

LIOR GP

Société d'Investissement à Capital Variable organized under the laws of the Grand Duchy of Luxembourg

**Annual report, including Audited Financial Statements
as at 31/12/23**

R.C.S. Luxembourg B 249853

LIOR GP

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LIOR GP

Organisation and administration

Registered Office	5, Allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg
Board of Directors of the SICAV	
Members	Jeremy Touboul Chief Executive Officer and Chief Investment Officer LIOR Global Partners Raphaël Remond Chief Executive Officer and Chief Operating Officer LIOR Global Partners Ingrid Dubourdieu Managing Partner Fieldfisher
Management Company	(until December 31, 2023) CARNE GLOBAL FUND MANAGERS (Luxembourg) S.A. 3, Rue Jean Piret L-2350 Luxembourg Grand Duchy of Luxembourg (from January 1, 2024) LEMANIK ASSET MANAGEMENT S.A. 106, Route d'Arlon L-8210 Mamer Grand Duchy of Luxembourg
Investment Manager	LIOR GLOBAL PARTNERS 5, Avenue Princesse Alice Palais St James, 3e étage 98000 Monaco
Depositary	CACEIS Bank, Luxembourg Branch 5, Allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg
Administrative Agent, Domiciliary, Registrar and Transfer and Paying Agent	CACEIS Bank, Luxembourg Branch 5, Allée Scheffer L-2520 Luxembourg Grand Duchy of Luxembourg
Auditor	Deloitte Audit S.à r.l. 20, Boulevard de Kockelscheuer L-1821 Luxembourg Grand Duchy of Luxembourg

Report of the Board of Directors

The year 2023 was undeniably remarkable, defying many expectations of prevailing predictions of a continued bear market stemming from 2022 and the looming spectre of a recession. Large-cap Growth outpaced Value by the second-largest margin since 1978.

Meanwhile, the 10-year U.S. Treasury (UST) Yield remained stable year-over-year, despite a dramatic late-year drop following a previous 15-year high.

Despite this point, the year was divided into three volatile parts. The beginning of the year until mid-July was quite positive for long duration, long equities, and EUR positions. From Mid-July to Mid-October, the market position was the extreme opposite from the first part of the year. Finally, from mid-October to end of the year, we experienced the exact same moves than at the beginning of the year but at an accelerated pace.

The Alpha Fund ended the year with a gross performance of +6.69%, +3.74% net of fees. In the wake of last year, the fixed income allocation was the best contributor to the positive performance of the fund. Pursuing our peak of inflation scenario, the portfolio was overall long duration over the year with a gross performance from fixed income of 5.74%. The equity allocation was also positive recording a gain of 2.77% drawn by our long US equity allocation.

The currencies allocation has brought negative performance to the portfolio, around -1.48% coming from long positions on JPY and commodity linked currencies.

The Proxima Fund concluded the year with a gross performance of +4.91%, +2.64% net of fees. We maintain our strategy of positioning for the peak of inflation and peak interest rate scenario within the fund. Both the EUR and US bond allocations contributed positively to the performance, supported by the carry of emerging countries' bonds.

The Global Short Duration Fund was launched on February 9th, 2023, and ended the year with a gross performance of +2.92%, +1.27% net of fees. The fund is a good cash management solution with high liquidity for our clients.

Looking ahead to 2024, there are intriguing questions on the horizon. The current U.S. interest rate landscape continues to exert downward pressure on spending and inflation. It is now more crucial than ever to consider the potential for rate cuts in the coming quarters. The question remains whether the Federal Reserve can effectively manage a soft landing, an outcome never achieved before, or if we may be headed towards a recession later this year or early in the next.

This year's U.S. elections have been rather promising for equity markets, with the S&P 500 index averaging a net return of just under 9% in election years since 1950.

However, there is a shadow hanging over the picture: geopolitics in the world have never been so complicated since several decades. Early this year, Taiwan election will be a first milestone and could increase the tensions between US and China. The war in Ukraine is likely to have difficulties to resolve over the course of the year. We fear that, with the new threats coming from the Middle East, the focus and aid of the USA and Western countries may be shifting in this new direction. Nevertheless, we are convinced that this geopolitical instability will affect European countries more than the United States for the time being.

Our process remains well adapted for this environment and our funds will continue to exploit opportunities arising from the market volatility.

To the Shareholders of
LIOR GP
5, allée Scheffer
L-2520 Luxembourg

REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

Opinion

We have audited the financial statements of LIOR GP (the «SICAV») and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at 31 December 2023 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 SICAV and of each of its sub-funds as at 31 December 2023, 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 SICAV in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors of the SICAV is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of 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 SICAV for the Financial Statements

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

In preparing the financial statements, the Board of Directors of the SICAV is responsible for assessing the SICAV's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the SICAV either intends to liquidate the SICAV 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 SICAV's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the SICAV.
- Conclude on the appropriateness of the Board of Directors of the SICAV 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 SICAV's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *réviseur d'entreprises agréé* to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *réviseur d'entreprises agréé*. However, future events or conditions may cause the SICAV to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For Deloitte Audit, *Cabinet de révision agréé*

Elisabeth Layer, *Réviseur d'entreprises agréé*

Partner

18 April 2024

LIOR GP

Combined financial statements

LIOR GP

Combined statement of net assets as at 31/12/23

	Note	Expressed in EUR
Assets		29,043,445.35
Securities portfolio at market value	2.2	24,680,846.81
<i>Cost price</i>		24,386,063.63
Options (long positions) at market value	2.5	84,412.81
<i>Options purchased at cost</i>		99,933.89
Cash at banks and liquidities		845,075.83
Initial margin		643,899.65
Margin deposit		42,709.40
Collateral receivable	10	1,240,000.00
Receivable for investments sold		519,345.03
Receivable on subscriptions		49,566.44
Net unrealised appreciation on forward foreign exchange contracts	2.6	107,679.89
Net unrealised appreciation on financial futures	2.7	313,609.00
Interests receivable, net		396,686.78
Formation expenses, net	2.9	114,940.74
Other assets		4,672.97
Liabilities		1,553,943.11
Options (short positions) at market value	2.5	6,175.01
<i>Options sold at cost</i>		16,149.52
Bank overdrafts		800.00
Margin call		346,483.52
Payable on investments purchased		9,966.95
Payable on redemptions		721,569.44
Net unrealised depreciation on financial futures	2.7	6,240.00
Management fees payable	4	69,495.82
Management Company fees payable	3	38,948.51
Depositary and sub-depositary fees payable	6	2,914.77
Administration fees payable	7	5,893.56
Performance fees payable	5	268,608.07
Other liabilities		76,847.46
Net asset value		27,489,502.24

LIOR GP

Combined statement of operations and changes in net assets for the year ended 31/12/23

	Note	Expressed in EUR
Income		2,151,822.00
Dividends on securities portfolio, net	2.8	6,667.39
Interests on bonds and money market instruments, net	2.8	2,000,921.53
Bank interests on cash accounts		143,424.32
Other income		808.76
Expenses		1,453,687.84
Management fees	4	439,211.04
Management Company fees	3	108,966.65
Performance fees	5	267,050.15
Depositary fees	6	36,303.03
Administration fees	7	110,197.44
Amortisation of formation expenses	2.9	39,121.44
Audit fees		44,193.14
Legal fees		122,171.03
Transaction fees	2.10	127,339.19
Directors fees		39,418.20
Subscription tax ("Taxe d'abonnement")	8	5,777.91
Interests paid on bank overdraft		23,446.53
Banking fees		28,186.01
Other expenses		62,306.08
Net income / (loss) from investments		698,134.16
Net realised profit / (loss) on:		
- sales of investment securities	2.2	103,964.22
- options	2.5	-1,073,343.90
- forward foreign exchange contracts	2.6	-214,855.32
- financial futures	2.7	-869,340.22
- CFDs		-6,640.00
- swaps		-3.49
- foreign exchange	2.3	827,679.44
Net realised profit / (loss)		-534,405.11
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	1,223,621.08
- options	2.5	19,275.78
- forward foreign exchange contracts	2.6	-120,109.19
- financial futures	2.7	556,499.89
Net increase / (decrease) in net assets as a result of operations		1,144,882.45
Subscriptions of capitalisation shares		31,990,800.66
Subscriptions of distribution shares		1,126,500.00
Redemptions of capitalisation shares		-58,472,311.18
Redemptions of distribution shares		-1,102,600.40
Net increase / (decrease) in net assets		-25,312,728.47
Net assets at the beginning of the year		52,802,230.71
Net assets at the end of the year		27,489,502.24

LIOR GP – Alpha Fund

LIOR GP – Alpha Fund

Statement of net assets as at 31/12/23

	Note	Expressed in EUR
Assets		14,092,778.47
Securities portfolio at market value	2.2	10,654,084.81
<i>Cost price</i>		10,612,332.91
Options (long positions) at market value	2.5	84,412.81
<i>Options purchased at cost</i>		99,933.89
Cash at banks and liquidities		507,800.01
Initial margin		637,289.45
Margin deposit		34,219.40
Collateral receivable	10	1,240,000.00
Receivable for investments sold		254,075.75
Net unrealised appreciation on forward foreign exchange contracts	2.6	97,605.30
Net unrealised appreciation on financial futures	2.7	313,609.00
Interests receivable, net		201,183.02
Formation expenses, net	2.9	68,498.92
Liabilities		1,005,496.11
Options (short positions) at market value	2.5	6,175.01
<i>Options sold at cost</i>		16,149.52
Bank overdrafts		800.00
Margin call		346,483.52
Payable on investments purchased		9,966.95
Payable on redemptions		395,750.01
Management fees payable	4	29,843.36
Management Company fees payable	3	15,823.92
Depositary and sub-depositary fees payable	6	934.55
Administration fees payable	7	1,964.52
Performance fees payable	5	164,110.28
Other liabilities		33,643.99
Net asset value		13,087,282.36

LIOR GP – Alpha Fund

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

	Note	Expressed in EUR
Income		758,240.02
Dividends on securities portfolio, net	2.8	6,667.39
Interests on bonds and money market instruments, net	2.8	658,547.97
Bank interests on cash accounts		92,935.72
Other income		88.94
Expenses		640,331.71
Management fees	4	133,826.93
Management Company fees	3	45,013.72
Performance fees	5	163,570.96
Depositary fees	6	12,368.53
Administration fees	7	45,228.93
Amortisation of formation expenses	2.9	25,264.21
Audit fees		10,898.13
Legal fees		37,350.54
Transaction fees	2.10	91,939.38
Directors fees		18,944.51
Subscription tax ("Taxe d'abonnement")	8	1,640.56
Interests paid on bank overdraft		10,124.54
Banking fees		17,495.01
Other expenses		26,665.76
Net income / (loss) from investments		117,908.31
Net realised profit / (loss) on:		
- sales of investment securities	2.2	18,142.06
- options	2.5	-796,165.70
- forward foreign exchange contracts	2.6	-27,926.55
- financial futures	2.7	-459,954.13
- CFDs		-6,640.00
- foreign exchange	2.3	699,814.54
Net realised profit / (loss)		-454,821.47
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	818,781.10
- options	2.5	15,259.90
- forward foreign exchange contracts	2.6	-74,708.40
- financial futures	2.7	521,152.04
Net increase / (decrease) in net assets as a result of operations		825,663.17
Subscriptions of capitalisation shares		5,873,645.60
Redemptions of capitalisation shares		-11,361,888.26
Net increase / (decrease) in net assets		-4,662,579.49
Net assets at the beginning of the year		17,749,861.85
Net assets at the end of the year		13,087,282.36

LIOR GP – Alpha Fund

Statistics

		31/12/23	31/12/22	31/12/21
Total Net Assets	EUR	13,087,282.36	17,749,861.85	16,717,151.48
N/A (EUR) - Capitalisation				
Number of shares		300.000	300.000	300.000
Net asset value per share	EUR	103.26	99.71	97.25
I/A (EUR) - Capitalisation				
Number of shares		87,644.949	133,011.891	160,223.760
Net asset value per share	EUR	104.34	100.58	97.60
I/A (USD) - Capitalisation				
Number of shares		20,945.134	19,581.558	5,681.558
Net asset value per share	USD	98.47	90.94	93.97
I/A (GBP) H - Capitalisation				
Number of shares		16,928.850	23,812.439	5,119.991
Net asset value per share	GBP	104.64	99.59	95.28

LIOR GP – Alpha Fund

Changes in number of shares outstanding from 01/01/23 to 31/12/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
N/A (EUR) - Capitalisation	300.000	0.000	0.000	300.000
I/A (EUR) - Capitalisation	133,011.891	47,610.034	92,976.976	87,644.949
I/A (USD) - Capitalisation	19,581.558	11,753.576	10,390.000	20,945.134
I/A (GBP) H - Capitalisation	23,812.439	0.000	6,883.589	16,928.850

LIOR GP – Alpha Fund

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			8,109,189.01	61.96
Shares			471,406.62	3.60
Canada			89,084.17	0.68
WHEATON PRECIOUS METAL - REGISTERED	CAD	2,000	89,084.17	0.68
Kazakhstan			62,673.70	0.48
POLYMETAL INTERNATIONAL PLC	USD	15,385	62,673.70	0.48
United States of America			319,648.75	2.44
NEWMONT CORPORATION	USD	4,000	150,092.79	1.15
PALANTIR TCHNLG - REGISTERED SHS -A-	USD	5,000	77,716.92	0.59
UNITY SOFTWARE INC	USD	2,500	91,839.04	0.70
Bonds			6,544,149.76	50.00
Australia			966,563.58	7.39
AUSTRALIA 4.50 13-33 21/04S	AUD	1,500,000	966,563.58	7.39
Brazil			247,131.14	1.89
BRAZIL 8.50 12-24 05/01S	BRL	1,327,000	247,131.14	1.89
Colombia			397,060.29	3.03
COLOMBIA 10.00 08-24 24/07A	COP	1,700,000,000	397,060.29	3.03
France			829,129.10	6.34
ALD SA 4.0000 22-27 05/07A	EUR	100,000	102,292.13	0.78
EDF 3.875 22-27 12/01A	EUR	100,000	102,026.32	0.78
ELIS SA 4.1250 22-27 24/05A	EUR	200,000	202,721.12	1.55
RCI BANQUE SA 4.875 22-28 21/09A	EUR	100,000	105,926.41	0.81
SUEZ 4.6250 22-28 03/11A	EUR	200,000	212,114.00	1.62
VALEO SA 5.375 22-27 28/05A	EUR	100,000	104,049.12	0.80
Italy			303,638.96	2.32
AUTOSTRATE ITALIA SPA 4.375 10-25 16/09A	EUR	300,000	303,638.96	2.32
Mexico			1,824,491.53	13.94
MEX BONOS DESARR FIX 10.00 05-24 05/12S	MXN	195,000	1,037,408.81	7.93
MEXICO 8.00 19-24 05/09S	MXN	150,000	787,082.72	6.01
Netherlands			199,799.51	1.53
STELLANTIS 3.75 16-24 29/03A	EUR	200,000	199,799.51	1.53
Norway			274,288.86	2.10
NORWAY 3.00 14-24 14/03A	NOK	3,087,000	274,288.86	2.10
South Africa			134,737.78	1.03
SOUTH AFRICA 10.50 98-26 21/12S	ZAR	2,600,000	134,737.78	1.03
United States of America			1,367,309.01	10.45
BANQUE INTERNATIONALE 5 21-26 22/01A	BRL	3,560,000	623,810.16	4.77
INTL BK FOR RECONS AN 6.75 19-24 04/02A	BRL	4,000,000	743,498.85	5.68
Floating rate notes			486,696.63	3.72
Ireland			486,696.63	3.72
BANK OF IRELAND GRP FL.R 19-25 25/11A	EUR	200,000	194,811.85	1.49
BANK OF IRELAND GRP FL.R 22-26 05/06A	EUR	300,000	291,884.78	2.23
Shares/Units in investment funds			606,936.00	4.64
Luxembourg			606,936.00	4.64
LIOR GP GL SHORT DURATION FD IA EUR	EUR	600	606,936.00	4.64

