

# Dynamic Vario Protect

*Fonds Commun de placement*

R.C.S. Luxembourg K 1296

**Annual report including the audited financial statements  
as at May 31, 2022**

No subscription can be received on the basis of this report. Subscriptions may only be accepted on the basis of the latest prospectus accompanied by an application form, the latest available annual report of the Fund and the latest semi-annual report if published thereafter.

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## Management and Administration (until November 02, 2021)

### Management Company

Lyxor Funds Solutions S.A.  
22, Boulevard Royal  
2449 Luxembourg  
Grand Duchy of Luxembourg

Martin Rausch  
Lyxor Funds Solutions S.A.,  
22, Boulevard Royal,  
2449 Luxembourg,  
Grand Duchy of Luxembourg

### Board of Directors of the Management Company

Edouard Auché  
Chairman of the Board of Directors  
Lyxor International Asset Management S.A.S.,  
Tours Société Générale, 17 Cours Valmy,  
92967 Paris La Défense, France

Heike Fürpaß-Peter  
Director  
Lyxor International Asset Management S.A.S.  
Deutschland, Neue Mainzer Straße 46-50,  
60311 Frankfurt am Main, Germany

Alexandre Cegarra  
Director  
Société Générale Private Wealth Management S.A.,  
11 Avenue Emile Reuter,  
2420 Luxembourg, Grand Duchy of Luxembourg

Mathias Turra  
Director  
Lyxor Funds Solutions S.A.,  
22, Boulevard Royal,  
2449 Luxembourg, Grand Duchy of Luxembourg

### Management

Mathias Turra  
Lyxor Funds Solutions S.A.,  
22, Boulevard Royal,  
2449 Luxembourg, Grand Duchy of Luxembourg

Martine Capus  
Lyxor Funds Solutions S.A.,  
22, Boulevard Royal, 2449 Luxembourg,  
Grand Duchy of Luxembourg

### Fund Manager

Lyxor International Asset Management S.A.S.  
Deutschland  
Neue Mainzer Straße, 46-50  
60311 Frankfurt am Main  
Germany

### Custodian and Paying Agent

BNP Paribas Securities Services S.C.A.  
Luxembourg Branch  
60, Avenue J.F. Kennedy  
1855 Luxembourg  
Grand Duchy of Luxembourg

### Registrar and Transfer Agent

BNP Paribas Securities Services S.C.A.  
Luxembourg Branch  
60, Avenue J.F. Kennedy  
1855 Luxembourg  
Grand Duchy of Luxembourg

### Administrative Agent

BNP Paribas Securities Services S.C.A.  
Luxembourg Branch  
60, Avenue J.F. Kennedy  
1855 Luxembourg  
Grand Duchy of Luxembourg

### Statutory Auditor

Ernst & Young, Société anonyme  
35E, Avenue John F. Kennedy  
1855 Luxembourg  
Grand Duchy of Luxembourg

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**Management and Administration** (until November 02, 2021) (continued)

**Distribution Agent**

Lyxor Asset Management S.A.S. and  
Lyxor International Asset Management S.A.S  
Tours Société Générale,  
17 Cours Valmy,  
92967 Paris,  
La Défense, France  
and its branches and in Germany  
Lyxor International Asset Management  
S.A.S. Deutschland  
New Mainzer Straße, 46-50  
60311 Frankfurt am Main  
Germany

**Investment Adviser**

Allianz Global Investors GmbH  
Bockenheimer Landstrasse 42-44  
0323 Frankfurt am Main

## Management and Administration (as of November 03, 2021)

### Management Company

SG 29 HAUSSMANN  
29, boulevard Haussmann  
75009 Paris  
France

### Board of Directors of the Management Company

Guillaume De Martel  
Chairman,  
SG 29 HAUSSMANN  
29, boulevard Haussmann  
75009 Paris  
France

### Supervisory Board of the Management Company

Marc Duval,  
Chairman,  
17 Cours Valmy,  
92800 Paris la Défense,  
France

Olivier Paccalin (*until December 31, 2021*)  
17 Cours Valmy,  
92800 Paris la Défense,  
France

Lionel Paquin(*until December 31, 2021*)  
17 Cours Valmy,  
92800 Paris la Défense,  
France

Christian Schricke  
Independent director

Franklin Wernert  
29, boulevard Haussmann,  
75009 Paris  
France

Sophie Mosnier  
Independent director

### Management

Guillaume de Martel  
SG 29 HAUSSMANN  
29, boulevard Haussmann  
75009 Paris  
France

### Custodian and Paying Agent

Société Générale Luxembourg  
11, avenue Emile Reuter  
2420 Luxembourg  
Grand Duchy of Luxembourg

Operational center:  
28-32, Place de la gare  
1616 Luxembourg  
Grand Duchy of Luxembourg

### Registrar and Transfer Agent

Société Générale Luxembourg  
11, avenue Emile Reuter  
2420 Luxembourg  
Grand Duchy of Luxembourg

Operational center:  
28-32, Place de la gare  
1616 Luxembourg  
Grand Duchy of Luxembourg

