air Conditioning Supply	4.5	France
NETHERLANDS GOVERNMENT 0.75%/18-150728	Public Administration And Defence; Compulsory Social Security	4.5	Austria
FCA BANK SPA IRELAND 0.5%/20-18.09.2023	Public Administration And Defence; Compulsory Social Security	3.6	Netherlands
EFSS 2%/17-280256	Financial And Insurance Activities	3.5	Italy
AZIMUT HOLDING SPA 1.625%/19-121224	Activities Of Extraterritorial Organisations And Bodies	3.4	Luxembourg
Cash at banks and at brokers	Financial And Insurance Activities	3.4	Italy
FRANCE OAT 4.5%/09-250441	Other	3.3	
SPAIN 1.95%/16-300426	Public Administration And Defence; Compulsory Social Security	2.9	France
BUONI POLIENNALI DEL TES 2.8%/22-150629	Public Administration And Defence; Compulsory Social Security	2.6	Spain
ABANCA CORP BANCARIA SA S FF FRN/180129	Public Administration And Defence; Compulsory Social Security	2.6	Italy
BONOS Y OBLIG DEL EST 0.8%/22-300729	Financial And Insurance Activities	2.2	Spain
	Public Administration And Defence; Compulsory Social Security	2.1	Spain



## What was the proportion of sustainability-related investments?

The proportion of investments used to meet the environmental and/or social characteristics promoted by the Sub-Fund described below (#1 Aligned with E/S characteristics) was 96% of its total assets.

The Sub-Fund invested 4% of its total assets in other investments (#2 Other).

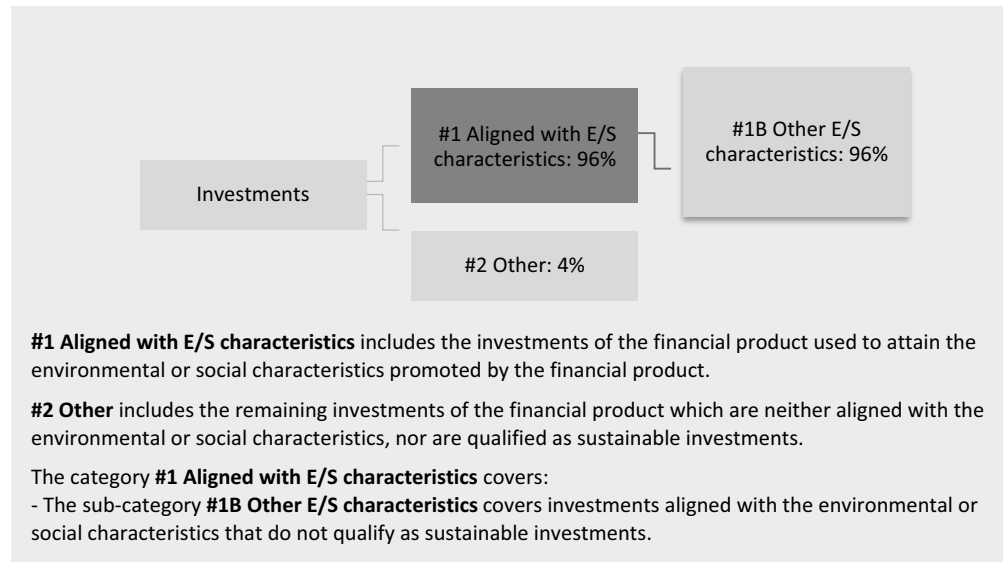
**Asset allocation** describes the share of investments in specific assets.

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

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

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

### What was the asset allocation?



### In which economic sectors were the investments made?

NACE Sector	% of TNA
Public Administration And Defence; Compulsory Social Security	48.8
Financial And Insurance Activities	30.3
Manufacturing	6.1
Activities Of Extraterritorial Organisations And Bodies	4.9
Electricity, Gas, Steam And Air Conditioning Supply	4.5
Other	3.6
Administrative And Support Service Activities	2.0




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

The Sub-Fund did not make sustainable investments with an environmental objective aligned with the EU Taxonomy (0%).