LIOR GP – Alpha Fund

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Money market instruments			2,544,895.80	19.45
Treasury market			2,544,895.80	19.45
Italy			2,368,023.60	18.09
ITAL BUON ORDI DEL ZCP 28-03-24	EUR	700,000	689,679.10	5.27
ITAL BUON ORDI DEL ZCP 31-01-24	EUR	1,200,000	1,186,882.71	9.07
ITAL BUON ORDI DEL ZCP 31-05-24	EUR	500,000	491,461.79	3.76
United States of America			176,872.20	1.35
UNIT STAT TREA BIL ZCP 15-02-24	USD	200,000	176,872.20	1.35
Total securities portfolio			10,654,084.81	81.41

LIOR GP – Proxima Fund

LIOR GP – Proxima Fund

Statement of net assets as at 31/12/23

	Note	Expressed in EUR
Assets		11,403,078.33
Securities portfolio at market value	2.2	10,963,522.38
<i>Cost price</i>		10,768,914.72
Cash at banks and liquidities		261,683.07
Net unrealised appreciation on forward foreign exchange contracts	2.6	10,074.59
Interests receivable, net		137,175.29
Formation expenses, net	2.9	25,950.03
Other assets		4,672.97
Liabilities		186,430.65
Management fees payable	4	33,197.89
Management Company fees payable	3	17,468.55
Depository and sub-depository fees payable	6	1,017.28
Administration fees payable	7	1,964.52
Performance fees payable	5	104,497.79
Other liabilities		28,284.62
Net asset value		11,216,647.68

LIOR GP – Proxima Fund

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

	Note	Expressed in EUR
Income		1,141,439.90
Interests on bonds and money market instruments, net		1,099,414.81
Bank interests on cash accounts		41,700.12
Other income		324.97
Expenses		651,386.41
Management fees	4	269,237.59
Management Company fees	3	33,746.42
Performance fees	5	103,479.19
Depositary fees	6	13,746.08
Administration fees	7	38,398.13
Amortisation of formation expenses	2.9	7,827.86
Audit fees		28,854.36
Legal fees		57,375.67
Transaction fees	2.10	30,145.67
Directors fees		13,844.51
Subscription tax ("Taxe d'abonnement")	8	3,284.68
Interests paid on bank overdraft		13,321.99
Banking fees		10,691.00
Other expenses		27,433.26
Net income / (loss) from investments		490,053.49
Net realised profit / (loss) on:		
- sales of investment securities	2.2	81,609.49
- options	2.5	-267,574.06
- forward foreign exchange contracts	2.6	-184,460.19
- financial futures	2.7	-374,294.22
- foreign exchange	2.3	119,460.88
Net realised profit / (loss)		-135,204.61
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	346,416.36
- options	2.5	4,015.88
- forward foreign exchange contracts	2.6	-45,400.79
- financial futures	2.7	41,587.85
Net increase / (decrease) in net assets as a result of operations		211,414.69
Subscriptions of capitalisation shares		13,082,520.16
Subscriptions of distribution shares		1,126,500.00
Redemptions of capitalisation shares		-37,153,555.63
Redemptions of distribution shares		-1,102,600.40
Net increase / (decrease) in net assets		-23,835,721.18
Net assets at the beginning of the year		35,052,368.86
Net assets at the end of the year		11,216,647.68

LIOR GP – Proxima Fund

Statistics

		31/12/23	31/12/22
Total Net Assets	EUR	11,216,647.68	35,052,368.86
I/A (EUR) - Capitalisation			
Number of shares		104,435.050	343,096.050
Net asset value per share	EUR	102.95	100.30
I/A (USD) H - Capitalisation			
Number of shares		4,910.144	6,798.000
Net asset value per share	USD	104.69	100.38

LIOR GP – Proxima Fund

Changes in number of shares outstanding from 01/01/23 to 31/12/23

	Shares outstanding as at 01/01/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
I/A (EUR) - Capitalisation	343,096.050	117,918.819	356,579.819	104,435.050
I/A (USD) H - Capitalisation	6,798.000	12,215.144	14,103.000	4,910.144
I/D EUR - distribution	0.000	11,265.000	11,265.000	0.000

LIOR GP – Proxima Fund

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			6,440,069.80	57.42
Bonds			5,655,738.23	50.42
France			1,478,359.67	13.18
ACCOR SA 1.75 19-26 04/02A	EUR	200,000	192,639.22	1.72
ARVAL SERVICE LEASE 4.125 23-26 13/04A	EUR	300,000	303,677.44	2.71
ATOS SE 1.7500 18-25 07/05A	EUR	100,000	76,791.52	0.68
BFCM 0.75 19-26 08/06A	EUR	200,000	188,353.16	1.68
EDF 3.875 22-27 12/01A	EUR	300,000	306,078.97	2.73
ELIS SA 4.1250 22-27 24/05A	EUR	200,000	202,721.12	1.81
VALEO SA 5.375 22-27 28/05A	EUR	200,000	208,098.24	1.86
Germany			189,793.92	1.69
COMMERZBANK AG 1.1250 19-26 22/06A	EUR	200,000	189,793.92	1.69
Ireland			688,480.28	6.14
CA AUTO BANK S.P.A - I 0.50 19-24 13/09A	EUR	300,000	292,884.55	2.61
DELL BANK INTL DAC 1.625 20-24 24/06A	EUR	400,000	395,595.73	3.53
Italy			762,858.59	6.80
AUTOSTRATE ITALIA SPA 4.375 10-25 16/09A	EUR	300,000	303,638.96	2.71
INTESA SANPAOLO 23-28 08/03A	EUR	150,000	155,339.34	1.38
ITALY BUONI POL TESO 3.5 22-26 15/01S	EUR	300,000	303,880.29	2.71
Mexico			640,533.44	5.71
MEX BONOS DESARR FIX 10.00 05-24 05/12S	MXN	120,400	640,533.44	5.71
Netherlands			310,018.85	2.76
VOLKSWAGEN INTL FIN 4.25 22-28 15/02A2A	EUR	300,000	310,018.85	2.76
Sweden			101,621.94	0.91
ELECTROLUX AB 4.125 22-26 05/10A	EUR	100,000	101,621.94	0.91
United Kingdom			331,369.04	2.95
UNITED KINGDOM 0.25 21-25 31/01S	GBP	300,000	331,369.04	2.95
United States of America			1,152,702.50	10.28
BANQUE INTERNATIONALE 5 21-26 22/01A	BRL	4,000,000	700,910.29	6.25
UNITED STATES 4.25 22-25 15/10S	USD	500,000	451,792.21	4.03
Floating rate notes			784,331.57	6.99
Ireland			340,809.75	3.04
BANK OF IRELAND GRP FL.R 19-25 25/11A	EUR	250,000	243,514.82	2.17
BANK OF IRELAND GRP FL.R 22-26 05/06A	EUR	100,000	97,294.93	0.87
Spain			200,366.69	1.79
BANCO SANTANDER FL.R 22-26 27/09A	EUR	200,000	200,366.69	1.79
United Kingdom			243,155.13	2.17
NATWEST GROUP PLC FL.R 19-25 15/11A	EUR	250,000	243,155.13	2.17
Money market instruments			4,523,452.58	40.33
Treasury market			4,523,452.58	40.33
France			917,265.12	8.18
0473820FRENCH R ZCP 020524	EUR	930,000	917,265.12	8.18
Italy			2,458,069.31	21.91
ITAL BUON ORDI DEL ZCP 28-03-24	EUR	400,000	393,047.44	3.50
ITAL BUON ORDI DEL ZCP 31-01-24	EUR	500,000	492,906.17	4.39
ITAL BUON ORDI DEL ZCP 31-05-24	EUR	1,600,000	1,572,115.70	14.02
United States of America			1,148,118.15	10.24
UNIT STAT TREA BIL ZCP 23-05-24	USD	1,300,000	1,148,118.15	10.24
Total securities portfolio			10,963,522.38	97.74

LIOR GP – Global Short Duration Fund

LIOR GP – Global Short Duration Fund

Statement of net assets as at 31/12/23

	Note	Expressed in EUR
Assets		3,547,588.55
Securities portfolio at market value	2.2	3,063,239.62
<i>Cost price</i>		3,004,816.00
Cash at banks and liquidities		75,592.75
Initial margin		6,610.20
Margin deposit		8,490.00
Receivable for investments sold		265,269.28
Receivable on subscriptions		49,566.44
Interests receivable, net		58,328.47
Formation expenses, net	2.9	20,491.79
Liabilities		362,016.35
Payable on redemptions		325,819.43
Net unrealised depreciation on financial futures	2.7	6,240.00
Management fees payable	4	6,454.57
Management Company fees payable	3	5,656.04
Depositary and sub-depositary fees payable	6	962.94
Administration fees payable	7	1,964.52
Other liabilities		14,918.85
Net asset value		3,185,572.20

LIOR GP – Global Short Duration Fund

Statement of operations and changes in net assets from 09/02/23 to 31/12/23

	Note	Expressed in EUR
Income		252,142.08
Interests on bonds and money market instruments, net		242,958.75
Bank interests on cash accounts		8,788.48
Other income		394.85
Expenses		161,969.72
Management fees	4	36,146.52
Management Company fees	3	30,206.51
Depositary fees	6	10,188.42
Administration fees	7	26,570.38
Amortisation of formation expenses	2.9	6,029.37
Audit fees		4,440.65
Legal fees		27,444.82
Transaction fees	2.10	5,254.14
Directors fees		6,629.18
Subscription tax ("Taxe d'abonnement")	8	852.67
Other expenses		8,207.06
Net income / (loss) from investments		90,172.36
Net realised profit / (loss) on:		
- sales of investment securities	2.2	4,212.67
- options	2.5	-9,604.14
- forward foreign exchange contracts	2.6	-2,468.58
- financial futures	2.7	-35,091.87
- swaps		-3.49
- foreign exchange	2.3	8,404.02
Net realised profit / (loss)		55,620.97
Movement in net unrealised appreciation / (depreciation) on:		
- investments	2.2	58,423.62
- financial futures	2.7	-6,240.00
Net increase / (decrease) in net assets as a result of operations		107,804.59
Subscriptions of capitalisation shares		13,034,634.90
Redemptions of capitalisation shares		-9,956,867.29
Net increase / (decrease) in net assets		3,185,572.20
Net assets at the beginning of the period		-
Net assets at the end of the period		3,185,572.20

LIOR GP – Global Short Duration Fund

Statistics

		31/12/23
Total Net Assets	EUR	3,185,572.20
I/A (EUR) - Capitalisation		
Number of shares		3,145.509
Net asset value per share	EUR	1,012.74

LIOR GP – Global Short Duration Fund

Changes in number of shares outstanding from 09/02/23 to 31/12/23

	Shares outstanding as at 09/02/23	Shares issued	Shares redeemed	Shares outstanding as at 31/12/23
I/A (EUR) - Capitalisation	0.000	13,091.179	9,945.670	3,145.509

LIOR GP – Global Short Duration Fund

Securities portfolio as at 31/12/23

Denomination	Currency	Quantity/ Notional	Market value (in EUR)	% of net assets
Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market			2,330,985.89	73.17
Bonds			1,987,457.10	62.39
France			558,242.99	17.52
ALD SA 4.0000 22-27 05/07A	EUR	100,000	102,292.12	3.21
ARVAL SERVICE LEASE 4.125 23-26 13/04A	EUR	100,000	101,225.81	3.18
BNP PARIBAS SA 2.125 19-27 23/01A	EUR	100,000	97,210.55	3.05
RCI BANQUE SA 4.625 23-26 13/07A	EUR	150,000	153,465.39	4.82
VALEO SA 5.375 22-27 28/05A	EUR	100,000	104,049.12	3.27
Germany			98,778.58	3.10
VOLKSWAGEN BANK 1.2500 18-24 10/06A	EUR	100,000	98,778.58	3.10
Ireland			348,395.87	10.94
CA AUTO BANK 4.25 22-24 24/03A	EUR	200,000	200,047.47	6.28
DELL BANK INTL DAC 1.625 20-24 24/06A	EUR	150,000	148,348.40	4.66
Italy			354,614.04	11.13
AUTOSTRADA ITALIA SPA 4.375 10-25 16/09A	EUR	100,000	101,212.99	3.18
BANCO BPM SPA 1.75 19-25 28/01A	EUR	100,000	97,733.41	3.07
INTESA SANPAOLO 4.75 22-27 06/09A	EUR	150,000	155,667.64	4.89
INTESA SANPAOLO FL.R 23-28 08/03A	EUR	-	-	0.00
Mexico			106,400.90	3.34
MEX BONOS DESARR FIX 10.00 05-24 05/12S	MXN	20,000	106,400.90	3.34
Netherlands			100,808.08	3.16
VOLKSWAGEN INTL FINA 3.875 23-26 29/03A	EUR	100,000	100,808.08	3.16
Spain			96,874.67	3.04
BANCO DE SABADELL SA 1.125 19-25 27/03A	EUR	100,000	96,874.67	3.04
United States of America			323,341.97	10.15
BANQUE INTERNATIONALE 5 21-26 22/01A	BRL	700,000	122,659.30	3.85
FORD MOTOR CREDIT 4.867 23-27 03/08A	EUR	100,000	102,921.94	3.23
MORGAN STANLEY CAP F.LR 22-26 08/05A	EUR	100,000	97,760.73	3.07
Floating rate notes			343,528.79	10.78
Ireland			145,942.39	4.58
BANK OF IRELAND GRP FL.R 22-26 05/06A	EUR	150,000	145,942.39	4.58
Spain			100,183.34	3.14
BANCO SANTANDER FL.R 22-26 27/09A	EUR	100,000	100,183.34	3.14
United Kingdom			97,403.06	3.06
NATWEST GROUP PLC FL.R 18-26 02/03A	EUR	100,000	97,403.06	3.06
Money market instruments			732,253.73	22.99
Treasury market			732,253.73	22.99
Italy			732,253.73	22.99
ITAL BUON ORDI DEL ZCP 12-01-24	EUR	300,000	291,745.90	9.16
ITAL BUON ORDI DEL ZCP 28-03-24	EUR	300,000	294,940.33	9.26
ITALY BUONI TES BOT ZCP 140324	EUR	150,000	145,567.50	4.57
Total securities portfolio			3,063,239.62	96.16