### Administrative Agent

Société Générale Luxembourg  
11, avenue Emile Reuter  
2420 Luxembourg  
Grand Duchy of Luxembourg

Operational center:  
28-32, Place de la gare  
1616 Luxembourg  
Grand Duchy of Luxembourg

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**Management and Administration** (as of November 03, 2021) (continued)

**Statutory Auditor**

Ernst & Young, Société anonyme  
35E, Avenue John F. Kennedy  
1855 Luxembourg  
Grand Duchy of Luxembourg

**Investment Adviser**

Allianz Global Investors GmbH  
Bockenheimer Landstrasse 42-44  
0323 Frankfurt am Main

## Report of the Board of Directors

This reporting year spanning from June 1st 2021 to May 31st 2022 has been a very dual year, with two very distinct phases. The first half of this reporting year was marked by the follow-up of the covid crisis, with economies reopening fully at a global scale, demand of goods and services being up, especially when compared to the previous year. The second half 2021 was indeed quite the goldilocks markets, with Year on Year indicators all flashing green, central banks still dovish, and governments happy to keep nudging the economy back to full health with fiscal spending.

Unfortunately, we quickly saw in the first half of 2022 that this environment could not last, as the over accommodative central banks, high government spending, and strong pent-up demand from individuals led to supply chain issues and significantly higher energy prices at the turn of the year, adding up to the market turmoil, the invasion of Ukraine by Russia pushed commodity prices even higher up from oil to gas, to corn. The very fast increase in commodity prices with a strong demand from the recovering economy pushed central banks to raise their rates across the globe, which further negatively impacted market sentiment and ultimately valuations. The first half of 2022 was one of the worst H1 on record for risky assets on record.

The Fund continues to participate in the development of the asset protection structure, which is based on a balanced portfolio of active funds, as part of the swap construction.

At the end of the financial year, the strategy consisted of the following fund basket:

Fonds	ISIN	Poids
Allianz US Equity Fund A EUR	LU0256843979	10.00%
Concentra A EUR	DE0008475005	10.00%
Allianz Wachstum Europa A EUR	DE0008481821	12.50%
BlackRock Global Funds - World Mining Fund A2 EUR	LU0172157280	5.00%
Allianz Global Investors Fund - Allianz Best Styles Global Equity IT USD	LU1093406939	17.50%
DWS Top Dividende LD EUR	DE0009848119	7.50%
Robeco BP Global Premium Equities I EUR	LU0233138477	5.00%
Schroder International Selection Fund Emerging Markets A1 Accumulation EUR	LU0248178229	7.50%
Pictet - Quest Global Defensive Equities I EUR	LU0845340057	5.00%
DPAM INVEST B - Equities World Sustainable F Cap EUR	BE0948500344	5.00%
Schroder International Selection Fund Global Equity C Accumulation EUR	LU1987117642	5.00%
Wellington Global Research Equity Fund USD Class S Accumulating Unhedged	LU0069024304	5.00%
Allianz Global Investors Fund - Allianz Global Sustainability IT EUR	LU1728567212	5.00%

## Report of the Board of Directors (continued)

Due to the dominant Equity exposure in the Fund and the significant downward trend in the markets, the net asset value per fund share has decreased significantly.

The Dynamic Vario Protect recorded a performance of -8.61% in fiscal year 2021 / 2022 (31 May 2021 to 31 May 2022).

Events arising in Ukraine, as a result of military action being undertaken by Russia in Ukraine, may impact on securities directly or indirectly related to companies domiciled in Russia and/or listed on exchanges located in Russia ("Russian Securities"). As at 31 May 2022, the Fund had no direct or to the best of our knowledge indirect exposure to Russian Securities. The Board of Directors are monitoring developments related to this military action, including current and potential future interventions of foreign governments and economic sanctions.

Luxembourg, September 30, 2022

The Board of Directors

Note : The figures stated in this report are historical and not necessarily indicative of future performance.



## Independent auditor's report

To the Unitholders of  
Dynamic Vario Protect (DVP)

### Opinion

We have audited the financial statements of Dynamic Vario Protect (the "Fund"), which comprise the statement of net assets and the schedule of investments and other net assets as at 31 May 2022, and the statement of operations and changes in net assets for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 May 2022, and of the results of its operations and changes in its 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 (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Management Board of the management company is responsible for the other information. The other information comprises the information included 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 Management Board of the management company and those charged with governance for the financial statements**

The Management Board of the management company is responsible for the preparation and fair presentation of these 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 Management Board of the management company 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 Management Board of the management company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board of the management company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

### **Responsibilities of the “réviseur d'entreprises agréé” for the audit of the financial statements**

Our objectives 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 of 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 of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

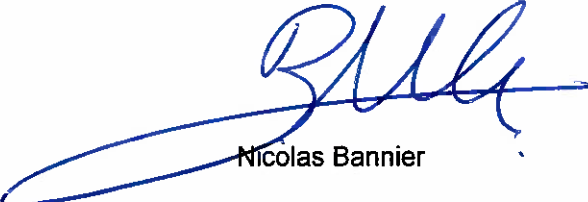


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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Ernst & Young  
Société anonyme  
Cabinet de révision agréé