Taxonomy-aligned activities are expressed as a share of:

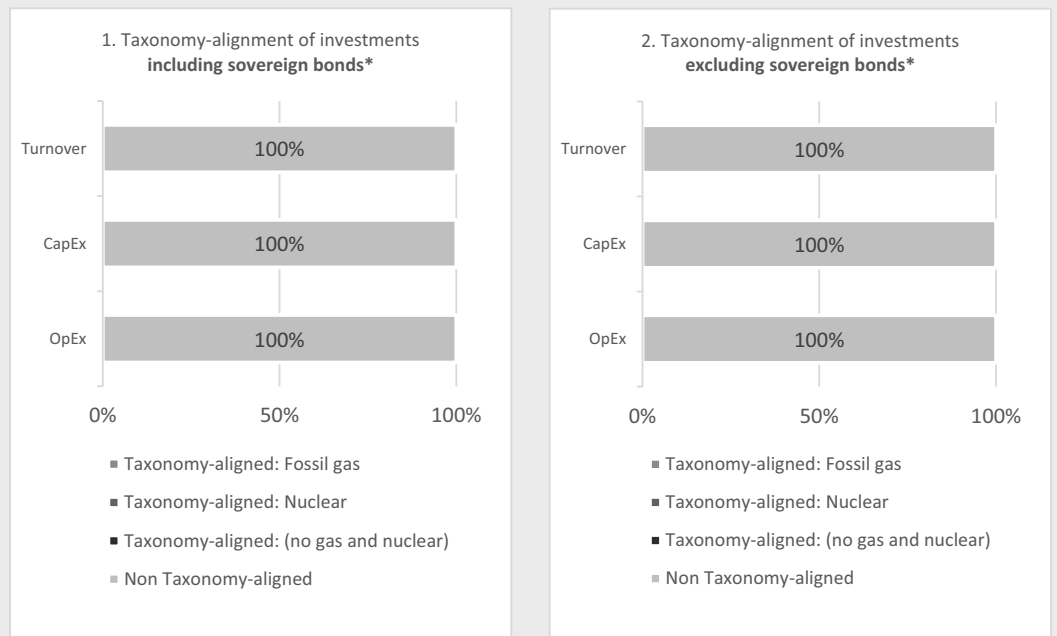
- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes
  - In fossil gas
  - In nuclear energy
- No

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



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures.

- **What was the share of investments made in transitional and enabling activities?**  
The Sub-Fund did not make investments in transitional and enabling economic activities (0%).
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

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



N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The Sub-Fund did not make sustainable investments with an environmental objective not aligned with the EU Taxonomy (0%).



**What was the share of socially sustainable investments?**

The Sub-Fund did not make any socially sustainable investment (0%).



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

The category "#2 Other" included only cash, foreign exchange (FX) derivatives and derivatives on volatility.

Within the limits set out in the investment restrictions in the main body of the Prospectus, derivatives are used as efficient portfolio management tools, for cash management and for hedging purposes.

Such investments do not have minimum environmental or social safeguards.

Investments may furthermore fall under "#2 Other" if insufficient ESG-related information is available. This applies in particular to asset classes for which ESG factors are insufficiently defined at present or not sufficient ESG related information is available.



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

The Investment Manager continuously monitored the ESG valuation assigned to the assets of the Sub-Fund and the ESG scores used for such valuation were updated on a weekly basis. The Investment Manager maintained an ESG hot-list containing all the eligible companies that have been involved in critical ESG situation based on a proprietary model's research output, which the investment team integrated in the investment process.