LIOR GP

**Notes to the financial statements -
Schedule of derivative instruments**

LIOR GP

Notes to the financial statements - Schedule of derivative instruments

Options

As at December 31, 2023, the following options contracts were outstanding:

LIOR GP – Alpha Fund

Quantity	Denomination	Currency	Commitment (in EUR) (in absolute value)	Market value (in EUR)	Unrealised (in EUR)
Options purchased					
Listed options					
Options on index					
250.00	DJES BANKS 20240119 P112	EUR	-	3,125.00	-4,375.00
30.00	DJ EURO STOXX 50 20240119 P4450	EUR	-	5,880.00	-2,760.00
250.00	EURO STOXX BAN JAN 110.00 19.01.24 PUT	EUR	-	1,875.00	-7,500.00
1.00	NASDAQ 100 INDEX 20240119 C17000	USD	-	18,331.60	1,880.28
Options on futures					
20.00	EURO BOBL 5YR 6 20240126 P119.25	EUR	-	3,150.00	3,150.00
16.00	US TBOND 30 A 20240126 P117	USD	-	1,357.90	-2,868.45
OTC options					
Options on currencies					
1,500,000.00	FXO AUDUSD C 0.67 CHASDEFXXXX 18/01/2024	AUD	-	19,639.01	15,359.23
2,000,000.00	FXO EURCHF C0.93 CHASDEFX 120124	EUR	-	5,833.54	1,533.54
2,000,000.00	FXO EURCHF C0.94 CHASDEFX 020124	EUR	-	500.80	-3,159.20
2,000,000.00	FXO EURNOK C11.4 GSILGB2X 030124	EUR	-	670.70	-6,089.30
2,500,000.00	FXO EURUSD C1.11 CHASDEFX 080124	EUR	-	6,916.48	-3,333.52
3,000,000.00	FXO EURUSD C1.1 CHASDEFX 020124	EUR	-	8,159.97	1,409.97
1,500,000.00	FXO USDBRL P4.75 CHASDEFX 290124	USD	-	6,704.03	-2,129.83
3,000,000.00	FXO USDCAD C1.36 GSILGB2X 180124	USD	-	363.40	-2,907.33
2,000,000.00	FXO USDJPY P140 CHASDEFX 040124	USD	-	1,905.38	-3,731.47
				84,412.81	-15,521.08
Options issued					
Listed options					
Options on index					
250.00	EURO STOXX BAN JAN 125.00 19.01.24 CALL	EUR	115,420.50	-1,875.00	4,375.00
Options on futures					
16.00	US TBOND 30 A 20240126 C130	USD	230,163.40	-4,300.00	1,861.48
OTC options					
Options on currencies					
1,500,000.00	FXO AUDUSD P 0.6 CHASDEFXXXX 18/01/2024	AUD	3.25	-0.01	3,738.03
				-6,175.01	9,974.51

All the contracts are dealt with the brokers GOLDMAN SACHS INTERNATIONAL FINANCE and J.P.MORGAN AG.

Details of collateral are presented in Note 10.

LIOR GP

Notes to the financial statements - Schedule of derivative instruments

Forward foreign exchange contracts

As at December 31, 2023, the following forward foreign exchange contracts were outstanding:

LIOR GP – Alpha Fund

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Unrealised (in EUR)	Counterparty
USD	2,000,000.00	CHF	1,692,828.20	01/11/24	-62,553.74	Goldman Sachs Int finance Ltd
AUD	2,500,000.00	USD	1,653,112.50	11/01/24	48,214.42	Goldman Sachs Int finance Ltd
AUD	1,000,000.00	CHF	583,884.90	11/01/24	-10,733.20	Goldman Sachs Int finance Ltd
CHF	578,500.60	AUD	1,000,000.00	11/01/24	4,941.76	Goldman Sachs Int finance Ltd
EUR	1,092,560.47	CHF	1,050,000.00	11/01/24	-37,484.32	Goldman Sachs Int finance Ltd
EUR	3,190,140.97	USD	3,500,000.00	11/01/24	22,842.87	Goldman Sachs Int finance Ltd
EUR	50,000.00	JPY	8,026,921.00	11/01/24	-1,595.81	Goldman Sachs Int finance Ltd
EUR	1,585,903.69	CAD	2,370,000.00	11/01/24	-40,834.00	Goldman Sachs Int finance Ltd
EUR	1,817,001.10	USD	2,000,000.00	11/01/24	7,114.38	Goldman Sachs Int finance Ltd
JPY	532,000,000.00	USD	3,599,519.61	11/01/24	162,186.53	Goldman Sachs Int finance Ltd
NOK	1,450,000.00	EUR	124,030.82	11/01/24	5,205.19	Goldman Sachs Int finance Ltd
NZD	1,600,000.00	USD	975,932.48	11/01/24	33,619.32	Goldman Sachs Int finance Ltd
USD	1,000,000.00	ILS	3,720,131.20	11/01/24	-30,076.55	Goldman Sachs Int finance Ltd
USD	2,019,800.45	MXN	34,700,000.00	11/01/24	-23,844.95	Goldman Sachs Int finance Ltd
USD	1,691,152.50	AUD	2,500,000.00	11/01/24	-13,778.18	Goldman Sachs Int finance Ltd
USD	450,000.00	NOK	4,663,871.24	11/01/24	-8,456.77	Goldman Sachs Int finance Ltd
USD	229,291.77	NZD	365,870.20	11/01/24	-2,141.69	Goldman Sachs Int finance Ltd
USD	1,000,000.00	ZAR	18,414,371.00	11/01/24	-5,595.85	Goldman Sachs Int finance Ltd
USD	676,221.00	AUD	1,000,000.00	11/01/24	-5,728.53	Goldman Sachs Int finance Ltd
USD	1,000,000.00	CHF	851,925.20	11/01/24	-11,936.29	Goldman Sachs Int finance Ltd
USD	437,292.00	EUR	400,000.00	11/01/24	-4,276.47	Goldman Sachs Int finance Ltd
ZAR	15,600,000.00	USD	834,179.14	11/01/24	16,504.60	Goldman Sachs Int finance Ltd
EUR	835,358.84	GBP	725,000.00	11/01/24	-1,038.32	J.P. Morgan AG
ILS	3,718,323.60	USD	1,000,000.00	11/01/24	29,622.13	J.P. Morgan AG
USD	1,000,000.00	BRL	4,912,770.00	11/01/24	-9,534.85	J.P. Morgan AG
CAD	1,362,982.10	USD	1,000,000.00	11/01/24	30,590.36	Société Générale SA
EUR	1,000,000.00	NOK	11,282,242.30	11/01/24	-5,562.76	Société Générale SA
MXN	17,620,502.50	USD	1,000,000.00	11/01/24	35,357.99	Société Générale SA
MXN	8,771,093.10	USD	500,000.00	11/01/24	15,585.73	Société Générale SA
USD	500,000.00	MXN	8,662,641.30	11/01/24	-9,788.25	Société Générale SA
USD	3,274,616.10	EUR	3,000,000.00	11/01/24	-36,666.73	Société Générale SA
USD	1,000,000.00	EUR	912,798.11	11/01/24	-7,856.26	Société Générale SA
USD	500,000.00	CHF	418,323.55	11/01/24	2,248.53	Société Générale SA
USD	244,679.07	EUR	220,000.00	11/01/24	1,421.51	Société Générale SA
USD	1,500,000.00	JPY	211,875,675.00	11/01/24	-4,526.63	Société Générale SA
EUR	221,758.79	GBP	191,000.00	31/01/24	1,574.20 *	Société Générale SA
GBP	1,800,000.00	EUR	2,060,482.49	31/01/24	14,585.93 *	Société Générale SA
					97,605.30	

LIOR GP

Notes to the financial statements - Schedule of derivative instruments

Forward foreign exchange contracts

LIOR GP – Proxima Fund

Currency purchased	Quantity purchased	Currency sold	Quantity sold	Maturity date	Unrealised (in EUR)	Counterparty
EUR	50,000.00	JPY	8,025,818.00	11/01/24	-1,588.72	Goldman Sachs Int finance Ltd
EUR	800,935.07	MXN	15,200,000.00	11/01/24	-10,162.65	Goldman Sachs Int finance Ltd
EUR	500,000.00	BRL	2,697,000.00	11/01/24	-2,024.80	Goldman Sachs Int finance Ltd
JPY	149,300,000.00	EUR	921,150.85	11/01/24	38,516.96	Goldman Sachs Int finance Ltd
MXN	8,400,000.00	EUR	446,634.96	11/01/24	1,596.01	Goldman Sachs Int finance Ltd
EUR	316,642.58	GBP	275,000.00	11/01/24	-611.57	Société Générale SA
EUR	2,921,856.23	USD	3,200,000.00	11/01/24	26,042.65	Société Générale SA
EUR	1,500,000.00	USD	1,649,594.70	11/01/24	7,210.70	Société Générale SA
USD	270,000.00	EUR	247,007.39	11/01/24	-2,673.29	Société Générale SA
USD	1,000,000.00	JPY	143,020,690.00	11/01/24	-14,384.86	Société Générale SA
USD	1,423,811.87	EUR	1,300,000.00	11/01/24	-11,533.18	Société Générale SA
USD	500,000.00	EUR	472,375.97	31/01/24	-20,312.66 *	Société Générale SA
					10,074.59	

The contracts market with an asterisk are those specifically related to the hedging of a class of shares.

Details of collateral are presented in Note 10.

LIOR GP

Notes to the financial statements - Schedule of derivative instruments

Financial futures

As at December 31, 2023, the following future contracts were outstanding:

LIOR GP – Alpha Fund

Quantity Buy/(Sell)	Denomination	Currency	Commitment (in EUR) (in absolute value)	Unrealised (in EUR)	Broker
Futures on index					
-400.00	EURO STOXX BANK IDX 03/24	EUR	2,367,600.00	-935.00	CACEIS Bank, Paris
13.00	MINI MSCI EMG MKT 03/24	USD	602,391.39	14,180.96	CACEIS Bank, Paris
Futures on bonds					
25.00	EURO BOBL FUTURE 03/24	EUR	2,551,537.50	31,500.00	CACEIS Bank, Paris
-20.00	EURO BUND FUTURE 03/24	EUR	2,051,060.00	-12,350.00	CACEIS Bank, Paris
10.00	EURO-OAT-FUTURES-EUX 03/24	EUR	962,880.00	29,700.00	CACEIS Bank, Paris
100.00	EURO SCHATZ 03/24	EUR	10,131,500.00	30,600.00	CACEIS Bank, Paris
-4.00	JPN 10 YEARS BOND 03/24	JPY	2,517,055.57	-11,301.35	CACEIS Bank, Paris
22.00	US 2 YEARS NOTE- CBT 03/24	USD	3,983,084.30	42,321.10	CACEIS Bank, Paris
89.00	US 5 YEARS NOTE-CBT 03/24	USD	7,974,079.02	206,584.10	CACEIS Bank, Paris
-8.00	US TREASURY BOND 03/24	USD	767,211.33	-16,690.81	CACEIS Bank, Paris
				313,609.00	

LIOR GP – Global Short Duration Fund

Quantity Buy/(Sell)	Denomination	Currency	Commitment (in EUR) (in absolute value)	Unrealised (in EUR)	Broker
Futures on bonds					
-1.00	EURO BUXL FUTURE 03/24	EUR	141,740.00	-7,240.00	CACEIS Bank, Paris
5.00	EURO SCHATZ 03/24	EUR	506,575.00	1,000.00	CACEIS Bank, Paris
				-6,240.00	

Details of collateral are presented in Note 10.

LIOR GP

Other notes to the financial statements

Other notes to the financial statements

1 - General information

LIOR GP (the "SICAV") is an investment company incorporated on December 8, 2020, and organised as a public limited company ("*société anonyme*") under the laws of the Grand-Duchy of Luxembourg in the legal form of an investment company with variable capital ("*société d'investissement à capital variable*"). The Articles of Incorporation have been published in the Mémorial C, Recueil des Sociétés et Associations (the "Mémorial"). The SICAV is governed by Part I of the Luxembourg law of December 17, 2010 relating to Undertakings for Collective Investment as amended from time to time (hereafter the "UCI Law").

Until December 31, 2023, the SICAV has appointed CARNE GLOBAL FUND MANAGERS (Luxembourg) S.A. as management company (the "Management Company"). The Management Company, responsible for investment management, administrative, marketing and distribution services, is subject to the laws of Luxembourg and duly authorised by the CSSF as a management company within the meaning of Chapter 15 of the UCI Law.

With effect as of 1 January 2024, the Board of Directors of the Fund has designated LEMANIK ASSET MANAGEMENT S.A., the new Management Company, to act as its management company under the terms of the Management Company Services Agreement entered into on 21 November 2023, for an indefinite period of time.

The Management Company is authorised as a management company in accordance with the provisions of Chapter 15 of the 2010 Law and is supervised by the CSSF. It is registered on the official list of Luxembourg management companies governed by Chapter 15 of the 2010 Law.

Under the supervision of the Board of Directors of the SICAV, the Management Company is responsible on a day-to-day basis for providing investment management, administration and marketing services in respect of all Sub-Funds of the SICAV.

Subject to the requirements set forth by the 2010 Law, the Management Company is authorised to delegate under its responsibility and supervision part or all of its functions and duties to third parties.

The SICAV, established for an unlimited period, is an umbrella fund. The assets and liabilities of each Sub-Fund are segregated from those of the other Sub-Fund.

The SICAV is open-ended, which means that it may at any time on the request of the shareholders, redeem its shares at prices based on the applicable NAV per share.

As at December 31, 2023, the following Sub-Funds are offered:

- LIOR GP - Alpha Fund
- LIOR GP - Proxima Fund
- LIOR GP - Global Short Duration Fund (launched on February 9, 2023)

The Net Asset Value of the Sub-Funds is calculated on a daily basis.

Net asset values ("NAVs") and notices of dividends for all existing Share Classes of all Sub-Funds are available from the registered office, and through other financial and media outlets as determined by the Board of Directors of the SICAV. NAVs are also available at www.fundsquare.net.

Accounts for the SICAV are expressed in EUR and Sub-Fund's accounts are expressed in the base currency of each Sub-Fund (EUR for LIOR GP - Alpha Fund, LIOR GP - Proxima Fund and LIOR GP - Global Short Duration Fund).