Nicolas Bannier

Luxembourg, 30 September 2022

## Statement of Net Assets

(expressed in the Sub-Fund's currency)

	Notes	Dynamic Vario Protect EUR
<b>ASSETS</b>		
Securities portfolio at cost		71 448 148
Net unrealised profit/ (loss)		19 547 430
Securities portfolio at market value	2.2	90 995 578
Cash at bank		12 572 461
		<b>103 568 039</b>
<b>LIABILITIES</b>		
Flat fees payable	3	218 625
<i>Taxe d'abonnement payable</i>	4	6 440
Swaps at market value	2.5, 5	11 968 672
Other liabilities		5 130
		<b>12 198 867</b>
<b>TOTAL NET ASSETS</b>		<b>91 369 172</b>

## Statement of Operations and Changes in Net Assets

(expressed in the Sub-Fund's currency)

	Notes	Dynamic Vario Protect EUR
<b>Net assets at the beginning of the year</b>		<b>91 283 286</b>
<b>EXPENSES</b>		
Flat Fees	3	1 302 033
<i>Taxe d'abonnement</i>	4	9 668
Interest and bank charges		36 209
		<b>1 347 910</b>
<b>Net investment income/ (loss)</b>		<b>(1 347 910)</b>
<b>Net realised gains/ (losses) on</b>		
- swaps	2.5	(4 119 405)
		<b>(4 119 405)</b>
<b>Net realised result for the year</b>		<b>(5 467 315)</b>
<b>Change in net unrealised profit/ (loss) on</b>		
- securities		4 137 680
- swaps	2.5	(7 348 217)
		<b>(3 210 537)</b>
<b>Result of operations</b>		<b>(8 677 852)</b>
<b>Movements in capital</b>		
Subscriptions		11 282 940
Redemptions		(2 519 202)
		<b>8 763 738</b>
<b>Net assets at the end of the year</b>		<b>91 369 172</b>

## Statistical information

### Dynamic Vario Protect

	Currency	31/05/22	31/05/21	31/05/20
<b>Class IT (EUR)</b>				
Number of shares		974 903.587	890 134.080	660 176.150
Net asset value per share	EUR	93.7212	102.5500	86.1200
Total Net Assets	EUR	91 369 172	91 283 286	56 857 175

## Dynamic Vario Protect

### Schedule of Investments

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
<b>Investment Funds</b>					
<b>Open-ended Investment Funds</b>					
117 759	SG HAUSSMANN FRANCE INDEX 1	EUR	14 289 444	18 191 410	19.91
117 061	SG HAUSSMANN FRANCE INDEX 2	EUR	14 289 635	18 191 279	19.91
116 967	SG HAUSSMANN FRANCE INDEX 3	EUR	14 289 425	18 190 708	19.91
139 145	SG HAUSSMANN FRANCE INDEX 4	EUR	14 289 707	18 211 298	19.93
148 068	SG HAUSSMANN FRANCE INDEX 5	EUR	14 289 937	18 210 883	19.93
<b>Total Open-ended Investment Funds</b>			<b>71 448 148</b>	<b>90 995 578</b>	<b>99.59</b>
<b>Total Investment Funds</b>			<b>71 448 148</b>	<b>90 995 578</b>	<b>99.59</b>
<b>Total Investments</b>			<b>71 448 148</b>	<b>90 995 578</b>	<b>99.59</b>

## Dynamic Vario Protect

### Economic and Geographical Classification of Investments

<b>Economic classification</b>	<b>%</b>
Investment Fund	99.59
	<b>99.59</b>

<b>Geographical classification</b>	<b>%</b>
France	99.59
	<b>99.59</b>



## Notes to the financial statements

### 1 - General

The Fund and its accounts shall be audited by an audit firm appointed by the Management Company. No later than four months after the end of each financial year, the Management Company shall publish an audited annual report for the Fund, notably including the requirements arising from the CSSF Circular 13/559 of 18 February 2013. Within two months of the end of the first half of the financial year, the Management Company shall publish an unaudited semi-annual report for the Fund. The reports are available from the Management Company, the Custodian and the Information Agents.

Dynamic Vario Protect was established as a “fonds commun de placement” (“FCP”) under the laws of the Grand Duchy of Luxembourg on 4 June 2007, under the name Cominvest Dynamic SAFE 80 in the Grand Duchy of Luxembourg and falls within the scope of application of Part I of the Law of Luxembourg of 17 December 2010 on undertakings for collective investment (“the Law”) and is therefore an undertaking for collective investment in transferable securities (“UCITS”) pursuant to Directive 2009/65/EC.

The Fund was managed by Allianz Global Investors GmbH, a subsidiary of Allianz Asset Management AG, Munich, Federal Republic of Germany, and a member of the Allianz Group, under Luxembourg law and distributed - also using this financial group. The management of the Fund was transferred to Commerz Funds Solutions S.A. on 30 November 2015, which was renamed Lyxor Funds Solutions S.A. on 14 October 2019, with registered office at 22, Boulevard Royal, 2449 Luxembourg, Grand Duchy of Luxembourg. Lyxor Funds Solutions S.A. was a public limited company incorporated under the laws of the Grand Duchy of Luxembourg, with its registered office in Luxembourg.