**How did this financial product perform compared to the reference benchmark?**

The Sub-Fund does not use a reference benchmark for the purpose of attaining the environmental and/or social characteristics.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***  
N/A
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***  
N/A
- ***How did this financial product perform compared with the reference benchmark?***  
N/A
- ***How did this financial product perform compared with the broad market index?***  
N/A

ANNEX IV

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

Product name: GFG Funds SICAV – Income Opportunity Legal entity identifier: 529900MI16EB9MJ6SX85

## Environmental and/or social characteristics

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

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

### Did this financial product have a sustainable investment objective?

**Yes**

It made **sustainable investments with an environmental objective: \_\_\_%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: \_\_\_%**

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



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

The Sub-Fund integrated environmental and social characteristics into the investment decision process by adhering to a dedicated ESG policy, including value-, norm- and business conduct exclusion. In this respect, the investments of the Sub-Fund were restricted to issuers evidencing a sound ESG rating and which follow good governance practices. In order to assess good governance practices, we relied on the governance score of each investee company, provided by the external data provider.

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

Specifically, the ESG metrics deployed by the ESG data providers include animal mistreatment, climate change, GHG emissions, global pollution, impacts on landscapes, ecosystems and biodiversity, local pollution, overuse and wasting of resources, waste issues.

The Sub-Fund solely invested in instruments from issuers meeting the Investment Manager's ESG policy. In this respect, the exclusions applied to the investment universe relied on a two-levels approach:

1. Controversial activities and Jurisdictions. This exclusion was made using, among others the following screening:

- jurisdictions mentioned in United Nations Security Council Sanctions
- Jurisdictions mentioned in Financial Action Task Force list of "High-Risk Jurisdictions subject to a Call for Action"
- all instruments issued by a company within the proprietary model's exclusion list;
- all instruments whose ultimate parent companies was within the proprietary model's exclusion list; and
- all securities having as Industry Sector Gambling or Tobacco

2. All entities displaying weak ESG ratings: we screened out of the Prospectus-compliant investment universe:

- all the companies displaying weak ESG Scores, i.e. having an ESG Score above 65, indicating an extremely high ESG risk exposure;
- all Government Bonds having an ESG Score above 60.

All Corporate Bonds, Stocks, Government Bonds and Listed Derivatives (with the only exception of derivatives on currencies, on volatility, and on indices) were assigned an ESG score. A specific methodology was defined to assign a proxy score also to companies eventually not covered by the ESG data providers. As they were not part of the core investment strategy, derivatives which are not Listed Derivatives (with the exception above-mentioned) did not undergo such exclusion criteria and were instead assessed on a case-by-case basis.

With respect to the factors listed above, the Sub-Fund entirely met its environmental and social characteristics, being every evaluable financial instrument held within the portfolio itself compliant with the ESG Policy of the financial product.

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

During the reporting period from 01 January 2022 to 31 December 2022, the Sub-Fund was 83% invested in securities aligned with E/S characteristics promoted by the Sub-Fund itself. It was not possible to assess 17% of the assets against the indicators, as they corresponded to liquidity deposits, foreign exchange (FX) derivatives and the derivatives on volatility. The Sub-Fund applied ESG scores to analyse issuers and to monitor investments, denoting ESG risk exposure, ranging from zero (lowest) to 100 (highest). As of 31.12.2022, the weighted average scores for the Sub-Fund were as follows:

- ESG Score: 19.19
  - o Environment Score: 5.43
  - o Social Score: 5.96
  - o Governance Score: 7.62

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

N/A

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Sub-Fund did not commit to make any sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The Sub-Fund did not commit to make any sustainable investments.

— ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The Sub-Fund did not commit to make any sustainable investments.

— ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

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

The Sub-Fund did not commit to make any sustainable investments.

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

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

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



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

The Sub-Fund did not considered principal adverse impacts on sustainability factors.