2 - Principal accounting policies

2.1 - Presentation of the financial statements

The financial statements of LIOR GP are prepared in accordance with the regulations relating to Undertakings for Collective Investment in Transferable Securities and generally accepted accounting principles in the Grand Duchy of Luxembourg, including the following significant accounting policies.

2.2 - Portfolio valuation

Cash in hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued but not yet received, are valued at full value, minus any appropriate discount that may be applied based on the SICAV's assessments of any circumstances that make the full payment unlikely.

Transferable securities, money market instruments and derivatives that are quoted or dealt in on any stock exchange or traded in any other regulated market, are generally valued at the last available prices of the Valuation Day at the time of valuation.

Non-listed securities, or listed securities for which the price determined according to the above methods not representative of fair market value, are valued in good faith at a prudent estimate of their sales price.

Shares of UCITS or UCIs are valued at the most recent NAV reported by the UCITS/UCI that is available of the Valuation Day at the time the Sub-Fund is calculating its NAV.

For any asset, the Board of Directors of the SICAV can choose a different valuation method if it believes the method may result in a fairer valuation.

Other notes to the financial statements

2 - Principal accounting policies

2.3 - Foreign currency translation

The financial statements of the SICAV are expressed in EUR. Bank accounts, fair value of the securities portfolio and other net assets in currencies other than the EUR are translated into EUR at the applicable exchange rate at the period-end. Income and expenses in currencies other than EUR are translated into EUR at the applicable exchange rates prevailing at the transaction date. Currencies are valued at the applicable foreign exchange rate.

The rates applied are the following:

1 EUR =	1.6189	AUD	1 EUR =	5.36595	BRL	1 EUR =	1.4566	CAD
1 EUR =	0.9297	CHF	1 EUR =	7.8658	CNH	1 EUR =	4,279.41425	COP
1 EUR =	0.86655	GBP	1 EUR =	3.97775	ILS	1 EUR =	155.73355	JPY
1 EUR =	18.7067	MXN	1 EUR =	11.2185	NOK	1 EUR =	1.7447	NZD
1 EUR =	11.1325	SEK	1 EUR =	1.45715	SGD	1 EUR =	32.62475	TRY
1 EUR =	1.10465	USD	1 EUR =	20.2013	ZAR			

2.4 - Combined financial statements

The various items appearing in the combined financial statements of the Company are equal to the sum of the corresponding items in the financial statements of each sub-fund and are drawn up in EUR.

A Sub-Fund may subscribe, acquire and/or hold units to be issued or issued by one or more Sub-Funds of the Company.

As at December 31, 2023, the total of cross-investments within sub-fund investments amounts to EUR 606,936.00.

The total combined NAV at year-end without cross-investments amounts to EUR 26,882,566.24. As at December 31, 2023, the cross-investments within the SICAV are as follow:

Sub-funds	Cross investment	Amount (in EUR)
LIOR GP – Alpha Fund	Lior Gp GI Short Duration Fd Ia EUR	606,936.00
		606,936.00

2.5 - Valuation of options contracts

Options listed and options that are not listed on any official stock exchange or are traded over the counter, are valued daily at the last available price, consistent with market practice. For the details of outstanding options contracts, please refer to section “Notes to the financial statements - Schedule of derivative instruments”.

2.6 - Valuation of forward foreign exchange contracts

Outstanding forward foreign exchange contracts are valued daily at the last available price, consistent with market practice. For the details of outstanding forward foreign exchange contracts, please refer to section “Notes to the financial statements - Schedule of derivative instruments”.

2.7 - Valuation of futures contracts

Open financial futures are valued daily at the last available price, consistent with market practice. For the details of outstanding future contracts, please refer to section “Notes to the financial statements - Schedule of derivative instruments”.

2.8 - Dividend and interest income

Interest income are recognised on an accrual basis.

2.9 - Formation expenses

Formation expenses incurred in connexion with the formation and launch of the SICAV are charged to the SICAV and are amortised over a period of five years.

2.10 - Transaction fees

The transaction fees include all costs that were reported or settled separately in the financial period and that relate directly to the purchase or sale of assets.

3 - Management Company fees

The Management Company, CARNE GLOBAL FUND MANAGERS (Luxembourg) S.A. (until 31 December 2023) is entitled to receive a Management Company fee of 0.40% p.a.. This fee is calculated based on each Share Classes's daily net assets and is paid quarterly in arrears.

LIOR GP

Other notes to the financial statements

4 - Management fees

The Investment Manager is entitled to receive a management fee calculated based on each Sub-Fund's daily net assets and is paid quarterly in arrears as indicated for each Sub-Fund.

The rates applicable as at December 31, 2023 are as follows:

Sub-funds	Class of Shares	Effective rate (per annum) %
LIOR GP - Alpha Fund	N/A (EUR)	1.10
	I/A (EUR)	0.75
	I/A (USD)	0.75
	I/A (GBP) H	0.75
LIOR GP - Proxima Fund	I/A (EUR)	0.75
	I/A (USD) H	0.75
LIOR GP - Global Short Duration Fund	I/A (EUR)	0.45

5 - Performance fees

A Performance fee is charged when a Share Class outperforms its stated performance fee reference indicator over the performance fee measurement period, higher than their respective (High Water Mark).

The fee is equal to 20% multiplied by the amount of the outperformance.

The reference indicator is, in principle, a replica of the Sub-Fund except that its portfolio performance is equal to the benchmark performance over the performance fee measurement period.

The performance fee measurement period is 1 year. It begins, regardless of whether any performance fee was due or not at the end of the preceding period. The performance fee accrues daily as part of the NAV calculation. During the measurement period, previously accrued fees are canceled out by any subsequent underperformance. However, when distributions or redemption proceeds are paid out during a performance fee period, any performance fee that has accrued as of that point is considered earned. Thus, if investors redeem their shares or receive a cash distribution when there is an accrued performance fee, their share of the accrued fee will be deducted from the amount they receive. The accrued performance fee is paid to the Investment Manager at the end of the performance period.

To the extent that different Share Classes may have different NAVs, the actual performance fees paid may vary by Share Class.

In application of the ESMA Guidelines on performance fees (ESMA34-39-992) and Circular CSSF 20/764, the table below displays the actual amount of performance fees charged by each relevant Share Class and the percentage of these fees based on the Share Class Net Asset Value ("NAV"). Only the Share Classes for which performance fees have been charged are shown below:

Sub-funds	Share Class	ISIN Code	Sub-funds currency	Amount of performance fees as at 31/12/23 (in Sub-fund currency)	Average NAV of the Share Class (in Sub-fund currency)	% in the Share Class average NAV
LIOR GP - Alpha Fund	N/A (EUR) - Capitalisation	LU2263803962	EUR	233.93	30,521.44	0.77
	I/A (EUR) - Capitalisation	LU2263804002	EUR	175,222.05	13,571,381.55	1.29
	I/A (USD) - Capitalisation	LU2263804267	EUR	(16,194.13)	1,808,632.00	(0.90)
	I/A (GBP) H - Capitalisation	LU2263804184	EUR	4,309.11	2,505,480.28	0.17
				163,570.96		
LIOR GP - Proxima Fund	I/A (EUR) - Capitalisation	LU2501797661	EUR	98,568.52	33,861,390.22	0.29
	I/A (USD) H - Capitalisation	LU2517102104	EUR	4,910.67	1,136,687.96	0.43
				103,479.19		
			TOTAL	267,050.15		

The performance amounts of the above-table are those accrued from 1 January 2023 to 31 December 2023 and are not necessarily indicative of future amounts paid for the whole year.

No performance fees for LIOR GP - Global Short Duration Fund.

6 - Depositary fees

CACEIS Bank, Luxembourg Branch, as Depositary of the SICAV, is entitled to receive out of the assets of the SICAV a Depositary fee of up to 0.50% p.a., calculated on the average net assets of the SICAV, payable monthly in arrears.

7 - Administration fees

CACEIS Bank, Luxembourg Branch, as Administrative Agent of the SICAV, is entitled to receive out of the assets of the SICAV an Administration fee of up to 0.50% p.a., calculated on the average net assets of the SICAV, payable monthly in arrears.

LIOR GP

Other notes to the financial statements

8 - Subscription tax ("*Taxe d'abonnement*")

Under the prevailing laws and regulations in Luxembourg, the SICAV is subject to an annual subscription tax ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Share Classes on the last day of each quarter. A reduced tax rate of 0.01% per annum of the net assets is applicable notably to Share Classes which are only distributed to and held by institutional investors.

9 - Swing pricing

Subscriptions and redemptions can potentially have a dilutive effect on the Sub-Funds' NAVs per share and be detrimental to long term investors as a result of the costs, bid-offer spreads or other losses that are incurred by the SICAV in relation to the trades undertaken by the Investment Manager. In order to protect the interest of existing Shareholders, the Investment Manager may decide to introduce a swing pricing mechanism for the Sub-Funds LIOR GP - Alpha Fund, LIOR GP - Proxima Fund and LIOR GP - Global Short Duration Fund.

The swing factor is triggered as a result of capital activity exceeding a pre-defined threshold (in case of partial swing) or any capital activity (for full swing).

According to the last Prospectus of the SICAV, the swing factor will generally not exceed 2% of the original NAV under normal conditions and may be higher than 2% of the original NAV under unusual market conditions, such as: higher market volatility; market events.

Swing prices have been applied during the year. For the NAV dated December 31, 2023, there were no swing adjustments.

10 - Collateral

As at December 31, 2023, the collateral received in order to reduce exposure on derivatives instruments is detailed as follows:

Sub-Fund	Sub-Fund currency	Counterparty	Type of collateral	Collateral amount in EUR
LIOR GP - Alpha Fund	EUR	GOLDMAN SACHS INTERNATIONAL FINANCE	Cash	330,000.00
	EUR	J.P.MORGAN AG	Cash	230,000.00
	EUR	SOCIÉTÉ GÉNÉRALE	Cash	680,000.00

11 - Changes in the composition of securities portfolio

The statement of changes in securities portfolio composition for the current period ended is at the disposal of the shareholders at the registered office of the SICAV and is available upon request free of charge.

12 - Subsequent events

Further to a decision of the Board of Directors of the Company, CARNE GLOBAL FUND MANAGERS (Luxembourg) S.A. (the "Management Company") will be replaced by Lemanik Asset Management SA (the new "Management Company"), with effect January 1, 2024.

LIOR GP

Additional unaudited information

Additional unaudited information

Remuneration policy

Carne Global Fund Managers (Luxembourg) S.A. (the "Management Company") has designed and implemented a remuneration policy (the "Remuneration Policy") in line with the provisions on remuneration as set out by the European Directive 2009/65/EC ("UCITS Directive"), as amended by Directive 2014/91/EU ("UCITS V Directive") as implemented into Luxembourg in the Law of 10 May 2016 (the "2016 Law").

The Management Company has developed and implemented remuneration policies and practices that are consistent with and promote sound and effective risk management of the Fund, do not encourage risk-taking which is inconsistent with the risk profiles/rules governing the Fund, and do not impair compliance with the Management Company's duty to act in the best interest of the Fund and ultimately its investors.

The Board of Directors of the Management Company is responsible for the design, implementation and regular review of the Remuneration Policy. In reviewing the Remuneration Policy, the Board of Directors of the Management Company will consider whether the remuneration framework operates as intended and ensure that the risk profile, long-term objectives and goals of the Fund are adequately reflected. No material amendments were made to the Remuneration Policy and no irregularities were uncovered during the period under review.

A copy of the Remuneration Policy is available, free of charge, at the registered office of the Management Company and at the following address: www.carnegroup.com.

The below table outlines the total remuneration¹ paid to Identified Staff² of the Management Company during the financial year³:

	Number of beneficiaries	Total remuneration* (EUR)	Fixed remuneration (EUR)	Variable remuneration (EUR)
Senior management	13	2,700,392	2,065,370	635,022
Other material risk takers	13	1,581,520	1,107,338	474,182

*The Management Company has also determined that, on the basis of number of sub-funds/net asset value of the UCITS relative to the number of sub-funds/assets under management, the portion of the total remuneration attributable to the UCITS is €9,957.

¹Total remuneration = sum of fixed remuneration and variable remuneration paid to identified staff of the Management Company during the Management Company's financial year.

²Identified Staff comprises = Directors of the Company, Chief Business Development Officer, Senior Business Development Officer, Person responsible for the Permanent Risk Function, Carne's Responsable du Contrôle, Conducting Officers of the Company, Head of Legal, members of the Investment Committee and members of the Valuation Committee.

³31 December is the financial year end of the Management Company.

Additional unaudited information

Global Risk Exposure

The Value-at-Risk disclosed in the Financial Statements is the one computed by Carne, as Management Company of the fund, and is the one considered for the regulatory purpose.

Discrepancies were noted between the VaR computed by Carne and the VaR computed by Riskmetrics and used by the Investment Manager during the financial year 2023. Carne noted some exceedances over the 10% VaR prospectus limit during the year under review while no exceedance has been detected and reported by the Investment Manager during the same period.

Carne and the Investment Manager have taken several actions to align the VaR models and results, investigating in more details the reasons of the discrepancy. It should also be noted that there was a notable increase in market volatility when the VaR prospectus limit of 10% was reached : Ukraine's invasion by Russia and its consequences on the markets, inflationary pressures.

Finally, that during the period of exceedance, and the re-emergence of an abnormal market event, the Fund Strategy remained consistent with the Investment Objective and Risk Profile of the fund.

The SICAV employs a risk management process to enable it to monitor, manage and measure, on a continuous basis, the risk of all open derivative positions and their contribution to the overall risk profile of the Sub-Fund's portfolio.

In accordance with the Law and the applicable regulations, in particular Circular CSSF 11/512, the SICAV uses a risk-management process which enables it to assess the exposure of the Sub-Fund to market, liquidity and counterparty risks, and to all other risks, including operational risks, which are material for the Sub-Fund.

As part of this risk-management process, the global exposure of the Sub-Funds is measured and controlled by the absolute Value-at-Risk approach (the "VaR Approach").

Lior GP – Alpha fund

- a. Absolute VaR:
 - 1. Minimum: 1.67%
 - 2. Maximum: 6.84%
 - 3. Average: 3.90%
- b. Average sum of notional: 516.38%

Lior GP – Proxima fund

- c. Absolute VaR:
 - 4. Minimum: 0.57%
 - 5. Maximum: 2.04%
 - 6. Average: 1.47%
- d. Average sum of notional: 55.96%

Lior GP – Global short duration fund

- e. Absolute VaR:
 - 7. Minimum: 0.67%
 - 8. Maximum: 1.76%
 - 9. Average: 1.27%
- f. Average sum of notional: 6.02%

Additional unaudited information

Securities Financing Transactions Regulation (SFTR) Disclosures

At the date of the annual accounts, the SICAV does not use any instruments falling into the scope of SFTR.



