Annual report

Lupus alpha Sustainable Convertible Bonds

as of 31 January 2022

Lupus alpha

IMPORTANT NOTE: THIS TRANSLATION IS INTENDED FOR CONVENIENCE PURPOSES ONLY AND SOLELY THE GERMAN VERSION IS BINDING

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Activity report for the period: 1 February 2021 - 31 January 2022

Investment objectives and investment policy to achieve the objectives:

The Lupus alpha Sustainable Convertible Bonds fund invests in a global, broadly diversified portfolio of convertible bonds. It is actively managed with the aim of benefiting from the asymmetric return profile of convertible bonds and achieving attractive long-term capital growth. To this end, the fund flexibly exploits a worldwide spectrum of opportunities within the asset class of global convertible bonds. The bottom-up investment process for selecting convertible bonds focuses on growth companies, convex payout profiles, a solid credit rating, attractive protection clauses in the bond prospectus, a sustainability filter with negative criteria, positive contributions to the Sustainable Development Goals and a high score for environmental, social and governmental criteria. The aim is for the equity sensitivity at fund level to be kept in the medium range (30-60% delta). Foreign currency risks are systematically hedged.

Lupus alpha Sustainable Convertible Bonds unit class C was launched on 1 March 2018, unit class R on 10 December 2020 and unit class CAV on 10 November 2021. The reporting period (financial year) covers the period from 1 February 2021 to 31 January 2022 inclusive.

After a very positive last two years, convertible bonds were unable to participate in the predominantly favourable development of the stock market in 2021, with a slight decline in prices during the reporting period. There are two main reasons for this apparently disappointing performance in the past year. Firstly, the asset class as well as the fund strategy suffered significantly from the sell-off in growth stocks between mid-February and mid-May 2021, with a simultaneous rally in value stocks, which are barely represented in the convertible bond universe. Secondly, the typical convertible bond issuers, i.e. high-growth stocks with market capitalisations of less than USD 20 billion, have undergone considerable correction since the summer, in many cases of 20-30% or more. Finally, the focus on high quality stocks did not pay off last year; the performance of high-yield bonds clearly exceeded that of IG-quality bonds. (The Lupus alpha Sustainable Convertible Bond fund had an average rating of BBB as of the reporting date). The highest weighting in the Lupus alpha Sustainable Convertible Bonds fund is given to IT and healthcare companies (mainly from the USA), which had a rather negative impact on performance during the reporting period. The fund was not invested in convertible bonds from Chinese real estate companies or Chinese companies in the education sector. By focusing on solid issuers and careful credit analysis, the fund management was again able to avoid "credit events" in the fund during this reporting period.

Portfolio structure and significant changes during the reporting period:

Structure of the fund:

	31.01.2022	%	31.01.2021	%
Fixed interest securities	**236,762,693.17**	**96.26**	**94,751,571.75**	**91.58**
Cash at banks, money market instruments and money market funds	**11,515,464.84**	**4.69**	**7,539,425.53**	**7.30**
Other assets	**3,810,202.60**	**1.55**	**639,264.26**	**0.60**
Forward exchange contracts	**-4,020,267.66**	**-1.64**	**597,228.35**	**0.58**
	-2,103,372.48	**-0.86**	**-66,473.98**	**-0.06**
Fund assets	**245,964,720.47**	**100.00**	**103,461,015.91**	**100.00**

Fund earnings:

During the reporting period, Lupus alpha Sustainable Convertible Bonds achieved a performance of -7.74% in unit class C, -8.06% in unit class R and -8.09% in unit class CAV[1)] (launched on 10 November 2021). As there is currently no sustainable convertible bond index (yet), the Lupus alpha Sustainable Convertible Bonds has no official performance benchmark.

The main sources of negative income from disposals were losses on interest-bearing securities.

Covid-19 pandemic

2021 was a year of economic recovery from the consequences of the coronavirus pandemic and its aftermath. Rising vaccination rates and improved treatment options confronted new variants of the SARS COV 2 virus and appeared to be an effective way of fighting the pandemic as the year progressed. However, the slowly recovering global economy was quickly faced with new challenges, as global supply chains were much more severely affected by the pandemic and its consequences than initially expected: Higher freight rates, supply bottlenecks in various sectors (e.g. in semiconductors or for various raw materials) and recurring lockdowns in response to local coronavirus outbreaks have thrown global flows of goods out of balance.

In the third quarter of the year in particular, these effects were felt in the form of sharp increases in energy and materials charges and associated higher inflation expectations. This was partly reinforced by rising interest rates, which caused global stock markets to fluctuate sideways following an initial recovery in the autumn. Problems with global supply chains continued in the fourth quarter. Infection rates began to climb again, particularly in Europe, coupled with a newly discovered mutation of the SARS COV 2 virus, driving up market volatility.

On a political level, current tensions between Russia and Ukraine and between China and Taiwan in particular create further potential for market uncertainty. On a positive note, US domestic and foreign policy calmed down over the course of the year following a rather bumpy start to 2021 (including the storming of the Capitol), when concerns about a peaceful transfer of power between Trump and Biden dominated daily events. The arrival of the new federal government in December did not seem to have any significant impact on the markets.

Ukraine crisis

The measures adopted worldwide as a result of the invasion of Ukraine by the Russian army, including the exclusion of Russia from the SWIFT system and further far-reaching sanctions against the Russian economy, led to significant price losses - especially on European stock exchanges. In the medium term, global economic conditions and the financial markets will be characterised by a higher level of uncertainty, accompanied by increased volatility in financial marketplaces. In this respect, the fund’s future performance is also subject to increased fluctuation risks.

The management company will continue to take all measures deemed appropriate to protect investor interests as best possible.

Significant risks:

The main types of risk assumed by the fund during the reporting period were as follows:

- Market price risk: The volatility of the fund's unit values in the financial year was 8.6% p.a. as of the reporting date of 31 January 2022. The fund is subject to price fluctuations on the stock markets, especially in Europe and the USA. However, fluctuations only have an effect with about half the force: Equity sensitivity as of the reporting date was 46%.

- Interest rate risk: The fund invests predominantly in global convertible bonds. Interest rate sensitivity as of the reporting date was just 2.2%.

- Default risk: Default risk (or counterparty/issuer risk) includes the risk of the party, especially of a mutual contract, defaulting on its own claim (insolvency). This applies to all contracts entered into for the account of an investment fund. If transactions are not conducted via an exchange or a regulated market (OTC transactions), there is a risk that the counterparty to the transaction may default or that the counterparty may not meet its obligations in full. This applies primarily to transactions involving techniques and instruments.

- Credit risk: Bonds always carry a credit risk in relation to the issuer. This includes price fluctuations and the risk of loss of the capital invested and current income. The investment fund is always invested in a very large number of different international issuers. The average rating of the convertible bonds is BBB. A very broad diversification across different sectors and countries limits the individual default risk in economically weaker phases.
  Theoretically, a very deep economic crisis can lead to more insolvencies. However, there were no insolvencies in the fund in the past financial year.

- Liquidity risk: Assets may also be acquired for the fund that are not admitted to the official market of a stock exchange or included in a regulated market. The acquisition of such assets is associated with the risk that problems may arise, in particular when the assets are resold to third parties. In addition, there is a risk that securities traded in a rather narrow market segment may be subject to considerable price volatility.

- Currency risk: The fund’s positions are systematically currency hedged in euros. There is therefore no significant currency risk under normal market conditions, but there is no guarantee that the hedging or protection will be achieved.

