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# Valuation Policy

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In accordance with the Capital Investment Fund Accounting and Valuation Directive (Kapitalanlage- Rechnungslegungs- und Bewertungsverordnung; KARBV) ODDO BHF Asset Management GmbH (ODDO BHF AM GmbH), in its capacity as capital investment company (Kapitalverwaltungsgesellschaft; KVG), updates the valuation prices it uses for all instruments held on a daily basis by employing appropriate processes. Valuation prices are maintained independently of trading. In order to account for the diversity of the different instruments, the employed procedures will be regularly presented to a Pricing Committee for review and, where necessary, adjustment. The Pricing Committee has the following responsibilities and objectives:

## Responsibilities

- To establish valuation processes and price sources for the individual asset classes
- To regularly review the established valuation/monitoring processes (e.g. in the event of missing prices, material price movement), prices remaining unchanged over a prolonged period (stale prices)) and the preferred price sources
- To decide on how to handle valuations deviating from the standard procedure
- To decide on valuation processes for special cases (e.g. illiquid securities)

## Objectives

- To communicate to the departments involved the processes in place to determine valuation prices
- To continuously optimise the processes used to determine valuation prices

Upon set-up, each instrument will be assigned to a specific price feed process depending on its individual characteristics.

This includes selecting the data provider, the updating frequency, price sources and determining the general procedure.

Alongside automated data feeds through Bloomberg and LSEG interfaces, other suitable price and valuation sources will be used to determine the valuation of instruments, e.g. in cases where no adequate valuations are available from standard price sources. In addition, valuations from arrangers (e.g. for asset backed securities) may be used. In order to ensure a continuous supply of high-quality price data, standardised audit routines have been implemented for quality assurance purposes. The individual assets will be valued as outlined below:

## Assets admitted to trading on a stock exchange/traded on an organised market

Assets that are admitted to trading on a stock exchange or admitted to trading on or included in an organised market as well as subscription rights for the fund are valued at their latest available price permitting a reliable valuation, unless otherwise stipulated in the following.

## Assets not listed on stock exchanges or dealt in on organised markets, or assets having no trading price

Assets that are neither admitted to trading on a stock exchange, nor admitted to or included in an other organised market, or for which no trading price is available, will be valued at the current market value deemed appropriate on the basis of a careful assessment using suitable valuation models and taking into consideration current market conditions, unless otherwise stipulated in the following. Market value shall be understood to mean the amount for which the respective asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

### **Unlisted bonds, promissory note loans**

For the purposes of valuing bonds that are neither admitted to trading on a stock exchange nor admitted to or included in another organised market (e.g. unlisted debt instruments, commercial papers and certificates of deposit) and for the purpose of valuing promissory note loans, the market prices agreed for comparable bonds or promissory note loans and, if applicable, the market prices of bonds of comparable issuers with corresponding maturities and coupons are used, less a discount to compensate for the lower marketability, if necessary.

### **Money market instruments**

For money market instruments, the investment management company (KVG) can compute the net asset value per share by adding any future interest and interest components accrued up to and including the calendar day preceding the value date. In doing so, any interest earned on the individual investments shall be taken into account on an accrual basis on the income side and any claims of the KVG not yet due, such as management fees, depositary fees, auditing costs, costs of publishing etc., that have an influence on the net asset value per share, shall be taken into account on the expenditure side.

For the money market instruments held in the fund, any interest and income equivalent to interest as well as expenses (e.g. management fees, depositary fees, auditing costs, costs of publishing etc.) may be taken into account up to and including the day preceding the value date.

### **Option rights and futures contracts**

The option rights pertaining to a fund and liabilities from option right granted to third parties that are admitted to trading on a stock exchange or included in another organised market, are valued at the latest available trading price that guarantees a reliable valuation.

The same applies to receivables and liabilities from futures contracts sold for the account of the fund. Any margin calls paid on behalf of the fund are added to the value of the fund, taking into account any valuation gains and valuation losses established on the day of trading.

### **Cash at bank, fixed term deposits, investment fund units and loans**

As a rule, cash at bank is valued at its nominal value plus any interest received.

Fixed term deposits will be valued at their market value if the fixed term deposit can be cancelled at any time and the repayment upon cancellation is not made at the nominal value plus interest.

Investment fund units are generally recognized at the most recently determined redemption price or valued at the most recent available trading price permitting reliable valuation. If no such values are available, investment fund units are valued at the current market value deemed appropriate on the basis of a careful assessment using suitable valuation models and taking into consideration current market conditions.

Repayment claims arising from lending transactions are governed by the applicable price of the assets transferred under the lending transaction.

### **Assets denominated in foreign currency**

Assets denominated in foreign currency are converted using the World Market Rates (source: Datastream) as determined by the 5 p.m. fixing on the valuation day.

### **Funds managed by ODDO BHF Asset Management GmbH with same-day valuation**

For specific funds managed by ODDO BHF Asset Management GmbH, on the other hand, the assets are valued on the same day instead of using the procedures described above. For this purpose, the corresponding valuations are retrieved at a fixed time of the day and used for the NAV calculation of the same day.