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 4

ANNEX

to the

Commission Delegated Regulation (EU) .../...

supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports

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: LIOR GP – Alpha Fund

Legal entity identifier:
635400G2BHVTWN2KED07

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

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

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

1. The Sub-Fund generally promoted social, governance and environmental characteristics pursuant to Article 8 (1) of the SFDR; it being understood that, depending upon analysis as provided by (an) external recognised data provider(s) specialized in ESG assessments, it cannot be ensured that the Sub-Fund's portfolio of investments always displays all these three characteristics together at the same time. The Sub-Fund didn't have as its objective sustainable investment within the meaning of the SFDR.

The Sub-Fund applied a holistic ESG approach consisting in considering all ESG pillars globally at the same time. For illustration purposes, the criteria used are, without limitation, as follows:

Environment	Social	Governance
Emission, effluent and waste	Human capital	Business ethic
Air and water pollution	Occupational health	Data privacy and security default

In practice, the Sub-Fund promoted certain minimum environmental and social safeguards by primarily applying exclusion screening with regards to products and business practices that it considered detrimental to the environment or the society in general (the "**Sub-Fund's Exclusion List**") based on external ESG rating/scoring, which as at the date of this report include:

- Companies severely breaching the Global Standard, including the UN Global Compact's ten principles and the OECD Guidelines for Multinational Enterprises, are excluded;
- Companies involved in the controversial weapon sector such as Cluster munitions & mines (ASMs) are systematically excluded from the investment universe;
- Companies whose total revenues in the tobacco sales & distribution, coal and military equipment sectors exceed 10 % are systematically excluded from the investment universe;
- Companies whose total revenues in the tobacco production exceed 5% are systematically excluded from the investment universe.

This exclusion policy applied to:

- Direct exposure to companies concerned through bonds, credit, equity securities or single name derivatives; and
- Positions in index derivatives for which the number of underlying index issuers exposed to controversial sectors exceeds 15% of the total number of index members.

2. According to the absolute return portfolio strategy, there was no reference benchmark designated for the purpose of promoting, governance and environmental characteristics and/or attaining the environmental or social characteristics promoted by the Sub-Fund.

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted lies in applying (i) the Sub-Fund's Exclusion List and the (ii) ESG scoring methodologies as described above: The Sub-Fund's portfolio complies with Sub-Fund's Exclusion List, that is based on exclusion criteria with regards to products and business practices that the Sub-Fund believes are detrimental to society and incompatible with sustainable investment strategies and aims to target a better ESG score than its investment universe. For instance, to promote climate change mitigation, screens are applied to avoid investment in certain high carbon activities, and it is expected that this will result in the fund having a lower carbon profile.

The binding elements mentioned above are documented and monitored on an ongoing basis. Separately, the Investment Manager has risk management processes in place to control financial and regulatory risk and ensure appropriate escalation of any potential

issues within a clear governance structure. That said, the Sub-Fund may have invested in an issuer for which an ESG rating was not available.

The Sub-Fund's weighted average score of its overall portfolio is compared to the aggregated ESG score of various investment universes.

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

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

To measure the attainment of the environmental or social characteristics, the Investment Manager used the following indicators (alternatively depending upon the asset class):

1. The norm and activity based exclusions: The percentage of investment in companies that was on the Sub-Fund's Exclusion List, meaning that the Sub-fund had, in principle and subject to the Investment Manager's assessment of deviant investments, 0% exposure to such excluded investments taking into account the following as at the date of this report:

- a. **"Adherence to Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises"**: the Sub-Fund promoted adherence to, and the conducting of business activities in accordance with, Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, by scrutinizing companies that violated these principles. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.
- b. **No involvement in the controversial weapon sector such as Cluster munitions & mines (ASMs)**: the Sub-Fund promoted to not to invest in companies whose revenues derives from controversial weapon sector.
- c. **"Reduction of involvement in tobacco production"**: the Sub-Fund promoted the reduction of involvement in tobacco production by scrutinizing companies whose total revenues in this sector exceeded 5%. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.
- d. **"Reduction of involvement in tobacco sales & distribution, coal and military equipment sectors"**: the Sub-Fund promoted the reduction of involvement in tobacco sales & distribution, coal and military equipment sectors by scrutinizing companies whose total revenues in these sectors exceed 10%. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.

2. The ESG scoring methodologies: The Sub-Fund had outperformed the ESG score of its investment universe during the entire period. The weighted average score of the Sub-Fund's overall portfolio had therefore been compared to the various investment universes.

In seeking to attain the promoted environmental or social characteristics, the Investment Manager had assessed potential investments via a proprietary ESG measurement methodology using overall ESG scores from (an) external recognised third-party data provider(s) and analysing the plausibility of the sustainable score. The scoring methodology had assessed sustainability factors and applied to the Sub-Fund's portfolio, excluding not invested cash and derivatives.

The overall portfolio score was a weighted sum of the ESG scores of the portfolio's assets excluding cash and shall be used as the only ESG comparison metrics.

Over the period, defined as 31/12/2022 to 31/12/2023, the ESG Portfolio Score was 16.91 and the ESG Comparable Universes Score was 21.94. These score are determined by averaging daily scores over the period.

As a reminder, as described in our ESG's Methodology, the ESG score represents the ESG risk Score of an issuer. Then the higher the issuer's ESG score, the higher its ESG risk.

Issuers' ESG Scores are provided by the independent company Sustainalytics. LIOR Global Partners is computing the ESG Portfolio and Comparable Universes Scores using the data from this third party.

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

The actual period is defined as 31/12/2022 to 31/12/2023. The previous periods is defined as 31/12/2021 to 31/12/2022 as there were only one previous period. For the previous periods, the ESG Portfolio Score was 17.72 and the ESG Comparable Universes Score was 20.19.

We can then notice that compared to the previous periods, the actual period have seen a better ESG Portfolio Score even if the ESG Comparable Universe Score was less good than previous periods.

● ***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 question is not applicable since the Sub-Fund did not commit to invest in sustainable investments as defined in the SFDR and did not take into account the EU criteria for environmentally sustainable economic activities of Article 9 of the Taxonomy Regulation when investing. Similarly, the Sub-Fund did not commit to a minimum share of sustainable investments aligned with the EU Taxonomy but it cannot be excluded that the Sub-Fund's underlying investments may included sustainable investments aligned with the EU Taxonomy on an incidental basis. Sustainable investments and Taxonomy-aligned investment are reported later on in this document.

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

The question is not applicable since the Sub-Fund did not commit to invest in sustainable investments within the meaning of the SFDR and did not take into account the EU criteria for environmentally sustainable economic activities of Article 9 of the Taxonomy Regulation, including the "do not significantly harm" principle within the meaning of the SFDR, when investing. However, the Sub-Fund did not exclude a possible divestment in case the Investment Manager's assessment would result in considering an investment as in breach of such principle.

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.

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

A description of the integration of PAIs is available via the Investment Manager's PAIs statement published on its website: <https://www.lior-gp.com/sustainable-investing/#section-bresponsibleinvestmentpolicy>

Such statement sets out the Investment Manager's approach to identifying and prioritizing PAIs, and how PAIs was considered in the investment process, market researches, analysis and exclusions.

That said, though the Sub-Fund promoted ESG characteristics, the question was not applicable since it did not commit to invest in sustainable investments within the meaning of the SFDR. As a result, PAI indicators were not taken into account when investing and were not used as ESG comparison metrics.

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

The Investment Manager's exclusion policy regarding corporates included an explanation of how they act in accordance with the Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, and assessed the behavior of companies in its investment universe. The Investment Manager continuously screened its investments versus these principles as follows:

- Post-investment, in case a Sub-Fund's existing investment appeared in the list, it was considered as being deviant and entered into the Investment Manager's watch list subject to a close monitoring and which will make decisions as required by the Shareholders' interest. In its assessment of deviant investments, the Investment Manager considered i.a. applicable grace periods and/or reliable remediation/transition plan before any exclusion on the basis that such investment was not considered a sustainable investment anymore.
- Pre-investment, the Investment Manager screened for breaches on these principle in the final step of its investment policy. In this step, the Investment Manager checked whether the company concerned had been involved in any controversies. Involvement in any controversy did not always result in a negative score for the company or exclusion from the portfolio on the basis that it was not a sustainable investment. Rather, the Investment Manager applied an all-inclusive approach considering i.a., any market impact and/or any reliable remediation/transition plan.

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

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

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

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



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

The Investment Manager considered PAIs on sustainability factors of Annex I of the SFDR Delegated Regulation not as reference measurement but rather via the composite score.

- Pre-investment, the following PAIs on sustainability factors were considered through the norms-based and activity based exclusions applied by the Investment Manager (exclusionary screening):
 - Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (PAI 10, Table 1);
 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1)
- Post-investment, the following principal adverse impact on sustainability factors were taken into account by the Investment Manager in its ESG policy:
 - Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (PAI 10, Table 1). On an ongoing basis, the applicable investment universe was screened for controversial behavior in relation to the aforementioned principles.

The score measures provided and used to obtain the overall score of the portfolio, were built according to the analysis and management of Material ESG Issues (MEI) such as: human rights, business ethics, emissions, effluents and waste, carbon – own operation/products and services, natural resources use... These MEI cover many themes targeted by the PAIs.



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 - 31/12/2023 (Cash Instruments only). The values are reported using the annual average of the quarterly data over the period.

Largest investments	Sector	% Assets	Risk Country
MBONO 10% 12/24	Government	6.36%	Mexico
IBRD 6.75% 02/24 GDIF	Government	4.55%	Brazil
BOTS 31/01/24 184D	Government	3.77%	Italy
IBRD 5% 01/26 EMTN	Government	3.76%	Brazil
LIOR GP LIOR GLOBAL SHORT	Other	3.65%	Luxembourg
MBONO 8% 09/24 M	Government	3.31%	Mexico
AUSTRALIA 4.50% 04/33	Government	3.27%	Australia
MBONO 8% 12/23	Government	2.67%	Mexico
BTPS % 11/23 2Y	Government	2.60%	Italy
UK TSY 0.75% 7/23	Government	2.58%	UK
COLTES 10% 7/24	Government	2.40%	Colombia
RENAUL 4.875% 09/28 EMTN	Consumer Discretionary	1.90%	France
EDF 3.875% 01/27 EMTN	Utilities	1.88%	France
ATLIM 4.375% 9/25	Industrial	1.86%	Italy
BKIR VAR 06/26 EMTN	Financials	1.75%	Ireland



What was the proportion of sustainability-related investments?

Not applicable.

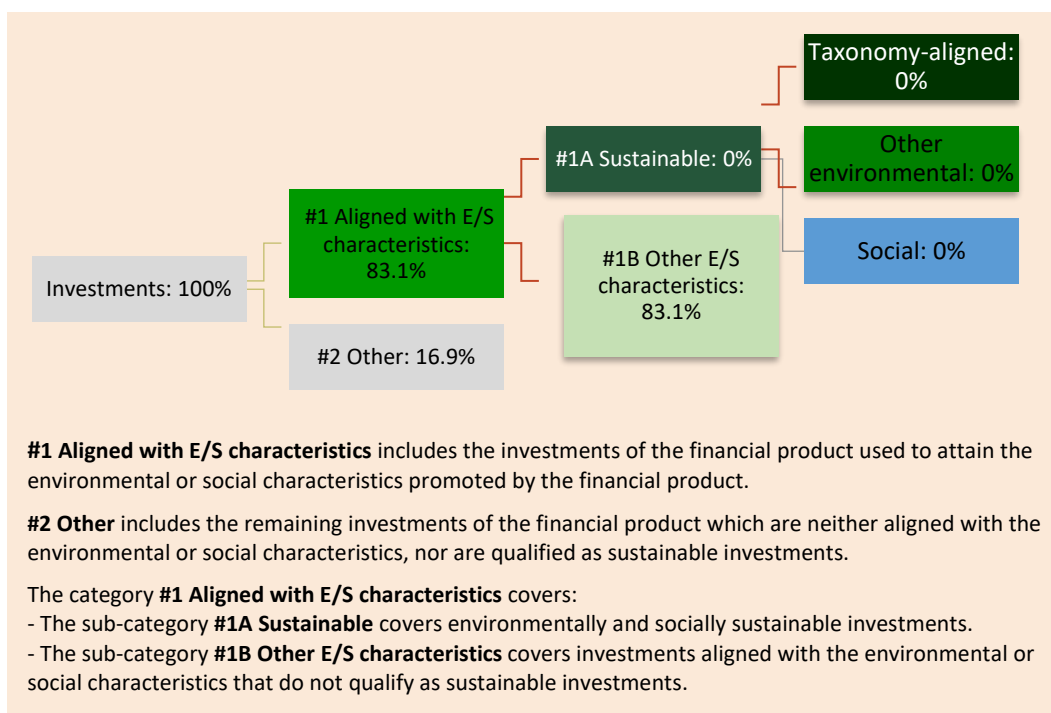
The Sub-Fund has decided not to disclose any sustainability-related investment due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

● What was the asset allocation?

The net exposition of the investments by assets class (excluding derivatives) was displayed as followed:

- Equities: 4.06%
- Bonds (including Governments and Corporates Bonds): 65.03%
- Money Market: 10.36%
- Shares/Units in investment fund: 4.06%
- Forex, Cash & Others: 16.90%

Asset allocation describes the share of investments in specific assets.



Asset Allocation	2022	2023
<i>Investments</i>	100%	100%
<i>#1 Aligned with E/S characteristics</i>	84.4%	83.1%
<i>#1A Sustainable</i>	0%	0%
<i>#1B Other E/S characteristics</i>	84.4%	83.1%
<i>Taxonomy-aligned</i>	0%	0%
<i>Other environmental</i>	0%	0%
<i>Social</i>	0%	0%
<i>#2 Other</i>	15.6%	16.9%

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

The investments were made in the following economic sectors:

- Government: 50.22%
 - Sovereigns: 41.91%
 - Supranationals: 8.31%
- Financials: 12.43%
 - Banks: 8.61%
 - Diversified Banks: 3.82%

- Consumer Discretionary: 7.28%
 - Automobiles Manufacturing: 3.13%
 - Retail – Consumer Discretionary: 1.44%
 - Consumer Services: 1.22%
 - Auto Parts Manufacturing: 1.48%
- Utilities: 3.60%
 - Utilities: 1.72%
 - Power Generation: 1.88%
- Industrials: 1.86%
 - Industrial Other: 1.86%
- Materials: 2.40%
 - Materials: 2.40%
- Technology: 1.65%
 - Software & Tech Services: 1.65%
- Other: 3.65%
 - Cash Management UCITS Fund: 3.65%

The rest of the investments were made through Cash, Forex and derivatives, with no associated economic sectors.

Taxonomy-aligned activities are expressed as a share of:

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



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

Not applicable.

The Sub-Fund has decided not to disclose any sustainable investments with an environmental objective aligned with the EU Taxonomy due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

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

Yes:

In fossil gas In nuclear energy

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not 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.