As of 3 November 2021, the management of the Fund is transferred to SG 29 Haussmann, 29, Boulevard Haussmann, 75009 Paris, France, whose majority shareholder is Société Générale. SG 29 Haussmann is a limited company (“société par actions simplifiée”) organized under the laws of France and registered on 9 October 2006.

The original Management Regulations of the Fund entered into effect on 4 June 2007. The last amendment entered into effect on 12 October 2021.

A notice of the filing of the Management Regulations with the Commercial Register in the Grand Duchy of Luxembourg was published in the Mémorial, Recueil des Sociétés et Associations (“Mémorial”), the official gazette of the Grand Duchy of Luxembourg, which was replaced by the “Recueil électronique des sociétés et associations” (“RESA”) on 1 June 2016.

As at May 31, 2022, the following Sub-Fund is available :

- Dynamic Vario Protect

As at May 31, 2022, the following class of shares is issued:

- Class IT (EUR)

The base currency of the Fund is the Euro.

The Fund's financial year begins on 1 June and ends on 31 May of each year.

The Fund participates in the performance of a basket of up to 20 investment funds through a derivative structure (total return swap). These may be global equity, bond and commodity funds. The composition of the basket is flexible and is regularly realigned. Secondly, the redemption price of the fund is guaranteed to be at least 80% of the level of the last valuation day of the previous month at the end of each month valuation day of the previous month. The objective of the investment policy is to allow investors to participate in the performance of a basket of investments fund units using derivative instruments, which is regularly realigned over the long term. At the same time, the derivatives shall be linked to a dynamic hedging model (e.g. a CPPI model). Its purpose is to secure the guarantee issued for unit class IT (EUR).

The Prospectus, the Management Regulations, the current annual and semi-annual reports, the Key Investor Information, as well as the issue and redemption prices, are available free of charge in paper form from the Distribution Agent and free of charge on the Internet on the website:

- until 2 November 2021: [www.lyxorfunds.com](http://www.lyxorfunds.com); and
- as of 3 November 2021: <https://sg29haussmann.societegenerale.fr>.

## Notes to the financial statements (continued)

### 2 - Principal accounting policies

#### 2.1 Presentation of financial statements

The financial statements are prepared and presented in accordance with Luxembourg regulations relating to undertakings for collective investment.

The Net Asset Value Per Unit of a Unit Class, as well as the issue and redemption prices shall be determined on each banking and trading day in Frankfurt am Main and Luxembourg.

Units of unit class IT (EUR) may only be acquired by non-natural persons.

#### 2.2 Valuation of investment

The Net Asset Value shall be calculated on the second day after each Valuation Day, which is also a banking day in Frankfurt am Main, Luxembourg, New York and Chicago, for each unit class, by dividing the value of the net assets attributable to a unit class (value of the assets minus liabilities) by the number of units of this unit class in circulation on the Valuation Day (hereinafter referred to as "Net Asset Value Per Unit of a Unit Class"). The Net Asset Value Per Unit of a Unit Class shall be calculated:

- for assets which are officially listed on a stock exchange, at the last available paid price;
- for assets which are not officially listed on a stock exchange but which are traded on a regulated market or on other organised markets, also at the last available traded price, provided that at the time of valuation, the Custodian considers this price to be the best possible price at which the assets may be sold;
- for financial futures contracts on foreign currencies, securities, financial indices, interest rates and other permissible financial instruments, as well as options on these and corresponding warrants, insofar as they are listed on a stock exchange, at the most recently determined prices of the relevant stock exchange. Insofar as there is no stock exchange listing, in particular, in the case of all OTC transactions, the valuation shall be made at the likely realisation value, which shall be determined with caution and in good faith;
- for interest rate swaps, at their market value in relation to the applicable yield curve;
- for indices and swaps linked to financial instruments, at their market value determined with reference to the relevant index or financial instrument;
- for units in UCITS or UCIs, at the last determined and available redemption price;
- for cash and cash equivalents and time deposits, at their nominal value plus interest;

Assets for which the prices are not in line with the market and all other assets shall be valued at their likely realisation value, which shall be determined prudently and in good faith.

The Management Company may, at its discretion, permit other methods of valuation if it considers that these provide a better representation of the fair value of the assets.

#### 2.3 Net realised gains/(losses) on securities sold

The realised gain or loss on the sales of securities are calculated on the basis of weighted average costs.

#### 2.4 Foreign exchange translation

The accounts are maintained in Euro ("EUR") and the financial statements are expressed in that currency.

The acquisition cost of securities expressed in a currency other than the EUR is translated into EUR at the exchange rates prevailing on the date of purchase.

Income and expenses expressed in other currencies than the EUR are converted into that currency at the exchange rates prevailing on the transaction date.

Assets and liabilities expressed in other currencies than the EUR are converted at the exchange rates prevailing on the closing date. The realised or unrealised gains and losses on foreign exchange are recognised in the Statement of Operations and Changes in Net Assets.