- Operational risk: In principle, the fund is exposed to operational risk in the management company's processes, but did not report any increased operational risk during the reporting period. To reduce operational risk, ex ante and ex post audit procedures are integrated into the order process in accordance with the dual control principle. Furthermore, securities trading transactions are concluded exclusively via competent and experienced counterparties. The securities custody service is provided by an established custodian with a good credit rating.

[1] Unit class CAV was relaunched on 10 November 2021.

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Statement of assets as of 31 January 2022

Investment focus Assets	Current value in EUR	% of fund assets[1)]
Fixed interest securities	**236,762,693.17**	**96.26**
Bermuda	7,174,327.58	2.92
Federal Republic of Germany	28,559,040.00	11.61
Denmark	5,676,320.00	2.31
France	20,923,322.45	8.51
Great Britain, Northern Ireland and Channel Islands	3,298,573.21	1.34
Israel	8,787,827.29	3.57
Italy	10,548,165.72	4.29
Japan	3,960,758.51	1.61
Cayman Islands	1,737,213.97	0.71
Luxembourg	9,761,945.17	3.97
The Netherlands	2,326,680.00	0.95
Spain	10,653,440.00	4.33
USA	123,355,079.27	50.15
Forward exchange contracts	**-4,020,267.66**	**-1.64**
Cash at banks, money market instruments and money market funds	**11,515,464.84**	**4.69**
Other assets	**3,810,202.60**	**1.55**
Other liabilities	**-2,103,372.48**	**-0.86**
Fund assets	**245,964,720.47**	**100.00**

[1)] Minor rounding differences may arise as a result of rounding percentages in the calculation.

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Statement of net assets as of 31 January 2022

Name	ISIN	Market	Qty, units or currency in 1,000	As of 31 January 2022	Purchases / Acquisitions	Sales / Disposals		Price	Current value in EUR	% of fund assets[1]
					during the reporting period					
Securities traded on an exchange										
Interest-bearing securities										
0.7000% ACCOR 20/27 CV	FR0013521085		EUR	40	40	23	%	52.400	2,096,000.00	0.85
0.0500% ADIDAS AG WLD.18/23	DE000A2LQRW5		EUR	3,800	2,200	0	%	110.950	4,216,100.00	1.71
0.3750% AKAMAI TECHN 19/27 CV	US00971TAL52		USD	8,850	7,350	0	%	114.240	9,019,349.66	3.67
1.5000% AMADEUS IT GRP 20/25 CV	XS2154448059		EUR	3,600	3,000	800	%	133.470	4,804,920.00	1.95
0.3750% BENTLEY SYS.21/27 CV 144A	US08265TAC36		USD	6,250	7,250	1,000	%	86.440	4,819,572.68	1.96
0.0000% BILL.COM HLD 21/27 ZO CV	US090043AC48		USD	5,250	5,250	0	%	91.480	4,284,490.83	1.74
1.2500% BIOMARIN PH 20/27 CV	US09061GAK76		USD	4,375	2,250	0	%	105.660	4,123,845.85	1.68
0.0000% BLACKLINE 21/26 ZO CV	US09239BAC37		USD	7,650	7,650	0	%	88.970	6,071,818.55	2.47
0.0000% BLOCK 20/26 CV	US852234AJ27		USD	5,750	1,000	1,000	%	92.940	4,767,429.41	1.94
0.0000% CARREFOUR 18/24 ZO CV	FR0013326204		USD	2,000	800	0	%	105.750	1,886,792.45	0.77
0.5000% CELLNEX TEL. 19/28 CV	XS2021212332		EUR	800	300	0	%	119.920	959,360.00	0.39
0.7500% CELLNEX TEL. 20/31 CV	XS2257580857		EUR	5,400	4,400	0	%	90.540	4,889,160.00	1.99
0.0000% CITI G.M.FDG 21/24 MTN CV	XS2344373134		HKD	60,000	60,000	0	%	102.340	7,024,745.17	2.86
0.3750% COUPA SOFTW 21/26 CV	US22266LAF31		USD	4,150	2,300	750	%	89.660	3,319,407.65	1.35
0.0000% CYBERARK S. 19/24 CV ZO	US23248VAB18		USD	4,550	3,500	450	%	110.480	4,484,446.23	1.82
0.8750% DELIVERY HERO WA 20/25	DE000A3H2WP2		EUR	1,400	1,400	0	%	85.020	1,190,280.00	0.48
0.0500% DEUTSCHE POST WLD.17/25	DE000A2G87D4		EUR	5,400	5,400	0	%	115.730	6,249,420.00	2.54
0.2500% DEXCOM 20/25 CV	US252131AK39		USD	6,650	2,750	0	%	107.590	6,382,742.32	2.59
0.0000% DROPBOX 21/28 ZO CV 144A	US26210CAB00		USD	4,250	4,250	0	%	98.060	3,717,873.23	1.51
0.7500% DUERR AG WA 20/26	DE000A3H2XR6		EUR	2,000	1,500	400	%	131.758	2,635,160.00	1.07
0.0000% EDENRED 19/24 ZO CV	FR0013444395		EUR	50	50	0	%	60.730	3,036,500.00	1.23
0.0000% ENPHASE ENER 21/28 ZO CV	US29355AAJ60		USD	4,562	4,562	0	%	90.280	3,674,181.36	1.49
0.1250% ETSY 20/27 CV	US29786AAL08		USD	2,900	625	750	%	111.060	2,873,223.60	1.17
0.5000% FIVE9 20/25 CV	US338307AD33		USD	3,475	3,475	0	%	116.530	3,612,487.18	1.47
0.0000% GN STORE NRD 19/24 ZO WW	XS1965536656		EUR	5,200	4,100	600	%	109.160	5,676,320.00	2.31
1.2500% GUIDEWIRE SOFTW. 2025 CV	US40171VAA89		USD	2,275	1,750	0	%	109.340	2,219,086.49	0.90
0.7500% HELLOFRESH WA 20/25	DE000A289DA3		EUR	1,900	2,400	1,200	%	136.680	2,596,920.00	1.06
0.3750% INSULET 20/26 CV	US45784PAK75		USD	2,400	1,850	475	%	123.910	2,652,964.00	1.08
1.5000% JAZZ INV.I 2024 CV	US472145AD36		USD	3,275	2,500	0	%	101.950	2,978,600.74	1.21
2.0000% JAZZ INVES.I 21/26 CV	US472145AF83		USD	4,000	1,250	0	%	117.580	4,195,726.84	1.71
0.0000% JPM.CH.BK 19/22 CV ZO	XS2038088527		USD	4,500	3,400	0	%	114.425	4,593,536.73	1.87
0.1250% JPM.CH.BK 20/23 CV 144A	US48128DAC11		USD	4,000	1,975	0	%	102.080	3,642,624.56	1.48
2.2500% JUST EAT TAKAWAY.19/24 CV	XS1940192039		EUR	2,300	2,300	0	%	101.160	2,326,680.00	0.95
0.0000% KERING 19/22 ZO CV MTN	FR0013450483		EUR	4,200	3,000	0	%	109.290	4,590,180.00	1.87
0.8750% LEG IMMOB.WLD.17/25	DE000A2GSDH2		EUR	3,500	1,600	0	%	117.880	4,125,800.00	1.68
0.4000% LEG IMMOB.WLD.20/28	DE000A289T23		EUR	3,200	3,200	0	%	102.430	3,277,760.00	1.33
0.8750% LIVONGO HEAL 21/25 CV	US539183AA12		USD	2,150	2,150	0	%	105.680	2,026,959.28	0.82
0.5000% LUMENTUM 19/26 CV	US55024UAD19		USD	2,900	3,000	2,000	%	120.710	3,122,877.92	1.27
0.0000% MEITUAN 21/27 CV	XS2333568751		USD	2,100	4,000	1,900	%	92.730	1,737,213.97	0.71

[1] Minor rounding differences may arise as a result of rounding percentages in the calculation.