### What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31.12.2022

Largest investments	Sector	% Assets	Country
Cash at banks and at brokers	Other	15.8	
BUNDESSCHATZANW 0%/22-150324	Public Administration And Defence;	7.9	Germany
BUONI POLIENNALI DEL TES 0%/21-151224	Public Administration And Defence;	6.6	Italy
GERMANY 0.25%/17-150227	Public Administration And Defence;	5.6	Germany
GFG FUNDS - GLOBAL ENHANCED CASH I EUR	Financial And Insurance Activities	2.2	Luxembourg
INTESA SANPAOLO SPA SUB FF FRN/20-PERPET	Financial And Insurance Activities	1.6	Italy
SANOFI	Manufacturing	1.2	France
BANCO BILBAO VIZCAY SUB FF FRN/20-PERPET	Financial And Insurance Activities	1.2	Spain
CAIXABANK SA (SUBORDINATED) FIX-TO-FRN FRN/18-17.04.2030	Financial And Insurance Activities	1.1	Spain
BANCO SANTANDER SA (SUBORDINATED) 2.125%/18-08.02.2028	Financial And Insurance Activities	1.1	Spain
BANCO SANTANDER FF 4.75%/17-PERPET	Financial And Insurance Activities	1.1	Spain
UNITEDHEALTH GROUP	Manufacturing	1.1	USA

GROUPAMA FF 6.375%/14-PERPET	Financial And Insurance Activities	1.0	France
ABANCA CORP BANCARIA SA S FF FRN/180129	Financial And Insurance Activities	1.0	Spain
BANCO BPM SPA SUB S 13 FF FRN/20-140930	Financial And Insurance Activities	1.0	Italy



## What was the proportion of sustainability-related investments?

The proportion of investments used to meet the environmental and/or social characteristics promoted by the Sub-Fund described below (#1 Aligned with E/S characteristics) was 83% of its total assets.

The Sub-Fund invested 17% of its total assets in other investments (#2 Other).

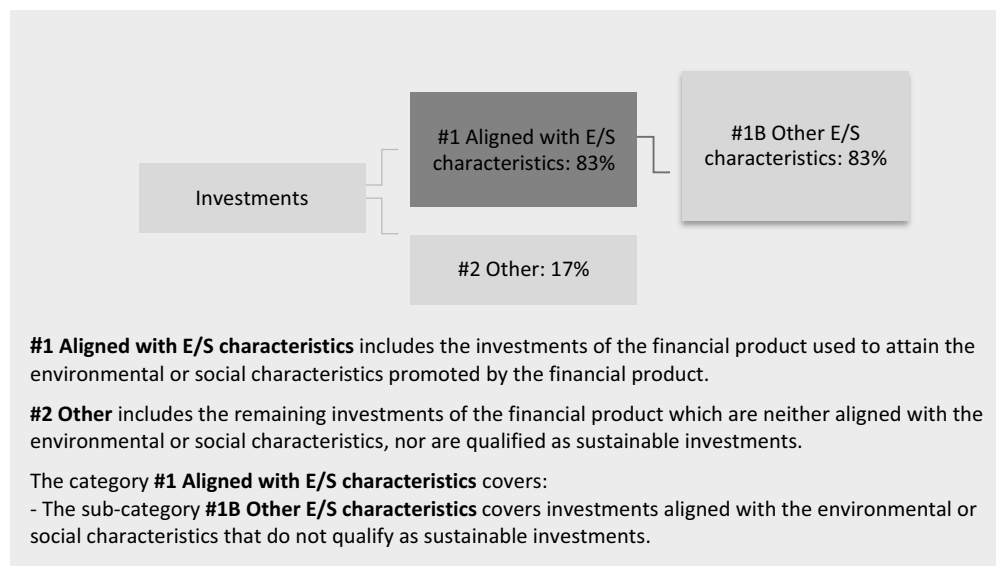
**Asset allocation** describes the share of investments in specific assets.

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

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

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

### What was the asset allocation?



### In which economic sectors were the investments made?

NACE Sector	% of TNA
Financial And Insurance Activities	37.1
Public Administration And Defence; Compulsory Social Security	20.1
Other	16.6
Information And Communication	7.8
Manufacturing	6.4
Electricity, Gas, Steam And Air Conditioning Supply	4.6
Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	2.2
Transportation And Storage	1.7
Construction	1.5
Human Health And Social Work Activities	0.9
Mining And Quarrying	0.6
Accommodation And Food Service Activities	0.5



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

The Sub-Fund did not make sustainable investments with an environmental objective aligned with the EU Taxonomy (0%).

