Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

NEF Ethical Total Return Bond (the "Sub-Fund")

a sub-fund of **NEF (the "Fund")**

Class I EUR Accumulation – LU0281638196

PRIIP manufacturer: Nord Est Asset Management S.A.

https://www.neam.lu

For more information, call +352 47 67 22 74

The Commission de Surveillance du Secteur Financier ("CSSF") in Luxembourg is responsible for supervising Nord Est Asset Management S.A. in relation to this Key Information Document.

NEF Ethical Total Return Bond is authorised in Luxembourg and regulated by the CSSF.

This product is managed by Nord Est Asset Management S.A., which is authorised in Luxembourg and supervised by the CSSF.

Accurate as of: 6 April 2023

What is this product?

Type

- This product is a class of units of the Sub-Fund and is denominated in EUR. The Fund is an open-ended undertaking for collective investment *(Fonds Commun de Placement* or "FCP") and qualifies as an Undertaking for Collective Investment in Transferable Securities ("UCITS"), subject to Part I of the Luxembourg law of 17 December 2010 relating to Undertakings for Collective Investment ("Investment Fund Law"), transposing Directive 2009/65/EC related to UCITS.
- As an investment fund, the return of the Sub-Fund depends on the performance of its underlying assets.

Objectives

Investment objective:

- The objective of the Sub-Fund is to achieve a positive return and capital appreciation during a whole market cycle, in Euro, through a dynamic asset allocation and a careful risk control.

Investment policy:

- The Sub-Fund seeks to invest mainly in global bonds with a high Environmental, Social and Governance ("ESG") profile, "green bonds" and "social bond" based on the investment manager's in-house research and/or third party ESG ratings while applying an ESG promotion approach. The Sub-Fund promotes, amongst others, some ESG characteristics in compliance with Article 8 of the Sustainable Financial Disclosure Regulation ("SFDR") but does not have sustainable investment as its objective. An exclusion list will further be followed by the investment manager.
- The portfolio will mainly invest in investment grade securities with a maximum allocation of 20% in High Yield and a maximum of 10% in emerging market securities. The Sub-Fund may invest in securities traded on the China Interbank Bond Market (CIBM) through the CIBM direct access or Bond Connect. The Sub-Fund may also invest up to 15% of its assets into ABS or MBS. At least 85% of investments in other currencies will be hedged in Euro.
- Financial techniques and instruments for hedging and/or investment purposes may be used. The Sub-Fund may invest in credit default swaps (as stipulated under "Financial Techniques and Instruments" in the Prospectus). The aggregate commitments on all credit default swaps will not exceed 120% of the net assets of the Sub-Fund. The Sub-Fund will not invest in distressed or defaulted securities.
- The Sub-Fund is actively managed with no reference to a benchmark.
- Given the above investment objective and policy and the risk and reward profile of the product, the recommended holding period is 2 years.

Subscription and Redemption: Investors can buy or sell units of the Sub-Fund every day which is a bank business day in Luxembourg ("Business Day").

Distribution Policy: Income generated by the Sub-Fund is reinvested and included in the value of units.

Intended investor

Category I will be available for a) "professional clients" as defined by Annex II, section 1 of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 ("MIFID II"), even when acting on behalf of their customers in the provision of services and investment activities (e.g. portfolio management); b) the representative associations of the entities under point a); c) foundations; d) public bodies; e) public administrations; f) social security institutions; g) holding companies (i.e. companies that own the assets of other subsidiaries and their sole function is to carry out technical-financial coordination activities of the subsidiaries and do not produce nor exchange any goods and / or services).

It is aimed at private and institutional investors with a medium and long-term investment horizon, who wish to invest in a broadly diversified portfolio of medium- and long-term fixed and variable interest securities and to achieve a reasonable investment and capital return, while being aware of the associated price fluctuations.

The minimum subscription is EUR 500.

Term

The Sub-Fund was incorporated for an undefined period. The manufacturer may terminate this product unilaterally under the conditions set forth in the prospectus of the Fund.

Practical information

Depositary: CACEIS Bank, Luxembourg Branch, 5 Allée Scheffer L-2520 LUXEMBOURG.

Further information: The Fund's prospectus and periodic reports are prepared for the entire Fund. Assets and liabilities of each sub-fund are segregated by law, meaning that the liabilities allocated to one sub-fund may not impact the other sub-funds. Unitholders are entitled to convert their units in units of another category within the same sub-fund or in units of another sub-fund as described under "Conversion" section of the prospectus.

Copies of the prospectus, last annual and semi-annual reports and other practical information such as the latest price for the units may be obtained free of charge, in English and Italian, at the registered office of Nord Est Asset Management S.A., 5 Allée Scheffer, L-2520 Luxembourg or, in English and in Italian, on our website www.neam.lu/lu/documents.

What are the risks and what could I get in return?

Risks



Lower risk **Higher risk**

The risk indicator assumes you keep the product for 2 years.

The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we, as the management company acting on behalf of the Fund, are not able to pay you.