X No

But the financial product invest in 2.82% in fossil gas and/or nuclear energy related activities.

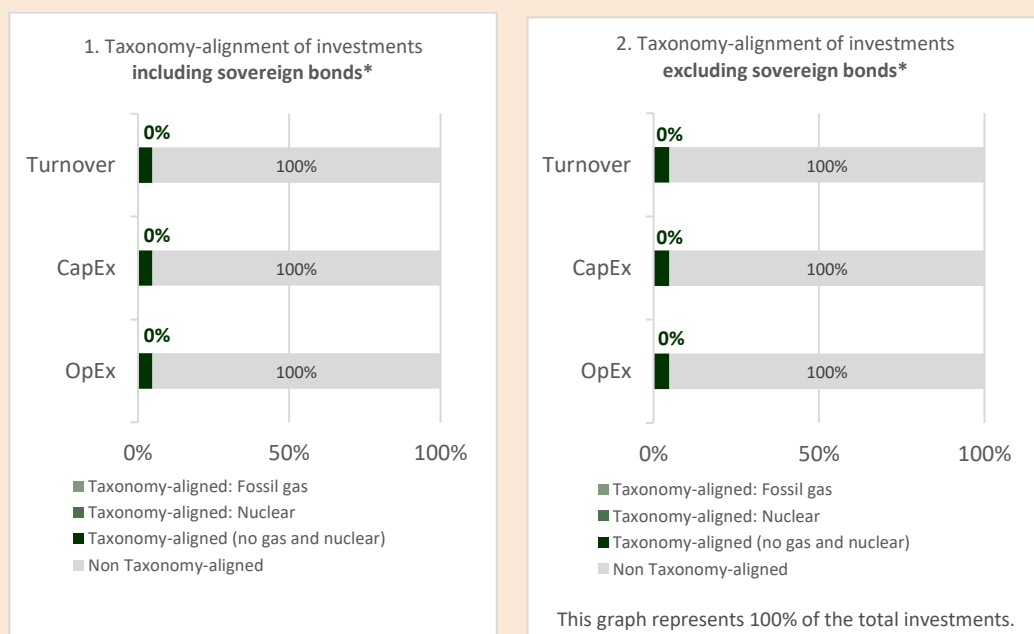
Issuer	Weight	Fossil Gas Involvement	Nuclear Energy Involvement
EDF 3.875% 01/27 EMTN	1.88%	Yes	Yes
PALANTIR TECHN-A	0.94%	Yes	No

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.

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.



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

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

Not applicable.

The Sub-Fund has decided not to disclose any investments made in transitional and enabling activities due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

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



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.

Not applicable since the Sub-Fund had decided not to disclose any sustainable investments with an environmental objective aligned with the EU Taxonomy this period and the previous reference periods.



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

Not applicable.

The Sub-Fund has decided not to disclose any sustainable investments with an environmental objective not aligned with the EU Taxonomy due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.



What was the share of socially sustainable investments?

Not applicable.

The Sub-Fund has decided not to disclose any share of socially sustainable investments due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.



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

The investments under "#2 Other" include forex, derivatives, cash and cash equivalent. These investments do not promote any environmental or social characteristics and do not qualify as sustainable investments.

These investments are part of the Sub-Fund's investment process and strategy for hedging and efficient portfolio management purposes.

There were no minimum environmental or social safeguards with these investments.



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

Over the reference period, we took the following actions:

- The Sub-Fund comply with the internal ESG Exclusion Policy by excluding companies involved in controversies sectors. Please refer to the Sustainable Investing section of our website for more information regarding LIOR Global Partners' Exclusion Policy : <https://www.lior-gp.com/sustainable-investing/>
- The Sub-Fund shall have at least 90% of its assets considered as Category 1 (Category 1: Developed Market Sovereign, Investment Grade Bond and Large Capitalisation) covered by the Internal ESG Risk Rating Policy (please refer to the Sustainable Investing

section of our website for more information: <https://www.lior-gp.com/sustainable-investing/>).

- The Sub-Fund shall have at least 75% of its assets considered as Category 2 (Category 2: High Yield Bond, Emerging Market, Small & Mid Capitalisation) covered by the Internal ESG Risk Rating Policy (please refer to the Sustainable Investing section of our website for more information: <https://www.lior-gp.com/sustainable-investing/>).
- Since December 2022, the ESG Risk Rating and Product Involvement of the Sub-Fund's investment covered by the Category 1 and 2 mentioned above have been monitored on a daily basis with our internal tools.

Reference

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



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

Not applicable. The reference benchmark used as a posteriori reference indicator to assess the Sub-Fund's performance is a general market index, representing the Sub-Fund's investment universe and is not consistent with the environmental and/or social characteristics that it promotes. As mentioned above, the ESG performance is assessed by comparing the Sub-Fund's weighted average score of its overall portfolio to the aggregate ESG score of various investment universes.

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

Not applicable.

- ***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?***

Not applicable.

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

Not applicable.

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

Not applicable.



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 4

ANNEX

to the

Commission Delegated Regulation (EU) .../...

supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports

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: LIOR GP – Proxima Fund

Legal entity identifier:
635400G2BHVTWN2KED07

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

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

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

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



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

1. The Sub-Fund generally promoted social, governance and environmental characteristics pursuant to Article 8 (1) of the SFDR; it being understood that, depending upon analysis as provided by (an) external recognised data provider(s) specialized in ESG assessments, it cannot be ensured that the Sub-Fund's portfolio of investments always displays all these three characteristics together at the same time. The Sub-Fund didn't have as its objective sustainable investment within the meaning of the SFDR.

The Sub-Fund applied a holistic ESG approach consisting in considering all ESG pillars globally at the same time. For illustration purposes, the criteria used are, without limitation, as follows:

Environment	Social	Governance
Emission, effluent and waste	Human capital	Business ethic
Air and water pollution	Occupational health	Data privacy and security default

In practice, the Sub-Fund promoted certain minimum environmental and social safeguards by primarily applying exclusion screening with regards to products and business practices that it considered detrimental to the environment or the society in general (the "**Sub-Fund's Exclusion List**") based on external ESG rating/scoring, which as at the date of this report include:

- Companies severely breaching the Global Standard, including the UN Global Compact's ten principles and the OECD Guidelines for Multinational Enterprises, are excluded;
- Companies involved in the controversial weapon sector such as Cluster munitions & mines (ASMs) are systematically excluded from the investment universe;
- Companies whose total revenues in the tobacco sales & distribution, coal and military equipment sectors exceed 10 % are systematically excluded from the investment universe;
- Companies whose total revenues in the tobacco production exceed 5% are systematically excluded from the investment universe.

This exclusion policy applied to:

- Direct exposure to companies concerned through bonds, credit, equity securities or single name derivatives; and
- Positions in index derivatives for which the number of underlying index issuers exposed to controversial sectors exceeds 15% of the total number of index members.

2. According to the absolute return portfolio strategy, there was no reference benchmark designated for the purpose of promoting, governance and environmental characteristics and/or attaining the environmental or social characteristics promoted by the Sub-Fund.

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted lies in applying (i) the Sub-Fund's Exclusion List and the (ii) ESG scoring methodologies as described above: The Sub-Fund's portfolio complies with Sub-Fund's Exclusion List, that is based on exclusion criteria with regards to products and business practices that the Sub-Fund believes are detrimental to society and incompatible with sustainable investment strategies and aims to target a better ESG score than its investment universe. For instance, to promote climate change mitigation, screens are applied to avoid investment in certain high carbon activities, and it is expected that this will result in the fund having a lower carbon profile.

The binding elements mentioned above are documented and monitored on an ongoing basis. Separately, the Investment Manager has risk management processes in place to control financial and regulatory risk and ensure appropriate escalation of any potential

issues within a clear governance structure. That said, the Sub-Fund may have invested in an issuer for which an ESG rating was not available.

The Sub-Fund's weighted average score of its overall portfolio is compared to the aggregated ESG score of various investment universes.

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

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

To measure the attainment of the environmental or social characteristics, the Investment Manager used the following indicators (alternatively depending upon the asset class):

1. The norm and activity based exclusions: The percentage of investment in companies that was on the Sub-Fund's Exclusion List, meaning that the Sub-fund had, in principle and subject to the Investment Manager's assessment of deviant investments, 0% exposure to such excluded investments taking into account the following as at the date of this report:

- a. **"Adherence to Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises"**: the Sub-Fund promoted adherence to, and the conducting of business activities in accordance with, Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, by scrutinizing companies that violated these principles. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.
- b. **No involvement in the controversial weapon sector such as Cluster munitions & mines (ASMs)**: the Sub-Fund promoted to not to invest in companies whose revenues derives from controversial weapon sector.
- c. **"Reduction of involvement in tobacco production"**: the Sub-Fund promoted the reduction of involvement in tobacco production by scrutinizing companies whose total revenues in this sector exceeded 5%. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.
- d. **"Reduction of involvement in tobacco sales & distribution, coal and military equipment sectors"**: the Sub-Fund promoted the reduction of involvement in tobacco sales & distribution, coal and military equipment sectors by scrutinizing companies whose total revenues in these sectors exceed 10%. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.

2. The ESG scoring methodologies: The Sub-Fund had outperformed the ESG score of its investment universe during the entire period. The weighted average score of the Sub-Fund's overall portfolio had therefore been compared to the various investment universes.

In seeking to attain the promoted environmental or social characteristics, the Investment Manager had assessed potential investments via a proprietary ESG measurement methodology using overall ESG scores from (an) external recognised third-party data provider(s) and analysing the plausibility of the sustainable score. The scoring methodology had assessed sustainability factors and applied to the Sub-Fund's portfolio, excluding not invested cash and derivatives.

The overall portfolio score was a weighted sum of the ESG scores of the portfolio's assets excluding cash and shall be used as the only ESG comparison metrics.

Over the period, defined as 31/12/2022 to 31/12/2023, the ESG Portfolio Score was 16.35 and the ESG Comparable Universes Score was 19.27. These score are determined by averaging daily scores over the period.

As a reminder, as described in our ESG's Methodology, the ESG score represents the ESG risk Score of an issuer. Then the higher the issuer's ESG score, the higher its ESG risk.

Issuers' ESG Scores are provided by the independent company Sustainalytics. LIOR Global Partners is computing the ESG Portfolio and Comparable Universes Scores using the data from this third party.

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

The actual period is defined as 31/12/2022 to 31/12/2023. The previous periods is defined as 28/10/2022 (launch date of the Sub-Fund) to 31/12/2022 as there were only one previous period. For the previous periods, the ESG Portfolio Score was 17.42 and the ESG Comparable Universes Score was 18.48.

We can then notice that compared to the previous periods, the actual period have seen a better ESG Portfolio Score even if the ESG Comparable Universe Score was less good than previous periods.

● ***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 question is not applicable since the Sub-Fund did not commit to invest in sustainable investments as defined in the SFDR and did not take into account the EU criteria for environmentally sustainable economic activities of Article 9 of the Taxonomy Regulation when investing. Similarly, the Sub-Fund did not commit to a minimum share of sustainable investments aligned with the EU Taxonomy but it cannot be excluded that the Sub-Fund's underlying investments may included sustainable investments aligned with the EU Taxonomy on an incidental basis. Sustainable investments and Taxonomy-aligned investment are reported later on in this document.

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

The question is not applicable since the Sub-Fund did not commit to invest in sustainable investments within the meaning of the SFDR and did not take into account the EU criteria for environmentally sustainable economic activities of Article 9 of the Taxonomy Regulation, including the "do not significantly harm" principle within the meaning of the SFDR, when investing. However, the Sub-Fund did not exclude a possible divestment in case the Investment Manager's assessment would result in considering an investment as in breach of such principle.

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.

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

A description of the integration of PAIs is available via the Investment Manager's PAIs statement published on its website: <https://www.lior-gp.com/sustainable-investing/#section-bresponsibleinvestmentpolicy>

Such statement sets out the Investment Manager's approach to identifying and prioritizing PAIs, and how PAIs was considered in the investment process, market researches, analysis and exclusions.

That said, though the Sub-Fund promoted ESG characteristics, the question was not applicable since it did not commit to invest in sustainable investments within the meaning of the SFDR. As a result, PAI indicators were not taken into account when investing and were not used as ESG comparison metrics.

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

The Investment Manager's exclusion policy regarding corporates included an explanation of how they act in accordance with the Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, and assessed the behavior of companies in its investment universe. The Investment Manager continuously screened its investments versus these principles as follows:

- Post-investment, in case a Sub-Fund's existing investment appeared in the list, it was considered as being deviant and entered into the Investment Manager's watch list subject to a close monitoring and which will make decisions as required by the Shareholders' interest. In its assessment of deviant investments, the Investment Manager considered i.a. applicable grace periods and/or reliable remediation/transition plan before any exclusion on the basis that such investment was not considered a sustainable investment anymore.
- Pre-investment, the Investment Manager screened for breaches on these principle in the final step of its investment policy. In this step, the Investment Manager checked whether the company concerned had been involved in any controversies. Involvement in any controversy did not always result in a negative score for the company or exclusion from the portfolio on the basis that it was not a sustainable investment. Rather, the Investment Manager applied an all-inclusive approach considering i.a., any market impact and/or any reliable remediation/transition plan.

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

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

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

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



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

The Investment Manager considered PAIs on sustainability factors of Annex I of the SFDR Delegated Regulation not as reference measurement but rather via the composite score.

- Pre-investment, the following PAIs on sustainability factors were considered through the norms-based and activity based exclusions applied by the Investment Manager (exclusionary screening):
 - Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (PAI 10, Table 1);
 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1)
- Post-investment, the following principal adverse impact on sustainability factors were taken into account by the Investment Manager in its ESG policy:
 - Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (PAI 10, Table 1). On an ongoing basis, the applicable investment universe was screened for controversial behavior in relation to the aforementioned principles.

The score measures provided and used to obtain the overall score of the portfolio, were built according to the analysis and management of Material ESG Issues (MEI) such as: human rights, business ethics, emissions, effluents and waste, carbon – own operation/products and services, natural resources use... These MEI cover many themes targeted by the PAIs.



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 - 31/12/2023 (Cash Instruments only). The values are reported using the annual average of the quarterly data over the period.

Largest investments	Sector	% Assets	Risk Country
IBRD 5% 01/26 EMTN	Government	3.81%	Brazil
BOTS 31/05/24 183D	Government	3.50%	Italy
MBONO 10% 12/24	Government	3.31%	Mexico
BTPS % 08/24 3Y	Government	2.86%	Italy
BTPS % 11/23 2Y	Government	2.75%	Italy
US TSY 4.25% 10/25	Government	2.61%	US
TBIP USA 30/11/23	Government	2.61%	US
TBIP USA 23/05/24	Government	2.56%	US
BOTS 13/10/23 364D	Government	2.52%	Italy
SGLT 0% 06/10/23	Government	2.38%	Spain
EDF 3.875% 01/27 EMTN	Utilities	2.23%	France
DELL 1.625% 06/24	Technology	2.19%	Ireland
ATLIM 4.375% 9/25	Industrials	2.14%	Italy
BOTS 14/11/23 365D	Government	2.12%	Italy
BTF 02/05/24	Government	2.04%	France



What was the proportion of sustainability-related investments?