## Notes to the financial statements (continued)

### 2.5 Swaps

Swaps are disclosed in the Statement of Net Assets under caption "swaps at market value". Unrealised gains/ losses and realised gains/losses are recorded in the Statement of Operations and Changes in Net Assets and include when applicable interests received and paid on swaps.

The realised on swaps in the Statement of Operations and Changes in Net Assets includes the balances on swaps paid or received by the Fund in the context of the increase/decrease of the composition of the securities basket, or paid/received in the context of subscriptions/redemptions at the Fund's level.

### 3 - Flat fees

The flat fee to be paid by the Fund, taking into account the different unit classes, shall be 1.35% per year for units of unit class IT (EUR) and shall be calculated on the net asset value determined daily. The Management Company shall be free to charge a lower fee.

Remuneration is paid monthly at the end of the month.

As a rule, the Management Company shall pass on parts of its flat-rate remuneration to intermediaries in the form of commission; such payments may also consist of allowances not offered in monetary form. This is done to remunerate and enhance the quality of sales and advisory services on the basis of intermediated assets. At the same time, the Management Company may also receive remuneration or benefits in non-monetary form from third parties. Details of the remuneration and benefits granted or received shall be disclosed to the investor on request to the Management Company. The Management Company may also grant refunds to investors from the lump-sum remuneration.

The following remuneration and expenses are covered by the lump-sum remuneration and are not charged separately to the Fund:

- Remuneration for the administration and central management of the Fund;
- Remuneration for distribution and advisory services;
- Remuneration for the Custodian and costs for depositories;
- Remuneration for the Registrar and Transfer Agent;
- Costs for the preparation (including translation costs) and dispatch of the Prospectus, the Management Regulations, Key Investor Information, the annual, semi-annual and, where applicable, interim reports and other reports and notices to Unitholders;
- Costs of publishing the Prospectus, the Management Regulations, the Key Investor Information, the annual, semi-annual and, where applicable, interim reports, other reports and notices to Unitholders, the tax data and the issue and redemption prices and notices to Unitholders;
- Costs for the audit of the Fund by the auditor of the annual financial statements;
- Costs of registering the unit certificates for public distribution and/or maintaining such a registration;
- Costs for the preparation of unit certificates and, if applicable, income coupons, as well as the renewal of income coupons/coupon sheets;
- Payment and information agent fees;
- Costs for the assessment of the Fund by nationally and internationally recognised rating agencies;
- Expenses associated with the establishment of the Fund.

In addition to this remuneration, the following expenses may be charged to the Fund:

- Costs incurred in connection with the acquisition and disposal of assets;
- Costs for the enforcement and implementation of legal claims which appear to be justified and are attributable to the Fund or to an existing unit class, if any, and for the defence against claims that appear to be unjustified and are related to the Fund or an existing unit class, if any;
- Costs and any taxes incurred (in particular, the *taxe d'abonnement*) in connection with administration and safekeeping;
- Costs for the examination, assertion and enforcement of any claims for reduction, credit or refund of withholding taxes or other taxes or fiscal charges.

## Notes to the financial statements (continued)

### 4 - Taxation

The income of the Fund is not taxed in the Grand Duchy of Luxembourg. It may nevertheless be subject to withholding or other taxes in countries in which the assets of the Fund are invested. Neither the Management Company nor the Custodian shall obtain receipts for such taxes for individual or all Unitholders. The Fund's assets are subject to a *taxe d'abonnement* in the Grand Duchy of Luxembourg, which is currently at most 0.05% per year.

This *taxe d'abonnement* is payable quarterly on the relevant net assets of the Fund at the end of each quarter. Unitholders who are not resident or do not maintain a permanent establishment in Luxembourg shall not be liable for any income, inheritance or wealth tax on their units or income from units in Luxembourg.

### 5 - Swaps

As at May 31, 2022, the Fund had the following swaps detailed below:

#### Dynamic Vario Protect

Maturity Date	Contract	Underlying	Currency	Nominal	Market Value (expressed in EUR)
05/07/22	Total return equity swap	Basket of Securities	EUR	91 334 751	(240 408)
05/07/22	Total return equity swap	DVP TIPP Strategy	EUR	103 951 983	(11 728 264)
					<b>(11 968 672)</b>

The counterparty of the swaps is Société Générale (FR).

### 6 - Collateral

As at May 31, 2022, the cash collateral granted to or received from the counterparty for the purpose of the transacting in OTC derivative is as follows:

Fund	Currency	Counterparty	Type of collateral	Collateral Amount Received	Collateral Amount Paid
Dynamic Vario Protect	EUR	SG PARIS	Cash		7 710 000

### 7 - Subsequent event

There are no other material events after the balance sheet date.

## Information to the Shareholders

### 1- Operating and management expenses (TER)

These expenses rates for the year as from June 01, 2021 to May 31, 2022 are the following :

Sub-Fund	Share Class	Currency	Total Rate
Dynamic Vario Protect	Class IT (EUR)	EUR	1.36%

These expenses cover all the fees charged directly to the Sub-Fund, with the exception of performance fees.

### 2 - Global risk exposure calculation method

The approach used for the Fund is the commitment.