0.0000% MERCARI INC. 21/28 ZO CV	XS2357174684	JPY	310,000	310,000	0	%	97.100	2,329,798.76	0.95
0.1250% MICROCH.TECH 20/24 CV	US595017AU87	USD	1,050	400	0	%	117.750	1,102,970.69	0.45
0.0000% NEXTERA E.P 20/25 ZO CV	US65341BAD82	USD	1,350	500	500	%	105.460	1,270,092.33	0.52
0.0000% EDENRED 21/25 ZO CV	US653656AB42	USD	4,375	500	0	%	110.260	4,303,381.06	1.75
0.1250% OKTA 20/25 CV	US679295AD75	USD	1,350	850	250	%	125.160	1,507,346.45	0.61
0.3750% OKTA 20/26 CV	US679295AF24	USD	4,350	4,350	0	%	111.220	4,316,044.43	1.75
0.0000% OLIVER CAP. 20/23 ZO CV	XS2240512124	EUR	2,400	3,200	800	%	114.050	2,737,200.00	1.11
0.0000% PRYSMIAN 21/26 ZO CV	XS2294704007	EUR	3,500	3,500	0	%	103.650	3,627,750.00	1.47
0.2500% RAPID7 21/27 CV 144A	US753422AE40	USD	1,850	2,850	1,000	%	112.440	1,855,693.83	0.75
0.0000% RINGCENTRAL 20/25 CV ZO	US76680RAF47	USD	5,350	4,100	1,650	%	91.970	4,389,486.60	1.78
0.0000% ROHM CO.LTD 19/24 ZO CV	XS2080209435	JPY	200,000	200,000	0	%	105.360	1,630,959.75	0.66
0.0000% SCHNEIDER EL 20/26 CV MTN	FR0014000OG2	EUR	23	17	0	%	209.010	4,807,230.00	1.95
0.1250% SHOPIFY 20/25 CV	US82509LAA52	USD	5,750	5,075	1,600	%	106.600	5,468,129.71	2.22
0.0000% SOLAREDGE T. 21/25 CV ZO	US83417MAD65	USD	3,325	1,325	750	%	116.000	3,440,831.44	1.40
1.1250% SPLUNK 19/25 CV	US848637AD65	USD	6,700	7,200	500	%	112.330	6,714,046.12	2.73
1.1250% SPLUNK 21/27 CV	US848637AF14	USD	2,750	2,750	0	%	90.830	2,228,310.81	0.91
0.0000% STMICROELECTR. 20/25ZO CV	XS2211997155	USD	6,200	3,600	0	%	125.120	6,920,415.72	2.81
1.2500% TELADOC HLTH 21/27	US87918AAF21	USD	4,900	4,250	1,550	%	89.400	3,907,935.23	1.59
0.2500% TYLER TECHS 21/26 CV 144A	US902252AA34	USD	3,450	4,000	550	%	113.450	3,491,703.47	1.42
0.0000% UBER TECHNO. 20/25 CV	US90353TAJ97	USD	3,250	3,250	0	%	93.140	2,700,432.67	1.10
0.2500% UPWORK 21/26 CV 144A	US91688FAA21	USD	1,600	3,400	1,800	%	82.580	1,178,714.48	0.48
1.6250% WH SMITH PLC 21/26	XS2339232147	GBP	2,800	2,800	0	%	98.420	3,298,573.21	1.34
0.0000% WORLDLINE 19/26 ZO CV	FR0013439304	EUR	46	33	0	%	97.970	4,506,620.00	1.83
0.0500% ZALANDO SE WA 20/25	DE000A3E4589	EUR	4,000	4,100	1,200	%	106.690	4,267,600.00	1.74
0.6250% ZENDESK 21/25 CV	US98936JAD37	USD	3,400	3,400	400	%	115.400	3,500,245.33	1.42
Total interest-bearing securities						**EUR**		**235,404,068.79**	**95.71**
Total securities traded on an exchange						**EUR**		**235,404,068.79**	**95.71**

Unlisted securities

Interest-bearing securities

0.7500% PEGASYSTEMS 21/25	US705573AB99	USD	1,500	1,500	0	%	101.530	1,358,624.38	0.55
Total interest-bearing securities						**EUR**		**1,358,624.38**	**0.55**
Total unlisted securities						**EUR**		**1,358,624.38**	**0.55**
Total securities holdings						**EUR**		**236,762,693.17**	**96.26**

Derivatives

(Negative figures denote **sold** positions)

Currency derivatives

Receivables/liabilities

Futures contracts (Buy)

Open positions

1) Minor rounding differences may arise as a result of rounding percentages in the calculation.

USD/€57.0m	OTC					-2,482,210.23	-1.01
JPY/€500.0m	OTC					-14,741.24	-0.01
GBP/€2.6m	OTC					-60,835.42	-0.02
HKD/€18.5m	OTC					-72,834.43	-0.03
USD/€51.5m	OTC					-625,013.05	-0.26
HKD/€43.0m	OTC					-78,051.91	-0.03
USD/€54.0m	OTC					-297,415.41	-0.12
Closed positions							
CHF/€1.6m	OTC					-40,758.77	-0.02
USD/€7.0m	OTC					-248,667.87	-0.10
JPY/€50.0m	OTC					-3,548.21	0.00
USD/€15.0m	OTC					-96,191.12	-0.04
Total currency derivatives				**EUR**		**-4,020,267.66**	**-1.64**

Cash at banks, money market instruments and money market funds

Cash at banks							
EUR-Balances with the Custodian							
Kreissparkasse Köln		EUR	7,277,671.85	%	100.000	7,277,671.85	2.97
Balances in non-EU/EEA currencies							
Kreissparkasse Köln		CHF	4,051.39	%	100.000	3,882.32	0.00
Kreissparkasse Köln		GBP	11,338.39	%	100.000	13,571.76	0.01
Kreissparkasse Köln		HKD	3,424,233.10	%	100.000	391,739.38	0.16
Kreissparkasse Köln		JPY	16,676,776.00	%	100.000	129,077.21	0.05
Kreissparkasse Köln		USD	4,146,979.54	%	100.000	3,699,522.32	1.50
Total balances in non-EU/EEA currencies				**EUR**		**4,237,792.99**	**1.72**
Total cash at banks				**EUR**		**11,515,464.84**	**4.69**
Total cash at banks, money market instruments and money market funds				**EUR**		**11,515,464.84**	**4.69**

Other assets

Interest claims		EUR	195,183.55			195,183.55	0.08
Receivables from pending transactions		EUR	3,615,019.05			3,615,019.05	1.47
Total other assets				**EUR**		**3,810,202.60**	**1.55**

Other liabilities

Payables from pending transactions		EUR	-1,957,191.43			-1,957,191.43	-0.80
Accrued expenses		EUR	-146,181.05			-146,181.05	-0.06

[1)] Minor rounding differences may arise as a result of rounding percentages in the calculation.