Not applicable.

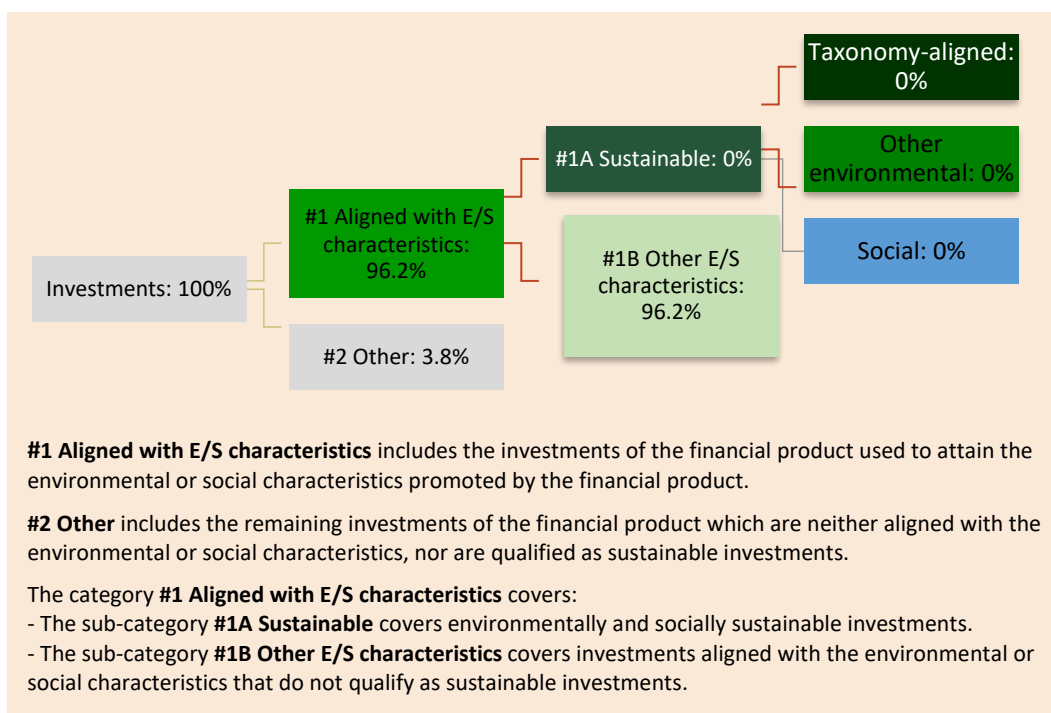
The Sub-Fund has decided not to disclose any sustainability-related investment due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

● What was the asset allocation?

The net exposition of the investments by assets class (excluding derivatives) was displayed as followed:

- Bonds (including Governments and Corporates Bonds): 68.12%
- Money Market: 28.05%
- Forex, Cash & Others: .3.83%

Asset allocation describes the share of investments in specific assets.



Asset Allocation	2022	2023
<i>Investments</i>	100%	100%
<i>#1 Aligned with E/S characteristics</i>	95.6%	96.2%
<i>#1A Sustainable</i>	0%	0%
<i>#1B Other E/S characteristics</i>	95.6%	96.2%
<i>Taxonomy-aligned</i>	0%	0%
<i>Other environmental</i>	0%	0%
<i>Social</i>	0%	0%
<i>#2 Other</i>	4.4%	3.8%

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

The investments were made in the following economic sectors:

- Government: 51.71%
 - Sovereigns: 47.90%
 - Supranationals: 3.81%
- Financials: 24.26%
 - Banks: 16.76%
 - Diversified Banks: 5.20%

- Consumer Finance: 1.57%
- Financial Services: 0.73%
- Consumer Discretionary: 11.05%
 - Automobiles Manufacturing: 2.82%
 - Home Improvement: 2.72%
 - Auto Parts Manufacturing: 2.24%
 - Retail. Consumer Discretionary: 1.45%
 - Consumer Services: 1.03%
 - Travel & Lodging: 0.80%
- Utilities: 3.23%
 - Utilities: 1.00%
 - Power Generation: 2.23%
- Industrials: 2.90%
 - Industrial Other: 2.90%
- Technology: 3.02%
 - Software & Services: 0.83%
 - Hardware: 2.19%

The rest of the investments were made through Cash, Forex and derivatives, with no associated economic sectors.

Taxonomy-aligned activities are expressed as a share of:

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



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

Not applicable.

The Sub-Fund has decided not to disclose any sustainable investments with an environmental objective aligned with the EU Taxonomy due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

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

Yes:

In fossil gas In nuclear energy

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not 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.

✘ No

But the financial product invest in 5.25% in fossil gas and/or nuclear energy related activities.

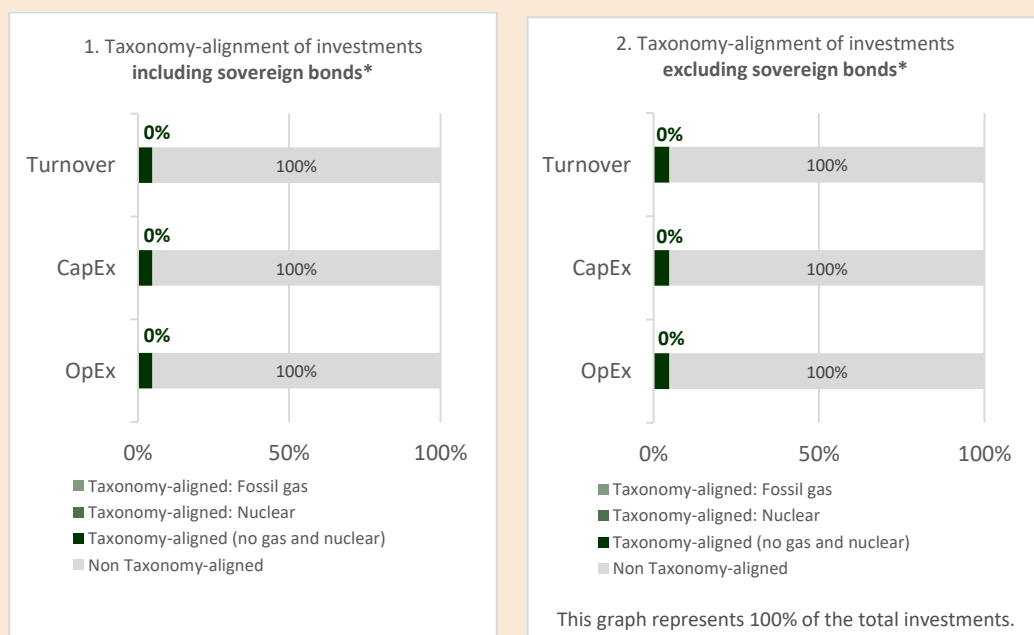
Issuer	Weight	Fossil Gas Involvement	Nuclear Energy Involvement
ATOPF 1.75% 05/25	0.83%	Yes	Yes
EDF 3.875% 01/27 EMTN	2.23%	Yes	Yes
DELL 1.625% 06/24	2.19%	Yes	No

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.

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



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

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

Not applicable.

The Sub-Fund has decided not to disclose any investments made in transitional and enabling activities due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.



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.

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

Not applicable since the Sub-Fund had decided not to disclose any sustainable investments with an environmental objective aligned with the EU Taxonomy this period and the previous reference periods.



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

Not applicable.

The Sub-Fund has decided not to disclose any sustainable investments with an environmental objective not aligned with the EU Taxonomy due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.



What was the share of socially sustainable investments?

Not applicable.

The Sub-Fund has decided not to disclose any share of socially sustainable investments due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.



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

The investments under "#2 Other" include forex, derivatives, cash and cash equivalent. These investments do not promote any environmental or social characteristics and do not qualify as sustainable investments.

These investments are part of the Sub-Fund's investment process and strategy for hedging and efficient portfolio management purposes.

There were no minimum environmental or social safeguards with these investments.



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

Over the reference period, we took the following actions:

- The Sub-Fund comply with the internal ESG Exclusion Policy by excluding companies involved in controversies sectors. Please refer to the Sustainable Investing section of our website for more information regarding LIOR Global Partners' Exclusion Policy : <https://www.lior-gp.com/sustainable-investing/>

- The Sub-Fund shall have at least 90% of its assets considered as Category 1 (Category 1: Developed Market Sovereign, Investment Grade Bond and Large Capitalisation) covered by the Internal ESG Risk Rating Policy (please refer to the Sustainable Investing section of our website for more information: <https://www.lior-gp.com/sustainable-investing/>).
- The Sub-Fund shall have at least 75% of its assets considered as Category 2 (Category 2: High Yield Bond, Emerging Market, Small & Mid Capitalisation) covered by the Internal ESG Risk Rating Policy (please refer to the Sustainable Investing section of our website for more information: <https://www.lior-gp.com/sustainable-investing/>).
- Since December 2022, the ESG Risk Rating and Product Involvement of the Sub-Fund's investment covered by the Category 1 and 2 mentioned above have been monitored on a daily basis with our internal tools.

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

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

Not applicable. The reference benchmark used as a posteriori reference indicator to assess the Sub-Fund's performance is a general market index, representing the Sub-Fund's investment universe and is not consistent with the environmental and/or social characteristics that it promotes. As mentioned above, the ESG performance is assessed by comparing the Sub-Fund's weighted average score of its overall portfolio to the aggregate ESG score of various investment universes.

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

Not applicable.

- ***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?***

Not applicable.

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

Not applicable.

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

Not applicable.



Brussels, 6.4.2022
C(2022) 1931 final

ANNEX 4

ANNEX

to the

Commission Delegated Regulation (EU) .../...

supplementing Regulation (EU) 2019/2088 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the content and presentation of the information in relation to the principle of ‘do no significant harm’, specifying the content, methodologies and presentation of information in relation to sustainability indicators and adverse sustainability impacts, and the content and presentation of the information in relation to the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and in periodic reports

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: LIOR GP – Global Short Duration Fund

Legal entity identifier:
6354009GJ3SYF38FOX65

Environmental and/or social characteristics

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**

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

1. The Sub-Fund generally promoted social, governance and environmental characteristics pursuant to Article 8 (1) of the SFDR; it being understood that, depending upon analysis as provided by (an) external recognised data provider(s) specialized in ESG assessments, it cannot be ensured that the Sub-Fund's portfolio of investments always displays all these three characteristics together at the same time. The Sub-Fund didn't have as its objective sustainable investment within the meaning of the SFDR.

The Sub-Fund applied a holistic ESG approach consisting in considering all ESG pillars globally at the same time. For illustration purposes, the criteria used are, without limitation, as follows:

Environment	Social	Governance
Emission, effluent and waste	Human capital	Business ethic
Air and water pollution	Occupational health	Data privacy and security default

In practice, the Sub-Fund promoted certain minimum environmental and social safeguards by primarily applying exclusion screening with regards to products and business practices that it considered detrimental to the environment or the society in general (the "**Sub-Fund's Exclusion List**") based on external ESG rating/scoring, which as at the date of this report include:

- Companies severely breaching the Global Standard, including the UN Global Compact's ten principles and the OECD Guidelines for Multinational Enterprises, are excluded;
- Companies involved in the controversial weapon sector such as Cluster munitions & mines (ASMs) are systematically excluded from the investment universe;
- Companies whose total revenues in the tobacco sales & distribution, coal and military equipment sectors exceed 10 % are systematically excluded from the investment universe;
- Companies whose total revenues in the tobacco production exceed 5% are systematically excluded from the investment universe.

This exclusion policy applied to:

- Direct exposure to companies concerned through bonds, credit, equity securities or single name derivatives; and
- Positions in index derivatives for which the number of underlying index issuers exposed to controversial sectors exceeds 15% of the total number of index members.

2. According to the absolute return portfolio strategy, there was no reference benchmark designated for the purpose of promoting, governance and environmental characteristics and/or attaining the environmental or social characteristics promoted by the Sub-Fund.

The binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted lies in applying (i) the Sub-Fund's Exclusion List and the (ii) ESG scoring methodologies as described above: The Sub-Fund's portfolio complies with Sub-Fund's Exclusion List, that is based on exclusion criteria with regards to products and business practices that the Sub-Fund believes are detrimental to society and incompatible with sustainable investment strategies and aims to target a better ESG score than its investment universe. For instance, to promote climate change mitigation, screens are applied to avoid investment in certain high carbon activities, and it is expected that this will result in the fund having a lower carbon profile.

The binding elements mentioned above are documented and monitored on an ongoing basis. Separately, the Investment Manager has risk management processes in place to control financial and regulatory risk and ensure appropriate escalation of any potential

issues within a clear governance structure. That said, the Sub-Fund may have invested in an issuer for which an ESG rating was not available.

The Sub-Fund's weighted average score of its overall portfolio is compared to the aggregated ESG score of various investment universes.

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

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

To measure the attainment of the environmental or social characteristics, the Investment Manager used the following indicators (alternatively depending upon the asset class):

1. The norm and activity based exclusions: The percentage of investment in companies that was on the Sub-Fund's Exclusion List, meaning that the Sub-fund had, in principle and subject to the Investment Manager's assessment of deviant investments, 0% exposure to such excluded investments taking into account the following as at the date of this report:

- a. **"Adherence to Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises"**: the Sub-Fund promoted adherence to, and the conducting of business activities in accordance with, Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, by scrutinizing companies that violated these principles. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.
- b. **No involvement in the controversial weapon sector such as Cluster munitions & mines (ASMs)**: the Sub-Fund promoted to not to invest in companies whose revenues derives from controversial weapon sector.
- c. **"Reduction of involvement in tobacco production"**: the Sub-Fund promoted the reduction of involvement in tobacco production by scrutinizing companies whose total revenues in this sector exceeded 5%. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.
- d. **"Reduction of involvement in tobacco sales & distribution, coal and military equipment sectors"**: the Sub-Fund promoted the reduction of involvement in tobacco sales & distribution, coal and military equipment sectors by scrutinizing companies whose total revenues in these sectors exceed 10%. Measurement was based on the number of companies excluded as a result of the Sub-Fund's Exclusion List.

2. The ESG scoring methodologies: The Sub-Fund had outperformed the ESG score of its investment universe during the entire period. The weighted average score of the Sub-Fund's overall portfolio had therefore been compared to the various investment universes.

In seeking to attain the promoted environmental or social characteristics, the Investment Manager had assessed potential investments via a proprietary ESG measurement methodology using overall ESG scores from (an) external recognised third-party data provider(s) and analysing the plausibility of the sustainable score. The scoring methodology had assessed sustainability factors and applied to the Sub-Fund's portfolio, excluding not invested cash and derivatives.