As of May 31, 2022 the Global Risk Exposure was 213.73%.

## Remuneration policy (Unaudited Information)

until November 02, 2021

### Lyxor Funds Solutions' Remuneration Policy

LYXOR Funds Solutions S.A. (hereafter "LFS") is a fund management company within the Lyxor Asset Management Group at 100% ("Lyxor") which is part of Société Générale. LFS observes the remuneration policy of the Société Générale Group, which seeks to make remuneration an effective means for attracting and retaining employees who contribute to the company's long-term performance while ensuring appropriate risk management and compliance on the part of all employees.

With respect to LFS, this policy takes into consideration the remuneration provisions of directives 2011/61/EU of the European Parliament and of the Council of 8 June 2011 (hereafter the "AIFM Directive") and 2014/91/EU of the European Parliament and of the Council of 23 July 2014 (hereafter the "UCITS V Directive"), which apply to the investment fund management sector.

#### 1. Remuneration governance

LFS's remuneration policy is in line with the Société Générale group's remuneration policy and is reviewed annually. It is defined by the company's Executive Committee, on the recommendation of the Human Resources department of Lyxor. The LFS Board of Directors subsequently validates it, after consultation with the Remuneration Committee.

##### 1.1 Remuneration Committee

LFS has set up a remuneration Committee, composed of permanent 2 members. It is composed of independent members of the supervisory function who do not perform executive functions in LFS. Members have appropriate knowledge, expertise and professional experience concerning remuneration policies and practices, risk management and control activities, namely with regard to the mechanism for aligning the remuneration structure to institutions' risk and capital profiles. Core missions of the Remuneration Committee are stated in the Remuneration Committee's Rule. The remuneration Committee accounts to the Board of Directors of LFS.

##### 1.2 Annual compensation review

The annual compensation review of individual LFS employees is subject to the Société Générale Group's annual review process, which covers fixed remuneration and, if applicable, variable remuneration and/or performance shares.

This process is coordinated by Lyxor's Human Resources Department and requires validation by the business units, LFS' Executive Committee<sup>1</sup>, the SG group's Human Resources Department, and lastly LFS' Board of directors. This process addresses the statutory and regulatory requirements in effect in Luxembourg and abroad.

##### 1.3 The role of control functions

The control functions, in particular the Risk and Compliance departments, participate in the annual compensation review process as follows:

The Risk and Compliance departments assess risk and compliance management, and give their opinion on how the main risk takers address risk-management and compliance issues. This assessment is then taken into account to adjust variable remuneration pools and individual awards.

The independence of these control functions is guaranteed by a functional reporting to the Group's senior management. This governance system ensures that remuneration decisions are made independently and objectively.

<sup>1</sup> the Executive committee is composed of the conducting officers

## Remuneration policy (Unaudited Information) (continued)

### 2. General remuneration principles

#### 2.1 Compliance with regulatory requirements

The LFS remuneration policy complies with all applicable regulations, notably:

- Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 (AIFM Directive);
- Directive 2014/91/UE of the European Parliament and of the Council of 23 July 2014 (UCITS V Directive);
- The rule enacted by Section 13 of the Bank Holding Company Act, implementing Section 619 of Dodd–Frank Wall Street Reform and Consumer Protection Act (called the “Volcker Rule”);
- Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments (“MIFID”);
- Regulation (EU) 2019/2088 on the publication of information on sustainability in the financial services sector (known as “SFDR”).

The remuneration policy addresses the above requirements by:

- Taking risk management into account when determining the total amounts available for variable remuneration and individual employee allocations:
  - using quantitative risk-adjusted financial indicators and market indicators to determine the amount of total variable remuneration;
  - taking into account risk and compliance management objectives, the observance of client interests and client satisfaction to determine individual employee allocations;
  - having the Risk and Compliance departments conduct an annual independent assessment of the risk and compliance management of the business units/entities that have a significant impact on LFS’ risk profile.

These mechanisms ensure that there is no direct link between commercial performance and variable remuneration.

- Taking risk management into account when determining deferred remuneration schemes.
- Taking as of March 10, 2021, which is the date of entry into force of Regulation (EU) 2019/2088 on the publication of information on sustainability in the financial services sector (known as “SFDR”), into account for concerned Funds the sustainability risks, defined by SFDR as events or situations in the environmental, social or governance field which, if they occur, could have a significant negative impact, actual or potential, on the value of the investments managed in Funds managed by LFS.

#### 2.2 Remuneration structure

All employees receive a fixed remuneration which may be supplemented with a discretionary variable remuneration and, if applicable, performance shares.

##### 2.2.1 Fixed remuneration

Fixed remuneration is proportional to the employee’s level of responsibility, skills and professional experience. The level of fixed remuneration takes into account competitive levels of remuneration in the market.

##### 2.2.2 Variable remuneration

Variable remuneration is not contractual but is allocated on a discretionary basis. It depends on the level of individual and collective performance and is based on predefined qualitative and quantitative factors. It takes into account the quality of risk management, (including sustainability risks, if applicable) and compliance with regulations and the observance of internal compliance procedures. To prevent conflicts of interest, variable remuneration is not directly and solely correlated to commercial or financial results, but also takes the economic, social and competitive environments into account.