Total other liabilities	**EUR**	**-2,103,372.48**	**-0.86**
Securities holdings as a percentage of fund assets			**96.26**
Fund assets	**EUR**	**245,964,720.47**	**100.00**
Outstanding units - Class C	**QTY**	**1,660,180.915**	
Unit value - Class C	**EUR**	**109.56**	
Outstanding units - Class R	**QTY**	**21,012.181**	
Unit value - Class R	**EUR**	**96.18**	
Outstanding units - Class CAV	**QTY**	**675,163.000**	
Unit value - Class CAV	**EUR**	**91.91**	

Securities prices/market rates

The investment fund assets are valued based on the following list/market prices:

All assets: Prices/market rates as of 31 January 2022 or last known

Exchange rate(s)/conversion factor(s) (indirect quote) as of 31 January 2022

Pound sterling	(GBP)	0.83544	= 1 euro (EUR)
Hong Kong dollar	(HKD)	8.74110	= 1 euro (EUR)
Japanese yen	(JPY)	129.20000	= 1 euro (EUR)
Swiss franc	(CHF)	1.04355	= 1 euro (EUR)
US dollar	(USD)	1.12095	= 1 euro (EUR)

Market key

c) OTC	Over-the-Counter

1) Minor rounding differences may arise as a result of rounding percentages in the calculation.

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Transactions completed during the reporting period, not included in the statement of net assets:

- Purchases and sales of securities, investment fund units and bonded loans (market allocation as of the reporting date):

Name	ISIN	Qty, units, nominal value or currency in 1000	Purchases/ Acquisitions	Sales/ Disposals
Securities traded on an exchange				
Interest-bearing securities				
0.1250% AKAMAI TECHN 18/25 CV	US00971TAJ07	USD	0	1,150
0.0000% ATOS 19/24 ZO CV	FR0013457942	EUR	600	1,900
0.5000% BE SEMICON.INDS 17/24 CV	XS1731596257	EUR	0	1,000
0.0000% BEYOND MEAT 21/27 ZO CV	US08862EAA73	USD	6,600	6,600
0.0000% BILL.COM HLD 20/25 CV ZO	US090043AA81	USD	650	2,950
0.0000% BLOCK 20/26 144A C	US852234AG87	USD	3,000	3,000
0.0000% CLOUDFLARE 21/26 ZO CV	US18915MAD92	USD	3,950	3,950
0.3750% COUPA SOFTW 20/26 CV	US22266LAE65	USD	1,450	1,450
0.1250% DATADOG 20/25 CV 144	US23804LAA17	USD	1,600	1,600
0.1250% DATADOG 21/25 CV	US23804LAB99	USD	0	2,250
0.2500% DELIVERY HERO WA 20/24	DE000A254Y84	EUR	300	700
0.3250% DT.WOHNEN WLD.17/24	DE000A2BPB84	EUR	0	900
0.6000% DT.WOHNEN WLD.17/26	DE000A2GS377	EUR	1,100	2,100
0.1250% ETSY 20/26 CV	US29786AAJ51	USD	0	300
0.1250% ETSY 20/27 CV 144A	US29786AAK25	USD	2,075	2,075
0.2500% ETSY 21/28 CV 144A	US29786AAM80	USD	850	850
0.8750% FORTIVE 20/22 CV	US34959JAK43	USD	0	350
0.0000% HAEMONETICS 21/26 ZO CV	US405024AA84	USD	2,000	2,000
0.0000% ILLUMINA INC. 18/23 ZO CV	US452327AK54	USD	500	1,600
0.0000% JPM.CH.BK 20/23 CV ZO	XS2264505566	USD	0	1,200
1.2500% JUST EAT TA. 20/26 CV	XS2166095146	EUR	1,500	3,000
0.0000% LIVEPERSON 20/26 CV 144A	US538146AC59	USD	2,500	2,500
0.1250% MEDALLIA 20/25 CV 144A	US584021AA71	USD	2,000	2,000
1.0000% MIDDLEBY 20/25 CV 144A	US596278AA91	USD	0	900
0.0000% MINEBEA MITSUMI 15/22	XS1255457696	JPY	0	110,000
0.6250% MORPHOSYS AG WA 20/25	DE000A3H2XW6	EUR	0	1,400
0.0000% NAGOYA RAILR. 14/24 ZO CV	XS1138495509	JPY	0	180,000
0.2500% NEOGENOMICS 21/28 CV	US64049MAB63	USD	2,250	2,250
0.0000% NICE 20/25 CV 144A	US653656AA68	USD	1,800	1,800
0.0000% NIO 21/26 ZO CV	US62914VAC00	USD	2,150	2,150
0.0000% NUTANIX 18/23 ZO CV	US67059NAB47	USD	0	650
0.0000% ON SEMICOND. 21/27 CV	US682189AR64	USD	1,250	1,250
0.3750% ORPAE 19/27 CV	FR0013418795	EUR	0	4.4

0.2500% PROOFPOINT 19/24 CV	US743424AF06	USD	1,700	2,900
0.3750% REPLIGEN 19/24 CV	US759916AB50	USD	0	350
0.1500% SIKA 18-25 CV	CH0413990240	CHF	0	1,500
0.6250% SILICON LAB. 20/25 144A	US826919AC61	USD	300	950
0.6250% SILICON LAB. 21/25	US826919AD45	USD	0	800
0.0000% SINO BIOPH. 20/25 CV	XS2112202101	EUR	0	725
0.5000% SLACK TECH. 20/25 CV	US83088VAB80	USD	0	850
0.0000% SOLAREDGE T.20/25 CV ZO	US83417MAC82	USD	1,750	1,750
0.0000% SONY GROUP CORP. 2022 CV	JP343500PF78	JPY	20,000	40,000
0.5000% SPLUNK 19/23 CV	US848637AC82	USD	0	1,150
1.1250% SPLUNK 20/27 CV 144A	US848637AE49	USD	1,100	2,500
0.0000% SUNRUN 21/26 CV 144A	US86771WAA36	USD	1,500	1,500
1.5000% TANDEM D.C. 20/25 CV 144A	US875372AA29	USD	0	500
1.2500% TELADOC HLTH 20/27 144A	US87918AAE55	USD	2,000	2,000
0.0000% UBISOFT ENT. 19/24 ZO CV	FR0013448412	EUR	3.9	12
0.0000% VALEO SE 16/21 ZO CV MTN	XS1433199624	USD	0	600
1.0000% VIAVI SOLUTIONS 2024 CV	US925550AB17	USD	0	750
1.5000% VODAFONE GRP 19/22 CV	XS1960589668	GBP	200	700
1.1250% WAYFAIR 18/24 CV	US94419LAD38	USD	0	200
0.6250% WAYFAIR 20/25 CV 144A	US94419LAL53	USD	2,800	2,800
1.5000% WEST.DIGITAL 19/24 CV	US958102AP07	USD	750	750
0.0000% WIN SEMIC. 21/26 ZO CV	XS2275382286	USD	0	1,800
0.0000% WIX.COM 20/25 CV 144A	US92940WAC38	USD	3,400	3,400
0.0000% WIX.COM 21/25 ZO CV	US92940WAD11	USD	0	3,400
0.8750% WOLFSPEED INC. 18/23 CV	US225447AB76	USD	0	550
0.2500% WORKDAY 2022 CV	US98138HAF82	USD	0	350
0.1250% ZSCALER 20/25 CV 144A	US98980GAA04	USD	500	500
0.1250% ZSCALER 21/25 CV	US98980GAB86	USD	0	900
0.2500% ZYNGA 19/24 CV	US98986TAB44	USD	0	600
0.0000% ZYNGA 20/26 ZO CV 144A	US98986TAC27	USD	500	500
0.0000% ZYNGA 21/26 ZO CV	US98986TAD00	USD	0	2,050
Unlisted securities				
Interest-bearing securities				
0.2500% DEXCOM 20/25 CV	US252131AJ65	USD	500	500
2.0000% JAZZ INV.I 20/26 CV	US472145AE19	USD	1,500	1,500
0.0000% RINGCENTRAL 20/25 CV ZO	US76680RAE71	USD	500	500