We have classified this product as 2 out of 7, which is a low risk class.

This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact the capacity of the Sub-Fund to pay you.

This product is in this category because it invests in a range of assets with different levels of risk and its simulated and/or realised return has experienced a low level rises and falls historically.

Not all risks affecting the Sub-Fund are adequately captured by the summary risk indicator.

This rating does not take into account other risk factors which should be considered before investing, these include: emerging markets risk, liquidity risk, financial, economic and political risks, credit risk, use of derivative instruments, high yield bonds risk, operational risk, investments in China, interest rate risk and holding of convertible bonds.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we, as the management company acting on behalf of the fund, are not able to pay you what is owed, you could lose your entire investment.

Beside the risks included in the risk indicator, other risks may affect the fund performance. Please refer to the "Risk factors" section of the Fund's prospectus, available free of charge at www.neam.lu/lu/documents.

Performance scenarios

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

Markets could develop very differently in the future.

The stress scenario shows what you might get back in extreme market circumstances.

Unfavourable: this type of scenario occurred for an investment between 30 December 2020 and 30 December 2022.

Moderate: this type of scenario occurred for an investment between 28 February 2020 and 28 February 2022.

Favourable: this type of scenario occurred for an investment between 31 December 2018 and 31 December 2020.

Recommended holding period		**2 years**	
Example Investment		**€ 10,000**	
Scenarios		**if you exit after 1 year**	**if you exit after 2 years** (recommended holding period)
Minimum	**There is no minimum guaranteed return. You could lose some or all of your investment.**		
Stress	**What you might get back after costs** Average return each year	**€ 8,478** -15.2%	**€ 8,854** -5.9%
Unfavourable	**What you might get back after costs** Average return each year	**€ 8,750** -12.5%	**€ 8,854** -5.9%
Moderate	**What you might get back after costs** Average return each year	**€ 10,000** 0.0%	**€ 10,068** 0.3%
Favourable	**What you might get back after costs** Average return each year	**€ 10,781** 7.8%	**€ 11,413** 6.8%

What happens if Nord Est Asset Management S.A. is unable to pay out?

You are exposed to the risk Nord Est Asset Management S.A., acting on behalf of the Fund, might be unable to meet its obligations in connection with the product. This may materially adversely affect the value of the product and could lead to you losing some or all your investment in the product. A potential loss is not covered by an investor compensation or protection scheme.

What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest and how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed (i) in the first year you would get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario and (ii) € 10,000 is invested.

Example Investment € 10,000	if you exit after 1 year	if you exit after 2 years (recommended holding period)
Total Costs	**€ 108**	**€ 218**
Annual cost impact*	**1.1%**	**1.1%**

(*) This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period, your average return per year is projected to be 1.4% before costs and 0.3% after costs.

Composition of costs

One-off costs upon entry or exit		Annual cost impact if you exit after 1 year
Entry costs	**0.00%**, we do not charge an entry fee. In case of conversion into shares of another category of units or another sub-fund, no conversion fee is charged but shareholders may be requested to bear the difference in subscription fee if higher.	**Up to € 0**
Exit costs	**0.00%**, we do not charge an exit fee for this product, but the person selling you the product may do so.	**Up to € 0**
Ongoing costs taken each year		
Management fees and other administrative or operating costs	**0.56%** pear year, of the value of your investment. This is an estimate based on actual costs over the last year.	**€ 56**
Transaction costs	**0.52%** per year, on average over the last 3 years, based on the value of your investment. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	**€ 52**
Incidental costs taken under specific conditions		
Performance fees	**0.00%.** There is no performance fee for this product.	**€ 0**

How long should I hold it and can I take money out early?

Recommended holding period ("RHP"): 2 years

The RHP has been defined by taking into account the above objectives and risk and reward profile. You should be prepared to stay invested for at least 2 years. However, you can redeem your investment without penalty prior to the end of the RHP, or hold the investment longer. Redemption requests must be received before 2 p.m. Luxembourg time on each Business Day to be dealt with on the basis of the net asset value per unit applicable on that day ("Valuation Day"). Payment for redemptions is expected to be made within 1 week from the Valuation Day. Any cashing-in before the end of the RHP may have a negative consequence on your investment.

How can I complain?

If you have any complaint about the product, please find the steps to be followed for lodging any complaint at www.neam.lu/lu/documents. You can also send your complaint at the registered office of the management company - 5 Allée Scheffer, L-2520 Luxembourg - and/or directly to their local distributors and/or paying agents of the relevant country of distribution or by e-mail to neam@neam.lu. If you have a complaint about the person that advised you about this product, or who sold it to you, they will tell you where to complain.

Other relevant information

Investment Manager: FIL Pensions Management, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP, United Kingdom.
Performance scenarios: You can find previous performance scenarios updated on a monthly basis at https://nef.priips-scenarios.com/LU0281638196/en/KID/.
Past performance: You can download the past performance over the last 10 year(s) from our website at https://nef.priips-performance-chart.com/LU0281638196/en/KID/.