## Remuneration policy (Unaudited Information) (continued)

### 2.2.3 Société Générale performance shares

Performance shares serve to retain top-performing employees of support functions, with a special focus on key employees and top talent. They serve to remunerate not only past performance but also future potential.

## 3. LFS Identified Staff remuneration principles

### 3.1 Scope of the Identified Staff under the AIFM and UCITS V directives

The scope of Identified Staff at LFS comprises the following employee categories:

- the members of the Executive Committee;
- control function managers;
- compliance and internal control officers.

The LFS Risk and Compliance departments work with the Lyxor and Société Générale group's Human Resources Departments to determine the Identified Staff members among the specified scope of business units/functions and job titles.

The scope of Identified Staff is reviewed by Remuneration Committee and then validated by LFS Management Boards.

### 3.2 Structure of deferred variable remuneration

LFS applies deferred compensation arrangements to its Identified staff and also to nonidentified staff under certain conditions.

When the variable remuneration exceeds a certain threshold, the following applies:

Variable remuneration above a certain threshold	Vested component		Non-Vested component		
	Year Y		Year Y+1	Year Y+2	Year Y+3
<b>Identified Staff</b> (> 100 000 EUR)	(50%) <b>Cash</b> paid in March Y	(50%) <b>LFS1 Index</b> vested in March Y paid in Oct. Y	(1/3) <b>Cash</b> paid in March Y+1	(1/3) <b>LFS1 Index</b> vested in March Y+2 paid in Oct. Y+2	(1/3) <b>LFS1 Index</b> vested in March N+3 paid in Oct. N+3
<b>Other Staff</b> (>=105 000 EUR)	<b>Cash</b> paid in March Y		(1/3) <b>Cash</b> paid in March Y+1	(1/3) <b>LFS1 Index</b> vested in March Y+2 paid in Oct. Y+2	(1/3) <b>LFS1 Index</b> vested in March N+3 paid in Oct. N+3

For Identified staff under the AIFM and UCITS V directives:

- A non-vested component that must represent at least 40% of the variable remuneration and is deferred over a three years period with vesting on a prorata temporis basis. The non-vested component of variable remuneration is subject to presence and individual/collective forfeiture conditions.
- At least 50% of the variable remuneration indexed to the performance of an index of financial instruments, hereafter as the "LFS1 index" (see section 3.3 below), which represents 50% of the non-vested component and two thirds of the non-vested component. This means that the portion of the variable remuneration that is immediately paid in cash does not exceed 30%.

The financial performance conditions are reviewed and proposed annually by the Société Générale Group's Financial Department and are approved by the LFS Board of directors on the recommendation of the Remuneration Committee.

For Other staff members:

Beyond the scope of the AIFMD and UCITS V Identified staff; for the staff member with variable remuneration equal to or above 105 000 EUR, variable remuneration is deferred at a progressive rate over a three-year period vesting on a prorata



## Remuneration policy (Unaudited Information) (continued)

temporis basis; indexation of part of the variable remuneration on the performance of an index of financial instruments; non-vested component subject to the same vesting requirements that apply to Identified Staff variable remuneration.

All the variable remuneration is subject of application of malus and claw back arrangements.

### 3.3 Indexing of a portion of the variable remuneration to the LFS1 Index

LFS1 index is composed of funds representing the activity and performance of LFS.

This Index allows to index some of the variable remuneration of Identified Staff and other eligible employees to the performance of a basket of relevant financial instruments. This indexing mechanism aligns employee interests with those of investors.

### 3.4 Creation of Index Committee and LFS1 index

Every year after closure of the Annual compensation review process, HRD of LFS must perform a check of variable remuneration of staff in order to detect if any employee has reached the threshold.

In the event when the first employee reaches the threshold defined, LFS proceeds as follows:

- sets up an Index Committee to determine the composition and weighting of the funds constituting the basket of funds (or "LFS1 index") used as an instrument for indexing part of the variable remuneration;
- determines the LFS1 index, composed of funds representing the activity and performance of LFS. The composition and valuation of the LFS1 index are validated by the Finance Department. This operation ensures an independent review of the composition, weighting and valuation of the index and thus prevents any conflict of interest.
- implements an indexing mechanism on the LFS1 index for Identified and Unidentified staff that benefits from deferred variable compensation. This indexing mechanism on the performance of the funds making up the basket ensures that the interests of employees are aligned with those of investors.

The Index Committee should be held at least once a year as long as Identified staff will have a portion of their variable compensation indexed to the LFS1 Index and is composed of the following members:

- one representative of Société Générale Group HR Departement (HRCO/ECB)
- one representative of Société Générale Group Finance division (DFIN)
- one representative of Lyxor HR Department
- one representative of Lyxor Finance Department
- the CEO of Lyxor or one representative named by the CEO of Lyxor
- the CIO of Lyxor or one representative named by the CIO of Lyxor

## Remuneration policy (Unaudited Information) (continued)

### LFS Remuneration Committee's Rules

#### 1. OBJECTIVE

The Remuneration Committee is a sub-committee of LFS's Board of Directors (the "Board") and its objective is to act as a preparatory and advisory body in relation to the Company's remuneration of identified staff as defined under the Remuneration policy of LFS. The purpose of the Remuneration Committee is to ensure thorough and independent preparation of matters relating to compensation to identified staff.