Lupus alpha Sustainable Convertible Bonds annual report

Name	Qty or Units or currency	Volume in 1,000
Derivatives **(Option premia/volume in opening transactions; purchases/sales shown for warrants)**		
Forward exchange contracts		
Futures contracts (Buy)		
Purchase of currencies on forward basis:		
CHF/EUR	**EUR**	**1,416**
CHF/EUR	**EUR**	**1,585**
CHF/EUR	**EUR**	**278**
CHF/EUR	**EUR**	**278**
CHF/EUR	**EUR**	**1,409**
HKD/EUR	**EUR**	**4,674**
JPY/EUR	**EUR**	**1,345**
JPY/EUR	**EUR**	**2,398**
JPY/EUR	**EUR**	**2,649**
JPY/EUR	**EUR**	**504**
JPY/EUR	**EUR**	**504**
JPY/EUR	**EUR**	**5,408**
USD/EUR	**EUR**	**12,244**
USD/EUR	**EUR**	**30,027**
USD/EUR	**EUR**	**3,163**
USD/EUR	**EUR**	**16,888**
USD/EUR	**EUR**	**2,920**
USD/EUR	**EUR**	**15,005**
USD/EUR	**EUR**	**25,618**
USD/EUR	**EUR**	**10,753**
USD/EUR	**EUR**	**34,238**
USD/EUR	**EUR**	**2,920**
USD/EUR	**EUR**	**15,005**
USD/EUR	**EUR**	**25,618**
USD/EUR	**EUR**	**10,753**
USD/EUR	**EUR**	**34,238**
USD/EUR	**EUR**	**37,125**
USD/EUR	**EUR**	**38,744**
USD/EUR	**EUR**	**45,543**

Lupus alpha Sustainable Convertible Bonds C annual report

Profit and loss account (including income equalisation)

for the period from 1 February 2021 to 31 January 2022

I. Income		
1. Interest on investments in liquid assets, domestic	EUR	19.22
2. Interest from securities of domestic issuers	EUR	3,738.67
3. Interest from securities of foreign issuers without deduction of withholding tax	EUR	527,109.71
4. Foreign withholding tax	EUR	-9,960.56
5. Other income	EUR	9,174.47
Total income	**EUR**	**530,081.51**
II. Expenses		
1. Interest from borrowings	EUR	-52,179.30
2. Auditing and publication charges	EUR	-20,952.51
3. Custodian fee	EUR	-121,322.21
4. Management fee	EUR	-1,514,916.96
5. Other expenses	EUR	-25,162.67
Total expenses	**EUR**	**-1,734,533.65**
III. Ordinary net income	**EUR**	**-1,204,452.14**
IV. Disposals		
1. Realised gains	**EUR**	**12,590,906.45**
2. Realised losses	**EUR**	**-13,683,550.09**
Income from disposals	**EUR**	**-1,092,643.64**
V. Realised earnings for the financial year	**EUR**	**-2,297,095.78**
1. Net change in unrealised gains	EUR	-2,034,971.42
2. Net change in unrealised losses	EUR	-12,394,525.78
VI. Unrealised earnings for the financial year	**EUR**	**-14,429,497.20**
VII. Earnings for the financial year	**EUR**	**-16,726,592.98**

IMPORTANT NOTE: THIS TRANSLATION IS INTENDED FOR CONVENIENCE PURPOSES ONLY AND SOLELY THE GERMAN VERSION IS BINDING

Lupus alpha Sustainable Convertible Bonds R annual report

Profit and loss account (including income equalisation)

for the period from 1 February 2021 to 31 January 2022

I. Income		
1. Interest on investments in liquid assets, domestic	EUR	0.24
2. Interest from securities of domestic issuers	EUR	59.82
3. Interest from securities of foreign issuers without deduction of withholding tax	EUR	6,429.58
4. Foreign withholding tax	EUR	-109.12
5. Other income	EUR	99.28
Total income	**EUR**	**6,479.80**
II. Expenses		
1. Interest from borrowings	EUR	-572.86
2. Auditing and publication charges	EUR	-273.99
3. Custodian fee	EUR	-1,325.79
4. Management fee	EUR	-24,133.03
5. Other expenses	EUR	-274.85
Total expenses	**EUR**	**-26,580.52**
III. Ordinary net income	**EUR**	**-20,100.72**
IV. Disposals		
1. Realised gains	**EUR**	**146,018.64**
2. Realised losses	**EUR**	**-150,007.09**
Income from disposals	**EUR**	**-3,988.45**
V. Realised earnings for the financial year	**EUR**	**-24,089.17**
1. Net change in unrealised gains	EUR	-21,182.71
2. Net change in unrealised losses	EUR	-129,018.83
VI. Unrealised earnings for the financial year	**EUR**	**-150,201.54**
VII. Earnings for the financial year	**EUR**	**-174,290.71**

IMPORTANT NOTE: THIS TRANSLATION IS INTENDED FOR CONVENIENCE PURPOSES ONLY AND SOLELY THE GERMAN VERSION IS BINDING

Lupus alpha Sustainable Convertible Bonds CAV annual report

Profit and loss account (including income equalisation)

for the period from 10 November 2021 to 31 January 2022

I. Income		
1. Interest from securities of domestic issuers	EUR	-4,121.71 [1)
2. Interest from securities of foreign issuers without deduction of withholding tax	EUR	52,458.26
3. Foreign withholding tax	EUR	-1,292.85
Total income	**EUR**	**47,043.70**
II. Expenses		
1. Interest from borrowings	EUR	-5,809.54
2. Auditing and publication charges	EUR	-334.49
3. Custodian fee	EUR	-8,038.49
4. Management fee	EUR	-68,426.83
5. Other expenses	EUR	-1,556.07
Total expenses	**EUR**	**-84,165.42**
III. Ordinary net income	**EUR**	**-37,121.72**
IV. Disposals		
1. Realised gains	**EUR**	**420,579.94**
2. Realised losses	**EUR**	**-2,338,050.43**
Income from disposals	**EUR**	**-1,917,470.49**
V. Realised earnings for the short financial year	**EUR**	**-1,954,592.21**
1. Net change in unrealised gains	EUR	-517,667.60
2. Net change in unrealised losses	EUR	-3,152,989.93
VI. Unrealised earnings for the short financial year	**EUR**	**-3,670,657.53**
VII. Earnings for the short financial year	**EUR**	**-5,625,249.74**

1) Due to the short financial year, the CAV unit class generated a negative return from interest on securities of domestic issuers.