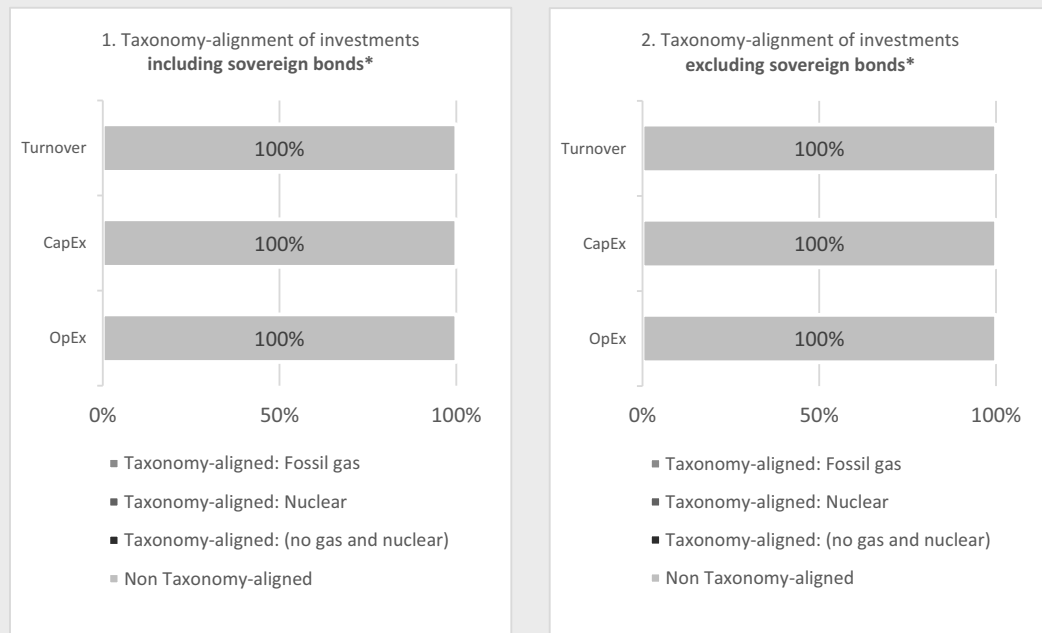
Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

- Yes
  - In fossil gas
  - In nuclear energy
- No

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



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



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852.

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



- **What was the share of investments made in transitional and enabling activities?**  
The Sub-Fund did not make investments in transitional and enabling economic activities (0%).
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The Sub-Fund did not make sustainable investments with an environmental objective not aligned with the EU Taxonomy (0%).



**What was the share of socially sustainable investments?**

The Sub-Fund did not make any socially sustainable investment (0%).



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

The category "#2 Other" included only cash, foreign exchange (FX) derivatives and derivatives on volatility.

Within the limits set out in the investment restrictions in the main body of the Prospectus, derivatives are used as efficient portfolio management tools, for cash management and for hedging purposes.

Such investments do not have minimum environmental or social safeguards.

Investments may furthermore fall under "#2 Other" if insufficient ESG-related information is available. This applies in particular to asset classes for which ESG factors are insufficiently defined at present or not sufficient ESG related information is available.



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

The Investment Manager continuously monitored the ESG valuation assigned to the assets of the Sub-Fund and the ESG scores used for such valuation were updated on a weekly basis. The Investment Manager maintained an ESG hot-list containing all the eligible companies that have been involved in critical ESG situation based on a proprietary model's research output, which the investment team integrated in the investment process.