The overall portfolio score was a weighted sum of the ESG scores of the portfolio's assets excluding cash and shall be used as the only ESG comparison metrics.

Over the period, defined as 09/02/2023 (launch date of the Sub-Fund) to 31/12/2023, the ESG Portfolio Score was 16.47 and the ESG Comparable Universes Score was 19.13. These score are determined by averaging daily scores over the period.

As a reminder, as described in our ESG's Methodology, the ESG score represents the ESG risk Score of an issuer. Then the higher the issuer's ESG score, the higher its ESG risk.

Issuers' ESG Scores are provided by the independent company Sustainalytics. LIOR Global Partners is computing the ESG Portfolio and Comparable Universes Scores using the data from this third party.

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

The question is not applicable since this is the first time that the Sub-Fund is reporting.

● ***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 question is not applicable since the Sub-Fund did not commit to invest in sustainable investments as defined in the SFDR and did not take into account the EU criteria for environmentally sustainable economic activities of Article 9 of the Taxonomy Regulation when investing. Similarly, the Sub-Fund did not commit to a minimum share of sustainable investments aligned with the EU Taxonomy but it cannot be excluded that the Sub-Fund's underlying investments may included sustainable investments aligned with the EU Taxonomy on an incidental basis. Sustainable investments and Taxonomy-aligned investment are reported later on in this document.

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

The question is not applicable since the Sub-Fund did not commit to invest in sustainable investments within the meaning of the SFDR and did not take into account the EU criteria for environmentally sustainable economic activities of Article 9 of the Taxonomy Regulation, including the "do not significantly harm" principle within the meaning of the SFDR, when investing. However, the Sub-Fund did not exclude a possible divestment in case the Investment Manager's assessment would result in considering an investment as in breach of such principle.

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

A description of the integration of PAIs is available via the Investment Manager's PAIs statement published on its website: <https://www.lior-gp.com/sustainable-investing/#section-bresponsibleinvestmentpolicy>

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.

Such statement sets out the Investment Manager's approach to identifying and prioritizing PAIs, and how PAIs was considered in the investment process, market researches, analysis and exclusions.

That said, though the Sub-Fund promoted ESG characteristics, the question was not applicable since it did not commit to invest in sustainable investments within the meaning of the SFDR. As a result, PAI indicators were not taken into account when investing and were not used as ESG comparison metrics.

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

The Investment Manager's exclusion policy regarding corporates included an explanation of how they act in accordance with the Global Standard, including the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, and assessed the behavior of companies in its investment universe. The Investment Manager continuously screened its investments versus these principles as follows:

- Post-investment, in case a Sub-Fund's existing investment appeared in the list, it was considered as being deviant and entered into the Investment Manager's watch list subject to a close monitoring and which will make decisions as required by the Shareholders' interest. In its assessment of deviant investments, the Investment Manager considered i.a. applicable grace periods and/or reliable remediation/transition plan before any exclusion on the basis that such investment was not considered a sustainable investment anymore.
- Pre-investment, the Investment Manager screened for breaches on these principle in the final step of its investment policy. In this step, the Investment Manager checked whether the company concerned had been involved in any controversies. Involvement in any controversy did not always result in a negative score for the company or exclusion from the portfolio on the basis that it was not a sustainable investment. Rather, the Investment Manager applied an all-inclusive approach considering i.a., any market impact and/or any reliable remediation/transition plan.

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

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

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

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



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

The Investment Manager considered PAIs on sustainability factors of Annex I of the SFDR Delegated Regulation not as reference measurement but rather via the composite score.

- Pre-investment, the following PAIs on sustainability factors were considered through the norms-based and activity based exclusions applied by the Investment Manager (exclusionary screening):
 - Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (PAI 10, Table 1);
 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1)
- Post-investment, the following principal adverse impact on sustainability factors were taken into account by the Investment Manager in its ESG policy:
 - Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises (PAI 10, Table 1). On an ongoing basis, the applicable investment universe was screened for controversial behavior in relation to the aforementioned principles.

The score measures provided and used to obtain the overall score of the portfolio, were built according to the analysis and management of Material ESG Issues (MEI) such as: human rights, business ethics, emissions, effluents and waste, carbon – own operation/products and services, natural resources use... These MEI cover many themes targeted by the PAIs.



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: 09/02/2023 – 31/12/2023 (Cash Instruments only). The values are reported using the annual average of the quarterly data over the period.

Largest investments	Sector	% Assets	Risk Country
BOTS 12/01/24 364D	Government	5.95%	Italy
BOTS 14/03/24 366D	Government	3.74%	Italy
BTPS 3.5% 01/26 3Y	Government	3.72%	Italy
BTF 04/10/23	Government	3.67%	France
SGLT 0% 06/10/23	Government	3.67%	Spain
RENAUL 4.625% 07/26 EMTN	Consumer Discretionary	3.08%	France
FCABNK 4.25% 03/24 EMTN	Financials	3.07%	Italy
SGLT 0% 08/03/24 12M	Government	2.89%	Spain
BOTS 14/11/23 365D	Government	2.78%	Italy
CXGD VAR 10/28 EMTN	Financials	2.38%	Portugal
ISPIM 4.75% 09/27 EMTN	Financial	2.36%	Italy
FRFP 5.375% 05/27 EMTN	Consumer Discretionary	2.32%	France
BOTS 28/03/24 181D	Government	2.29%	Italy
ARVASL 4.125% 04/26 EMTN	Consumer Discretionary	2.28%	France
ALDFP 4% 07/27 EMTN	Consumer Discretionary	2.28%	France



What was the proportion of sustainability-related investments?

Not applicable.

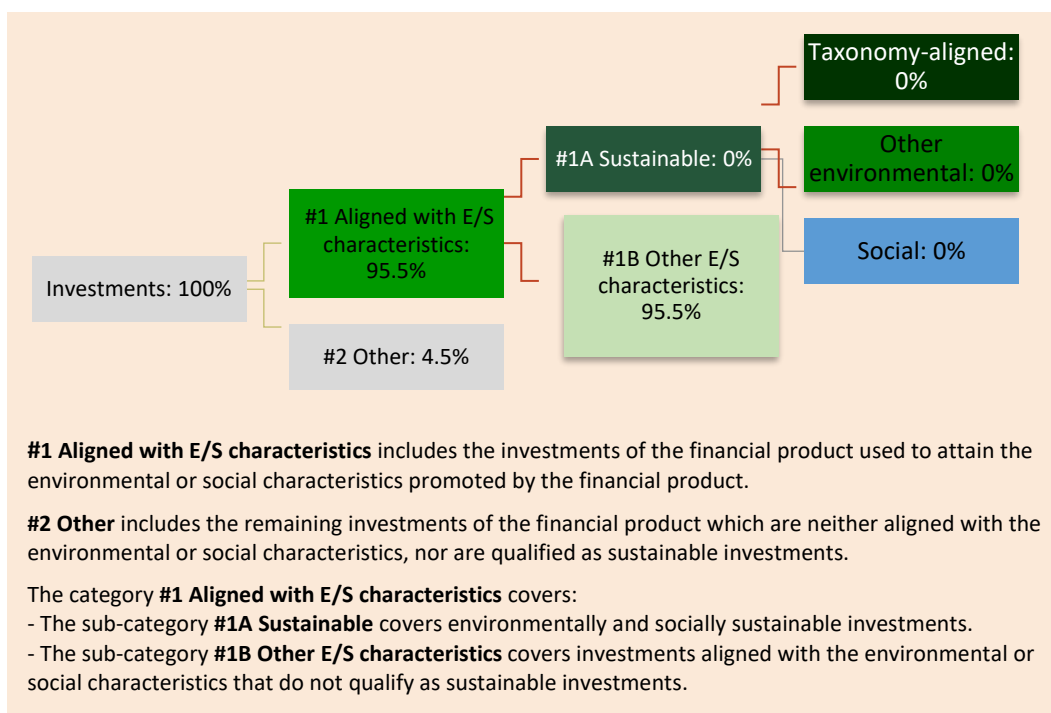
The Sub-Fund has decided not to disclose any sustainability-related investment due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

● What was the asset allocation?

The net exposition of the investments by assets class (excluding derivatives) was displayed as followed:

- Bonds (including Governments and Corporates Bonds): 65.20%
- Money Market: 30.30%
- Forex, Cash & Others: 4.49%

Asset allocation describes the share of investments in specific assets.



Asset Allocation	2023
<i>Investments</i>	100%
<i>#1 Aligned with E/S characteristics</i>	95.5%
<i>#1A Sustainable</i>	0%
<i>#1B Other E/S characteristics</i>	95.5%
<i>Taxonomy-aligned</i>	0%
<i>Other environmental</i>	0%
<i>Social</i>	0%
<i>#2 Other</i>	4.5%

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

The investments were made in the following economic sectors:

- Government: 39.51%
 - Sovereigns: 37.65%
 - Supranationals: 1.86%
- Financials: 28.62%
 - Banks: 16.73%
 - Diversified Banks: 6.62%

- Consumer Finance: 3.07%
- Financial Services: 2.20%
- Consumer Discretionary: 19.30%
 - Automobiles Manufacturing: 9.13%
 - Retail – Consumer Discretionary: 5.97%
 - Consumer Services: 0.72%
 - Auto Parts Manufacturing: 3.49%
- Utilities: 1.50%
 - Power Generation: 1.50%
- Industrials: 3.68%
 - Industrial Other: 3.68%
- Technology: 2.89%
 - Software & Services: 0.64%
 - Hardware: 2.25%

The rest of the investments were made through Cash, Forex and derivatives, with no associated economic sectors.

Taxonomy-aligned activities are expressed as a share of:

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



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

Not applicable.

The Sub-Fund has decided not to disclose any sustainable investments with an environmental objective aligned with the EU Taxonomy due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

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

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

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not 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.

But the financial product invest in 4.39% in fossil gas and/or nuclear energy related activities.

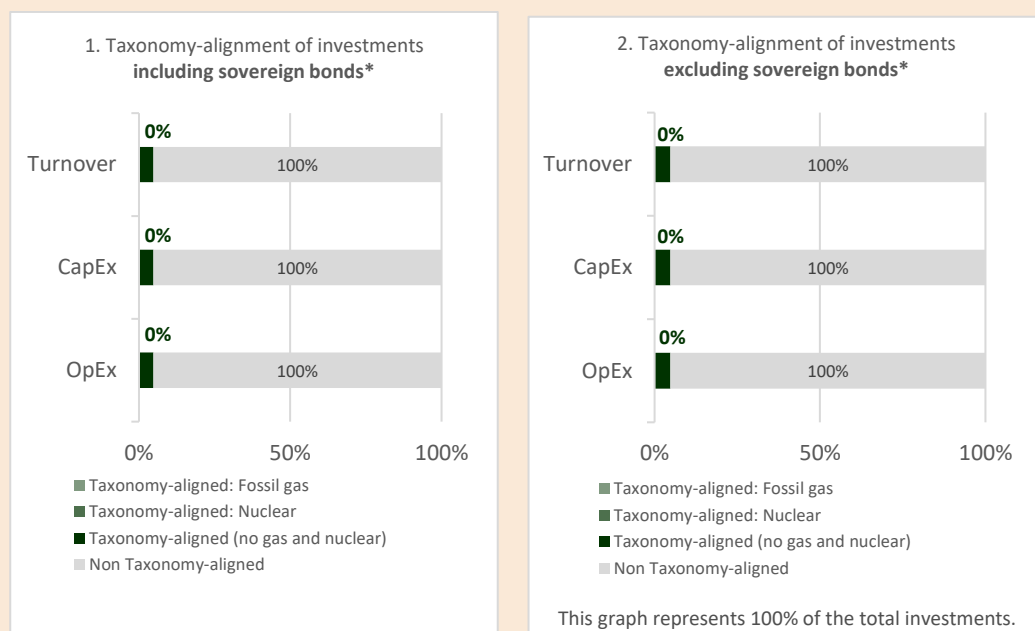
Issuer	Weight	Fossil Gas Involvement	Nuclear Energy Involvement
ATOPF 1.75% 05/25	0.64%	Yes	Yes
EDF 3.875% 01/27 EMTN	1.50%	Yes	Yes
DELL 1.625% 06/24	2.25%	Yes	No

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.

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.



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

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

Not applicable.

The Sub-Fund has decided not to disclose any investments made in transitional and enabling activities due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.

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



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.

Not applicable since the Sub-Fund had decided not to disclose any sustainable investments with an environmental objective aligned with the EU Taxonomy this period and the previous reference periods.



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

Not applicable.

The Sub-Fund has decided not to disclose any sustainable investments with an environmental objective not aligned with the EU Taxonomy due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.



What was the share of socially sustainable investments?

Not applicable.

The Sub-Fund has decided not to disclose any share of socially sustainable investments due to lack of sufficient data and/or data of sufficient quality. The Sub-Fund has decided to avoid any approximations, forecasts or proxies to complete the lack of sufficient data available.



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

The investments under "#2 Other" include forex, derivatives, cash and cash equivalent. These investments do not promote any environmental or social characteristics and do not qualify as sustainable investments.

These investments are part of the Sub-Fund's investment process and strategy for hedging and efficient portfolio management purposes.

There were no minimum environmental or social safeguards with these investments.



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

Over the reference period, we took the following actions:

- The Sub-Fund comply with the internal ESG Exclusion Policy by excluding companies involved in controversies sectors. Please refer to the Sustainable Investing section of our website for more information regarding LIOR Global Partners' Exclusion Policy : <https://www.lior-gp.com/sustainable-investing/>
- The Sub-Fund shall have at least 90% of its assets considered as Category 1 (Category 1: Developed Market Sovereign, Investment Grade Bond and Large Capitalisation) covered by the Internal ESG Risk Rating Policy (please refer to the Sustainable Investing

section of our website for more information: <https://www.lior-gp.com/sustainable-investing/>).

- The Sub-Fund shall have at least 75% of its assets considered as Category 2 (Category 2: High Yield Bond, Emerging Market, Small & Mid Capitalisation) covered by the Internal ESG Risk Rating Policy (please refer to the Sustainable Investing section of our website for more information: <https://www.lior-gp.com/sustainable-investing/>).
- Since December 2022, the ESG Risk Rating and Product Involvement of the Sub-Fund's investment covered by the Category 1 and 2 mentioned above have been monitored on a daily basis with our internal tools.

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

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

Not applicable. The reference benchmark used as a posteriori reference indicator to assess the Sub-Fund's performance is a general market index, representing the Sub-Fund's investment universe and is not consistent with the environmental and/or social characteristics that it promotes. As mentioned above, the ESG performance is assessed by comparing the Sub-Fund's weighted average score of its overall portfolio to the aggregate ESG score of various investment universes.

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

Not applicable.

- ***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?***

Not applicable.

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

Not applicable.

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

Not applicable.