Lupus alpha Sustainable Convertible Bonds C

Development of fund assets

				2021-2022
I. Value of the investment fund at the beginning of the financial year	EUR			159,683,640.96
1. Distribution for the previous year/tax allowance for the previous year	EUR			0.00
2. Interim dividends	EUR			-4,995,592.71
3. Inflow/outflow of funds (net)	EUR			44,375,350.60
a) Cash inflow from sale of units	EUR		90,521,126.27	
b) Cash outflow from redemption of units	EUR		-46,145,775.67	
4. Income/expense equalisation	EUR			-446,639.76
5. Earnings for the financial year	EUR			-16,726,592.98
of which unrealised gains	EUR	-2,034,971.42		
of which unrealised losses	EUR	-12,394,525.78		
II. Value of the investment fund at the end of the financial year			EUR	181,890,166.11

Lupus alpha Sustainable Convertible Bonds R

Development of fund assets

				2021-2022
I. Value of the investment fund at the beginning of the financial year	EUR			**607,476.27**
1. Distribution for the previous year/tax allowance for the previous year	EUR			0.00
2. Interim dividends	EUR			0.00
3. Inflow/outflow of funds (net)	EUR			1,600,582.27
a) Cash inflow from sale of units	EUR		1,813,593.73	
b) Cash outflow from redemption of units	EUR		-213,011.46	
4. Income/expense equalisation	EUR			-12,818.51
5. Earnings for the financial year	EUR			-174,290.71
of which unrealised gains	EUR	-21,182.71		
of which unrealised losses	EUR	-129,018.83		
II. Value of the investment fund at the end of the financial year			EUR	**2,020,949.32**

Lupus alpha Sustainable Convertible Bonds CAV

Development of fund assets

				2021-2022
I. Value of the investment fund at the beginning of the short financial year	**EUR**			**0.00**
1. Distribution for the previous year/tax allowance for the previous year	**EUR**			**0.00**
2. Interim dividends	**EUR**			**0.00**
3. Inflow/outflow of funds (net)	**EUR**			**67,521,647.86**
a) Cash inflow from sale of units	**EUR**		**71,073,767.23**	
b) Cash outflow from redemption of units	**EUR**		**-3,552,119.37**	
4. Income/expense equalisation	**EUR**			**157,206.92**
5. Earnings for the short financial year	**EUR**			**-5,625,249.73**
of which unrealised gains	**EUR**	**-517,667.60**		
of which unrealised losses	**EUR**	**-3,152,989.93**		
II. Value of the investment fund at the end of the short financial year			**EUR**	**62,053,605.05**

IMPORTANT NOTE: THIS TRANSLATION IS INTENDED FOR CONVENIENCE PURPOSES ONLY AND SOLELY THE GERMAN VERSION IS BINDING

Lupus alpha Sustainable Convertible Bonds annual report

Appropriation of net income from unit class C

Calculation of distribution (overall and per unit)

		overall	per unit
I. Available for distribution	**EUR**	**24,337,302.65**	**14.66**
1. Carried forward from the previous year	EUR	26,634,398.43	16.04
2. Realised earnings for the financial year	EUR	-2,297,095.78	-1.38
3. Addition from the investment fund	EUR	0.00	0.00
II. Not appropriated for distribution	**EUR**	**19,341,709.94**	**11.65**
1. Allocated to reinvestment	EUR	0.00	0.00
2. Amount carried forward	EUR	19,341,709.94	11.65
III. Total distribution	**EUR**	**4,995,592.71**	**3.01**
1. Interim dividends [1) 2)]	EUR	4,995,592.71	3.01
2. Final dividend	EUR	0.00	0.00

Appropriation of net income from unit class R

Calculation of distribution (overall and per unit)

		overall	per unit
I. Available for distribution	**EUR**	**44,477.88**	**2.12**
1. Carried forward from the previous year	EUR	68,567.05	3.26
2. Realised earnings for the financial year	EUR	-24,089.17	-1.15
3. Addition from the investment fund	EUR	0.00	0.00
II. Not appropriated for distribution	**EUR**	**44,477.88**	**2.12**
1. Allocated to reinvestment	EUR	0.00	0.00
2. Amount carried forward	EUR	44,477.88	2.12
III. Total distribution	**EUR**	**0.00**	**0.00**

Appropriation of net income from unit class CAV

		overall	per unit
I. Available for reinvestment			
1. Realised earnings for the short financial year	EUR	-1,954,592.20	-2.89
2. Addition from the investment fund	EUR	1,954,592.20	2.89
3. Tax deduction amount made available	EUR	0.00	0.00
II. Reinvestment	**EUR**	**0.00**	**0.00**

1) Interim dividend paid on 16 June 2021 subject to a resolution on 31 May 2021 (€2,079,811.42)

2) Interim dividend paid on 15 December 2021 subject to a resolution on 3 December 2021 (€2,915,781.29)

IMPORTANT NOTE: THIS TRANSLATION IS INTENDED FOR CONVENIENCE PURPOSES ONLY AND SOLELY THE GERMAN VERSION IS BINDING

Lupus alpha Sustainable Convertible Bonds annual report

Unit classes

The unit classes listed in the following table were issued in the reporting period

Unit class	Currencies	Management fee (% p.a.)		Front load (%)		Minimum investment amount in currency	Appropriation of income
		maximum	current	maximum	current		
C	EUR	0.75	0.75	4.00	4.00	50,000.00	distributing
R	EUR	1.35	1.35	4.00	4.00	0.00	distributing
CAV	EUR	0.45	0.45	4.00	4.00	50,000,000.00	accumulating

IMPORTANT NOTE: THIS TRANSLATION IS INTENDED FOR CONVENIENCE PURPOSES ONLY AND SOLELY THE GERMAN VERSION IS BINDING

Pursuant to Section 7 (9) of the KARBV

Information pursuant to the German Derivatives Regulation (Derivateverordnung)

underlying exposure through derivatives	238,190,671.33	EUR

counterparty to derivatives transactions

Kreissparkasse Köln

Total amount of securities pledged by third parties under derivatives transactions:	0.00	EUR
Securities holdings as a percentage of fund assets	96.26	%
Derivatives holdings as a percentage of fund assets	-1.64	%

The use of the market risk limit for this investment fund was determined using the qualified approach in accordance with the Derivatives Regulation based on a benchmark asset.

Information according to the qualified approach:

Potential risk exposure for market risk

lowest potential risk exposure	3.364	%
highest potential risk exposure	7.047	%
average potential risk exposure	5.455	%

Risk model used in accordance with section 10 of the Derivatives Regulation
Monte Carlo simulation

Parameters used in accordance with section 11 of the Derivatives Regulation
Confidence level = 99%, holding period 10 days
Effective historical observation period 12 months = 250 days

Average amount of leverage achieved during the financial year through derivative transactions	1.040

Composition of benchmark assets

Composition of the benchmark assets (Section 37 (5) of the Derivatives Regulation):	50% MSCI World Net Return EUR (MSDEWIN Index), 50% BofA Merrill Lynch Global Corporate & High Yield Index in EUR (GI00 Index)

Other information

Unit value - Class C	109.56	EUR
Outstanding units - Class C	1,660,180.915	QTY
Unit value - Class R	96.18	EUR
Outstanding units - Class R	21,012.181	QTY
Unit value - Class CAV	91.91	EUR
Outstanding units - Class CAV	675,163.000	QTY

Information on the asset valuation method

Additional information pursuant to Section 16 (1) (2) of the KARBV - Information about the valuation method

Valuation is done by the management company. The management company generally relies on external sources for this purpose.

If no trading prices are available, valuation models are used to determine prices (derived fair values) that are agreed between the Custodian and the management company and are based as far as possible on market parameters . This procedure is subject to a permanent control process. Price information from third parties is checked for plausibility by other price sources, model invoices or by other appropriate procedures.

For assets admitted to trading on an exchange or admitted to or included in another organised market, pursuant to Section 27 of the German Investment Accounting and Valuation Regulation (KARBV), the last available tradable price that ensures a reliable valuation is used as a basis. For assets that are neither admitted to trading on exchanges nor admitted to or included in another organised market, or for which no trading price is available, pursuant to Section 28 of the KARBV in connection with Section 168 (3) of the German Investment Code (KAGB), fair values are based on careful assessment using suitable valuation models, taking current market circumstances into account.

The underlying fair value may also be determined and communicated by an issuer, counterparty or other third party. In this case, this value is checked for plausibility by the management company or the Custodian and this plausibility check is documented. Units in domestic investment funds, EC investment units and foreign investment fund units are valued at their last determined redemption price or at a current price in accordance with Section 27 (1) of the KARBV. If current values are not available, the value of the units is determined in accordance with Section 28 of the KARBV; reference is made to this in the annual report. Bank deposits are valued at their nominal value plus accrued interest. Fixed-term deposits are measured at fair value. Liabilities are recognised at their repayment amount.