### **How did this financial product perform compared to the reference benchmark?**

The Sub-Fund does not use a reference benchmark for the purpose of attaining the environmental and/or social characteristics.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How does the reference benchmark differ from a broad market index?***  
N/A
- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***  
N/A
- ***How did this financial product perform compared with the reference benchmark?***  
N/A
- ***How did this financial product perform compared with the broad market index?***  
N/A

ANNEX IV

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

Product name: GFG Funds SICAV – Global Enhanced Cash Legal entity identifier: 529900BQ5Y6853N43J70

## Environmental and/or social characteristics

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

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

### Did this financial product have a sustainable investment objective?

**Yes**

It made **sustainable investments with an environmental objective: \_\_\_%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: \_\_\_%**

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of \_\_\_% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



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

The Sub-Fund integrated environmental and social characteristics into the investment decision process by adhering to a dedicated ESG policy, including value-, norm- and business conduct exclusion. In this respect, the investments of the Sub-Fund were restricted to issuers evidencing a sound ESG rating and which follow good governance practices. In order to assess good governance practices, we relied on the governance score of each investee company, provided by the external data provider.

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

Specifically, the ESG metrics deployed by the ESG data providers include animal mistreatment, climate change, GHG emissions, global pollution, impacts on landscapes, ecosystems and biodiversity, local pollution, overuse and wasting of resources, waste issues.

The Sub-Fund solely invested in instruments from issuers meeting the Investment Manager's ESG policy. In this respect, the exclusions applied to the investment universe relied on a two-levels approach:

1. Controversial activities and Jurisdictions. This exclusion was made using, among others the following screening:

- jurisdictions mentioned in United Nations Security Council Sanctions
- Jurisdictions mentioned in Financial Action Task Force list of "High-Risk Jurisdictions subject to a Call for Action"
- all instruments issued by a company within the proprietary model's exclusion list;
- all instruments whose ultimate parent companies was within the proprietary model's exclusion list; and
- all securities having as Industry Sector Gambling or Tobacco

2. All entities displaying weak ESG ratings: we screened out of the Prospectus-compliant investment universe:

- all the companies displaying weak ESG Scores, i.e. having an ESG Score above 65, indicating an extremely high ESG risk exposure;
- all Government Bonds having an ESG Score above 60.

All Corporate Bonds, Stocks, Government Bonds and Listed Derivatives (with the only exception of derivatives on currencies, on volatility, and on indices) were assigned an ESG score. A specific methodology was defined to assign a proxy score also to companies eventually not covered by the ESG data providers. As they were not part of the core investment strategy, derivatives which are not Listed Derivatives (with the exception above-mentioned) did not undergo such exclusion criteria and were instead assessed on a case-by-case basis.

With respect to the factors listed above, the Sub-Fund entirely met its environmental and social characteristics, being every evaluable financial instrument held within the portfolio itself compliant with the ESG Policy of the financial product.

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

During the reporting period from 01 January 2022 to 31 December 2022, the Sub-Fund was 93% invested in securities aligned with E/S characteristics promoted by the Sub-Fund itself. It was not possible to assess 7% of the assets against the indicators, as they corresponded to liquidity deposits. The Sub-Fund applied ESG scores to analyse issuers and to monitor investments, denoting ESG risk exposure, ranging from zero (lowest) to 100 (highest). As of 31.12.2022, the weighted average scores for the Sub-Fund were as follows:

- ESG Score: 26.41
  - o Environment Score: 9.80
  - o Social Score: 7.89
  - o Governance Score: 8.48

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

N/A

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Sub-Fund did not commit to make any sustainable investments.

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The Sub-Fund did not commit to make any sustainable investments.

— ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The Sub-Fund did not commit to make any sustainable investments.

— ***Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?***

The Sub-Fund did not commit to make any sustainable investments.

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

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

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

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



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

The Sub-Fund did not consider principal adverse impacts on sustainability factors.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31.12.2022