Investments stated in this report are valued at tradable exchange or market prices for 96.26% of the fund's assets and at derived fair values for 0.00% of the fund's assets. The remaining 3.74% of fund assets consist of other assets, other liabilities and cash.

Information on transparency and the total expense ratio

The total expense ratio expresses all charges and payments borne by the fund during the year. (excluding transaction charges) in relation to the average net asset value of the fund; it must be shown as a percentage.	0.85 Unit class C 1.24 Unit class R 0.55 Unit class CAV	

The management company does not receive any rebates on fees and expense reimbursements paid from the fund to the Custodian or any third parties

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The management company does not grant any broker trail commissions to intermediaries to a significant extent from the fees paid to it by the fund.

Significant other income and other expenditure

Other income none	0.00	
Other expenses none	0.00	
Transaction charges (total of incidental acquisition charges plus selling charges)	29,512.00	EUR

Information pursuant to Regulation (EU) 2015/2365 on securities financing transactions
During the reporting period, the fund was not invested in any securities financing transactions pursuant to Regulation (EU) 2015/2365, which is why no disclosure is made below regarding this type of transaction.

Other information required for understanding the report
Explanation of net change in unrealised gains and losses:

The net change in unrealised gains and losses is determined by comparing the values of the assets included in the unit price with their respective historical cost in each financial year, the amount of positive differences is included in total unrealised gains, the amount of negative differences is included in total unrealised losses, and net changes are determined by comparing the totals at the end of the financial year with the totals at the beginning of the financial year

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Covid-19 pandemic

2021 was a year of economic recovery from the consequences of the coronavirus pandemic and its aftermath. Rising vaccination rates and improved treatment options confronted new variants of the SARS COV 2 virus and appeared to be an effective way of fighting the pandemic as the year progressed. However, the slowly recovering global economy was quickly faced with new challenges, as global supply chains were much more severely affected by the pandemic and its consequences than initially expected: Higher freight rates, supply bottlenecks in various sectors (e.g. in semiconductors or for various raw materials) and recurring lockdowns in response to local coronavirus outbreaks have thrown global flows of goods out of balance.

In the third quarter of the year in particular, these effects were felt in the form of sharp increases in energy and materials charges and associated higher inflation expectations.

This was partly reinforced by rising interest rates, which caused global stock markets to fluctuate sideways following an initial recovery in the autumn.

Problems with global supply chains continued in the fourth quarter. Infection rates began to climb again, particularly in Europe, coupled with a newly discovered mutation of the SARS COV 2 virus, driving up market volatility.

On a political level, current tensions between Russia and Ukraine and between China and Taiwan in particular create further potential for market uncertainty. On a positive note, US domestic and foreign policy calmed down over the course of the year following a rather bumpy start to 2021 (including the storming of the Capitol), when concerns about a peaceful transfer of power between Trump and Biden dominated daily events.

The arrival of the new federal government in December did not seem to have any significant impact on the markets.

The management company will continue to take all measures deemed appropriate to protect investor interests as best possible.

Information on staff remuneration Lupus alpha Group

remuneration policy

Management company’s remuneration system

Lupus alpha Investment GmbH is a subsidiary of Lupus alpha Asset Management AG. Lupus alpha (which means “the leader of the pack”) is an owner-managed, independent asset management group that offers specialist investment products to institutional and private investors. We focus on a small number of attractive asset classes for which special expertise is required and in which we can realise sustainable added value for our customers. Our focus is on European second-tier stocks as well as alternative solutions. As a specialist provider, we systematically open up new sources of alpha for institutional investors through specialist, innovative strategies and open up avenues for broader and deeper diversification of their overall portfolios.

Lupus alpha's partnership-based corporate structure creates the conditions for the highest possible level of staff continuity at management level.

Together with its role as a specialist provider and the focus of its own investments on liquidity investments, limitation to the usual risks of a medium-sized asset manager is guaranteed.

Performance-related and entrepreneurial-oriented remuneration for employees is a central component for the design of remuneration system. By adopting a holistic remuneration concept, management intends to support the medium to long-term corporate goals defined as part of the strategy development process and to avoid incentives to take disproportionately high risks.

All requirements arising from the decree concerning the Supervisory Requirements for Institutions' Remuneration Systems (InstitutsVergV), Articles 13 and 22 of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (AIFM Directive), the guidelines for sound remuneration policies taking account of the AIFMD (German translation of the ESMA Guidelines) and Annex II Remuneration Policy of the AIFM Directive, are complied with in this regard.

Results of the annual review of the remuneration policy
Lupus alpha regularly reviews the appropriateness of the remuneration concept with the involvement of compliance and makes adjustments if necessary.
The remuneration policy and its application are also subject to review by the internal audit department and monitoring by the Supervisory Board.
There were no complaints.

Significant changes to the established remuneration policy
There were no significant changes to the remuneration system in the reporting period.

Total amount of employee compensation paid to the management company in 2020 in EUR million 6.6
of which fixed remuneration 47.60%
of which variable remuneration 52.40%
Remuneration paid directly out of the fund in EUR million 0.00
Total employees incl. management 88
Total amount of remuneration paid to risk takers in the past financial year at the management company in EUR million 4.21
of which indirectly via cost allocation by the parent company to the managing directors in EUR million 4.21

Art. 8 Mutual funds: <u>**Lupus alpha Sustainable Convertible Bonds**</u>
Appendix Information about non-financial performance indicators.

Article 8 Disclosure Regulation (financial products that promote environmental and/or social characteristics)

In addition to taking account of relevant sustainability risks within the meaning of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures "Disclosure Regulation") in the investment decision-making processes, the fund promotes environmental, social, ethical and governance characteristics (sustainability-related criteria) in accordance with Article 8 of the Disclosure Regulation.

Information on the fulfilment of these characteristics as well as the methodology for the valuation, measurement and monitoring of the underlying assets was published in the pre-contractual information and on the relevant website of Lupus alpha Investment GmbH as of the reporting date of 10 March 2021.

In principle, annual reports present the business results for complete financial years. However, as the transparency requirements of the Disclosure Regulation were implemented as of 10 March 2021 in accordance with the previous paragraph, the information in the annual report only relates to the period from the reporting date.

The environmental, social, ethical and governance features have been assessed in accordance with the requirements set out in the pre-contractual information/ on the relevant website of Lupus alpha Investment GmbH (https://www.lupusalpha.de/retail-investoren/fonds/). Sustainability-related criteria were used as the basis for the investment decision and the portfolio management was aligned accordingly. Investment standards based on environmental, social, ethical and governance criteria are stored in the administration systems of Lupus alpha Investment GmbH in accordance with the investment guidelines and the associated Lupus alpha Sustainable Convertible Bonds methodology and are monitored for compliance ex-ante and expost. The investment fund's individual sustainability-related criteria are mapped and checked by default via positive or negative criteria. Data points from MSCI are used to assess critical controversies. A very broad diversification across different sectors and countries limits the individual default risk in economically weaker phases. Theoretically, a very deep economic crisis can lead to more insolvencies. However, there were no insolvencies in the fund in the past financial year.

Securities are selected for the UCITS fund only in accordance with the promoted environmental, social, ethical and governance criteria. However, investments underlying this financial product do not explicitly take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.