Largest investments	Sector	% Assets	Country
BUNDESSCHATZANWEISUNGEN 0%/21-160623	Public Administration And Defence; Compulsory Social	10.7	Germany
BUNDESSCHATZANWEISUNGEN 0%/21-150923	Public Administration And Defence; Compulsory Social	10.6	Germany
BUONI POLIENNALI DEL TES 1.75%/19-010724	Public Administration And Defence; Compulsory Social	10.0	Italy
Cash at banks and at brokers	Other	5.6	
UNIPOLSAI SUB FF 5.75%/14-PERPET	Financial And Insurance Activities	3.8	Italy
ALLIANZ SE FIX-TO-FRN (SUBORDINATED) 6.25%13-PERPETUAL	Financial And Insurance Activities	3.7	Germany
BARCLAYS PLC FF 2%/17-070228	Financial And Insurance Activities	3.7	United Kingdom
LLOYDS BANKING GROUP FIX-TO-FRN 0.625%/18-15.01.2024	Financial And Insurance Activities	3.2	United Kingdom
DANONE FF 1.75%/17-PERPET	Accommodation And Food Service Activities	3.2	France
SOCIETE GENERALE 4%/13-070623	Financial And Insurance Activities	2.7	France
DELTA LLOYD FF 4.375%/14-PERPET	Financial And Insurance Activities	2.7	Netherlands
JP MORGAN CHASE 0.625%/16-250124	Financial And Insurance Activities	2.6	USA
BAYER FIX-TO-FRN 3.75%/14-01.07.2074	Mining And Quarrying	2.6	Germany
ELECTRICITE DE FRANCE SA (SUBORDINATED) FIX-TO-FRN FRN/18-	Electricity, Gas, Steam And Air Conditioning Supply	2.5	France
UNICREDIT SPA SUB FF FRN/19-230929	Financial And Insurance Activities	2.5	Italy



## What was the proportion of sustainability-related investments?

The proportion of investments used to meet the environmental and/or social characteristics promoted by the Sub-Fund described below (#1 Aligned with E/S characteristics) was 93% of its total assets.

The Sub-Fund invested 7% of its total assets in other investments (#2 Other).

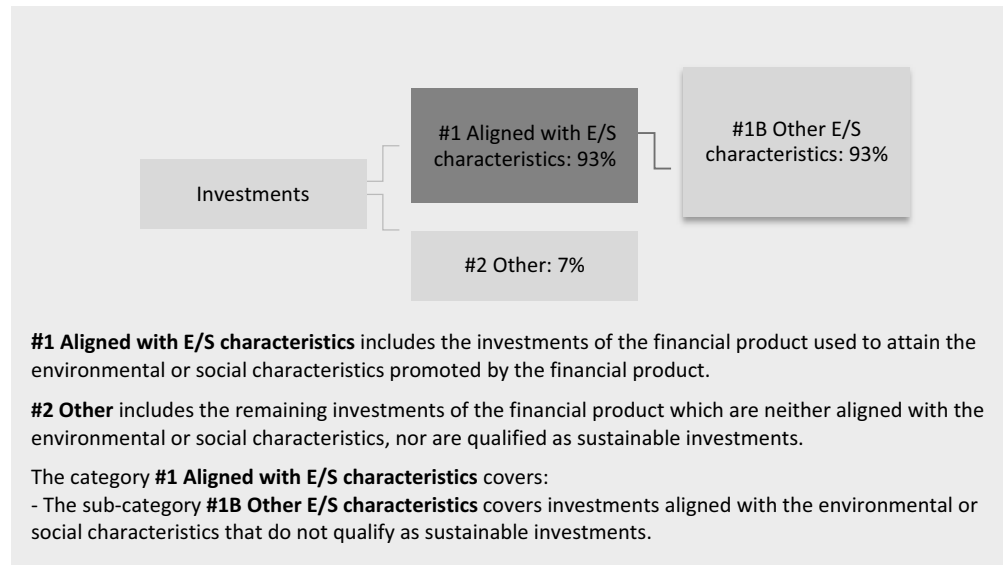
**Asset allocation** describes the share of investments in specific assets.

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

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

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

● **What was the asset allocation?**



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

NACE Sector	% of TNA
Financial And Insurance Activities	38.3
Manufacturing	4.5
Accommodation And Food Service Activities	4.3
Electricity, Gas, Steam And Air Conditioning Supply	4.1
Administrative And Support Service Activities	3.4
Mining And Quarrying	2.6
Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	2.6
Information And Communication	1.6
Real Estate Activities	0.9



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

The Sub-Fund did not make sustainable investments with an environmental objective aligned with the EU Taxonomy (0%).