Relevant evidence of how these sustainability characteristics are met shall be subject to the development and implementation of appropriate regulatory technical standards setting out the details of content and presentation, in accordance with Article 11(4) of the Disclosure Regulation. These technical regulatory standards are applied accordingly from the time of application. Currently, the environmental, social, ethical and governance characteristics promoted by the UCITS fund can be found in the pre-contractual information as well as on the relevant website of Lupus alpha Investment GmbH (https://www.lupusalpha.de/retailinvestoren/fonds/).

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Lupus alpha Sustainable Convertible Bonds annual report

Comparative table covering the last three financial years

Fiscal year		Fund assets at the end of the financial year	Unit value
Unit class C			
2022	EUR	181,890,166.11	109.56
2021	EUR	102,853,539.64	122.39
2020	EUR	56,830,101.32	103.81
Unit class R			
2022	EUR	2,020,949.32	96.18
2021	EUR	607,476.27	104.61
2020	EUR	0.00	0.00
Unit class CAV[1)]			
2022	EUR	62,053,605.05	91.91
2021	EUR	0.00	0.00
2020	EUR	0.00	0.00

Frankfurt, 17 February 2022,

Lupus alpha Investment GmbH

Michael Frick
Managing Director

Dr. Götz Albert
Managing Director

1) Unit class CAV was relaunched on 10 November 2021.

Report of the independent auditor

To Lupus alpha Investment GmbH, Frankfurt am Main

Audit opinion

We have audited the annual report of the Lupus alpha Sustainable Convertible Bonds fund – consisting of the activity report for the financial year from 1 February 2021 to 31 January 2022, the statement of assets and the statement of net assets as of 31 January 2022, the profit and loss account, the statement of appropriation of income, the statement of changes in fund assets for the financial year from 1 February 2021 to 31 January 2022, as well as the comparative three-year overview, the statement of transactions completed during the reporting period not included in the statement of net assets, and the notes.

In our opinion, based on our audit, the accompanying annual report complies, in all material respects, with the provisions of the German Investment Code (Kapitalanlagesetzbuch – KAGB) and the relevant European regulations, and presents a comprehensive and true picture of the position and developments of the investment fund in compliance with these provisions.

Basis for the audit opinion

We conducted our audit of the annual report in accordance with Section 102 of the KAGB and the IDW Auditing Standards (German auditing standards promulgated by the Institute of Public Auditors in Germany) (Institut der Wirtschaftsprüfer – IDW). Our responsibility under these provisions and standards is described in more detail in the section “Responsibility of the auditor for the audit of the annual report” of our report. We are independent of Lupus alpha Investment GmbH in accordance with German commercial law and the professional rules and regulations and have fulfilled our other German professional duties in accordance with these requirements. We believe that the audit evidence we have obtained is suitable and sufficient to serve as a basis for our audit opinion of the annual report.

Responsibility of the legal representatives for the annual report

The legal representatives of Lupus alpha Investment GmbH are responsible for preparing the annual report, which, in all respects, complies with the provisions of the KAGB and the relevant European regulations, as well as ensuring that the annual report presents a comprehensive and true picture of the position and developments of the investment fund in compliance with these provisions. Furthermore, the legal representatives are responsible for the internal controls they have deemed necessary under these provisions in order to ensure that the annual report is free of material misstatement, whether due to fraud or error.

In preparing the annual report, the legal representatives are responsible for including in the report such events, decisions and factors that may materially affect the future growth of the investment fund. One thing this means is that, in preparing the annual report, the legal representatives must assess Lupus alpha Investment GmbH’s operation of the investment fund as a going concern and are responsible for disclosing facts concerning the continuation of the investment fund, if applicable.

Responsibility of the auditor for the audit of the annual report

Our aim is to obtain reasonable assurance that the annual report as a whole is free of material misstatement, whether due to fraud or error, and to issue a report containing our audit opinion on the annual report.

Reasonable assurance is a high degree of certainty but is no guarantee that an audit in accordance with Section 102 of the KAGB and the IDW Auditing Standards will always uncover material misstatements. Misstatements can be due to fraud or error and are considered material when it can reasonably be expected that these, individually or as a whole, could influence economic decisions of users made on the basis of this annual report.

During the audit, we exercise professional judgement and adopt a critical stance.
In addition:

- we identify and assess the risk of material misstatements in the annual report due to fraud or error, plan and carry out audit procedures in response to these risks, and obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion. The risk that material misstatements may not be revealed is higher in the case of fraud than in the case of error, as fraud can entail collusion, falsification, deliberate omission, misleading statements and bypassing of internal controls.

- we obtain an understanding of the internal control system relevant to our audit of the annual report, in order to plan audit procedures that are appropriate under the given circumstances but not with the aim of expressing an opinion on the effectiveness of Lupus alpha Investment GmbH's internal control system.

- we evaluate the adequacy of the accounting methods applied by the legal representatives of Lupus alpha Investment GmbH in preparing the annual report and the validity of the estimates and related information presented by the legal representatives.

- on the basis of the audit evidence obtained, we reach a conclusion as to whether a material uncertainty exists in connection with events or circumstances that could raise serious doubt about Lupus alpha Investment GmbH's operation of the investment fund as a going concern. If we conclude that a material uncertainty exists, we are obliged to draw attention in our report to the relevant information in the annual report or, if such information is inadequate, to amend our audit opinion. We draw our conclusion on the basis of the audit evidence obtained up until the date of our report. However, future events or circumstances may result in Lupus alpha Investment GmbH's discontinuation of the investment fund.

- we assess the overall presentation, structure and content of the annual reports, including the information as well as whether the annual report presents the underlying transactions and events in such a way that the it presents a comprehensive and true picture of the position and developments of the investment fund in accordance with the provisions of the KAGB and the relevant European regulations.

Among other things, we discuss the planned scope and time frame of the audit with those responsible for governance, as well as significant findings including any deficiencies in the internal control system identified during our audit.

Frankfurt am Main, 8 April 2022

KPMG AG Wirtschaftsprüfungsgesellschaft

Kuppler Auditor	Neuf Auditor

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Information about the management company, custodian and auditor

Lupus alpha Investment GmbH
Speicherstraße 49-51
D-60327 Frankfurt am Main

Phone: 0049 69 365058-70 00
Fax: 0049 69 365058-80 00

Capital as of 31 December 2020
subscribed and paid-in: EUR 2.560 million

Managing Director
Lupus alpha Asset Management AG (100%)

Supervisory Board

Chairman
Dr. Oleg De Lousanoff, Lawyer and notary
Vice Chairman
Dietrich Twietmeyer, Dipl.Agr.Ing.
Dr. Helmut Wölfel, Lawyer

Executive Board

Ralf Lochmüller
Michael Frick
Dr. Götz Albert

Mandates of the Executive Board

Michael Frick
Management Board of Lupus alpha Asset Management AG, Frankfurt am Main
Ralf Lochmüller
Spokesman of the Board of Directors of Lupus alpha Asset Management AG, Frankfurt am Main
Managing Director of Lupus alpha Holding GmbH, Frankfurt am Main
Dr. Götz Albert
Management Board of Lupus alpha Asset Management AG, Frankfurt am Main

Information about the management company, custodian and auditor (Part II)

Custodian

Kreissparkasse Köln
Neumarkt 18-24
50667 Cologne

Liable equity capital as of 31 December 2020
EUR 2.527 million

Auditor of the fund and the management company

KPMG AG Wirtschaftsprüfungsgesellschaft
THE SQUAIRE
Am Flughafen
D-60549 Frankfurt am Main

The above information is updated in the annual and semi-annual reports.

Other investment funds managed by the management company:

As of 31 January 2022, nine mutual funds and 11 special funds were managed by the management company.