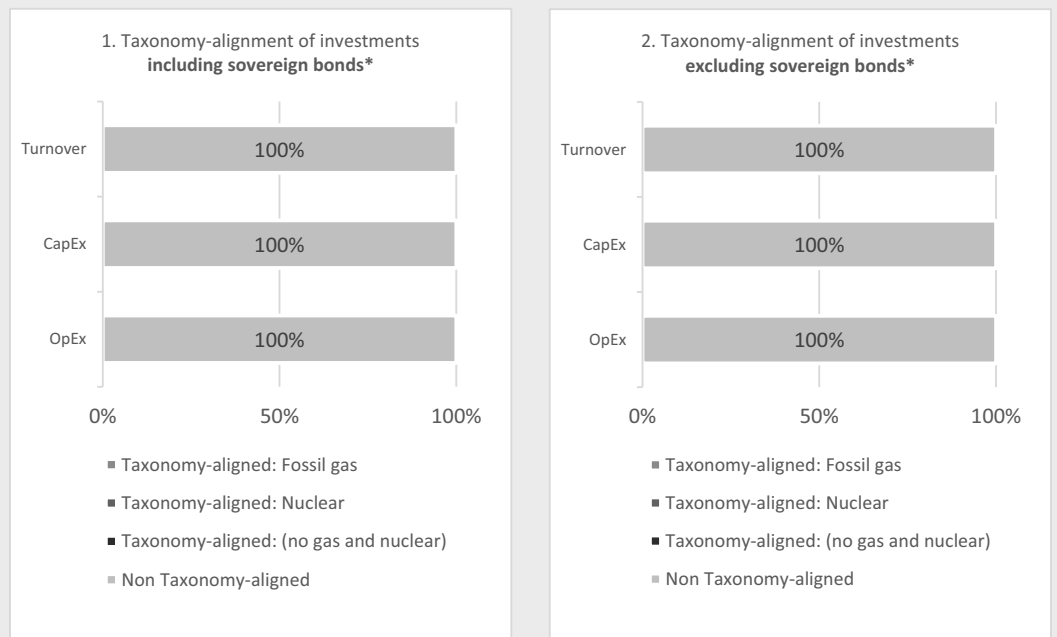
● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

- Yes
  - In fossil gas
  - In nuclear energy
- No


Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure (CapEx)** shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure (OpEx)** reflects the green operational activities of investee companies.

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



\*For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

- **What was the share of investments made in transitional and enabling activities?**  
The Sub-Fund did not make investments in transitional and enabling economic activities (0%).
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

N/A

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





### **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The Sub-Fund did not make sustainable investments with an environmental objective not aligned with the EU Taxonomy (0%).



### **What was the share of socially sustainable investments?**

The Sub-Fund did not make any socially sustainable investment (0%).



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

The category "#2 Other" included only cash, foreign exchange (FX) derivatives and derivatives on volatility.

Within the limits set out in the investment restrictions in the main body of the Prospectus, derivatives are used as efficient portfolio management tools, for cash management and for hedging purposes.

Such investments do not have minimum environmental or social safeguards.

Investments may furthermore fall under "#2 Other" if insufficient ESG-related information is available. This applies in particular to asset classes for which ESG factors are insufficiently defined at present or not sufficient ESG related information is available.



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

The Investment Manager continuously monitored the ESG valuation assigned to the assets of the Sub-Fund and the ESG scores used for such valuation were updated on a weekly basis. The Investment Manager maintained an ESG hot-list containing all the eligible companies that have been involved in critical ESG situation based on a proprietary model's research output, which the investment team integrated in the investment process.



### **How did this financial product perform compared to the reference benchmark?**

The Sub-Fund does not use a reference benchmark for the purpose of attaining the environmental and/or social characteristics.

- ***How does the reference benchmark differ from a broad market index?***

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

N/A