In particular, the Remuneration Committee shall:

- oversee the implementation of this Policy and of its principles in a way that is proportionate to the size and internal organization of LFS and to the nature, scope and complexity of its activities, in line with generally accepted market practices;
- define the financial and non-financial criteria, i.e. the parameters to assess the performance of an individual in scope of this Policy;
- determine the remuneration of identified staff

#### 2. ORGANISATION

The Board determines the instructions and composition for the Remuneration Committee. The Remuneration Committee shall consist of at least two members of the Board.

The Chairman and the members of the Remuneration Committee shall be members of the Board who do not perform any executive function in LFS. The members and the Chairman of the Remuneration Committee shall be appointed by the Board for a two-year term.

The members of the Remuneration Committee shall be independent of LFS's day-to-day management. Further, the entire Board shall not act as the Remuneration Committee.

The Remuneration Committee shall have the authority to review any matter of the Group within the committee's scope of responsibilities.

In discharging its responsibilities under these instructions, the Remuneration Committee shall have full access to the records and personnel of the Group and shall have the opportunity to seek advice and recommendations from sources outside of the Group, if the committee deems that necessary.

#### 3. MEETINGS

The Remuneration Committee will meet as often as it deems necessary, but normally 1 – 2 times every year. The Remuneration Committee will draw up an annual meeting plan. Interim meetings may be called if a member of the Remuneration Committee requires it.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of the matters to be discussed at the meeting, including supporting documentation, shall be forwarded to each of the members and any other person required to attend the meeting no later than three days before the date of the meeting.

## Remuneration policy (Unaudited Information) (continued)

Draft minutes of the meetings shall be circulated to all members of the Remuneration Committee and shall be sent to the Board once they are in agreed form and have been signed by the Chairman of the Remuneration Committee.

### 4. RESPONSIBILITIES

The Remuneration Committee's primary responsibilities in providing assistance and facilitating the decision-making in the Board determining the recommendation to the Board for the remuneration to the identified staff.

At least once a year, a remuneration committee of the LFS reviews the remuneration system of LFS for its adequacy and compliance with all legal provisions.

The most important of the goals set during the personal assessment are sustainable business development and protection of LFS against excessive risks.

Above all, no incentives to take excessive risks should be created.

## Remuneration policy (Unaudited Information) (continued)

as of November 03, 2021

The remuneration paid by SG 29 Haussmann consists of fixed remuneration and may, if economic conditions permit, include a variable component in the form of a discretionary bonus. These bonuses are not linked to the performance of the vehicles managed (no profit-sharing on capital gains).

SG 29 Haussmann applies the remuneration policy of the Societe Generale Group. This Group policy incorporates many of the principles set out in Annex II of the UCITS Directive, which are common to the prudential rules already applicable at consolidated Group level (see Report on Remuneration Policies and Practices of the Societe Generale Group). In addition, in 2014, SG 29 Haussmann made adjustments to this policy in order to comply with the rules specific to the UCITS Directive specific to the sector of alternative management fund managers, notably by setting up an indexing mechanism (basket of 4 funds representing the activity of SG29 Haussmann) for all employees who receive deferred remuneration in order to ensure alignment of the interests of employees with those of investors.

Thus, the variable remuneration of SG 29 Haussmann employees covered by the UCITS Directive is subject to the following provisions and conditions:

- A deferred acquisition up to 40% minimum, with a deferred payment spread over 3 years prorata temporis,
- A payment of 50% of the total variable remuneration (acquired and unearned) in the form of financial instruments or equivalent,
- An acquisition of the unit not acquired subject to compliance with conditions of presence and performance adjusted for the entity's risks.

SG 29 Haussmann's remuneration policy does not affect the risk profile of the UCITS and covers all conflicts of interest related to the financial management of vehicles.

<b>SG 29 Haussmann</b>	<b>Amount of fixed remuneration</b>	<b>Amount of variable Remuneration (EUR)</b>	<b>Aggregate Remuneration</b>
Employees impacting the risk profile	2 387 616	1 341 000	3 728 616

This information is available on our website at: <https://sg29haussmann.societegenerale.fr>.

## SFT Regulation (Unaudited Information)

### Total return swaps

Following the Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions, please find below details about total return swaps for the year ended May 31, 2022:

	Dynamic Vario Protect
<b>Amount of Total Return Swaps expressed in absolute amount (in the currency of the Sub-Fund)</b>	11 968 672
Proportion of AUM	13.10%
<b>Maturity tenor of total return swaps broken down in the following maturity buckets</b>	
Less than one day	-
One day to one week	-
One week to one month	-
One month to three months	-
Three months to one year	11 968 672
Above one year	-
Open maturity	-
Total	11 968 672
<b>Counterparty</b>	
Name of the counterparty	see Note 5
Country of domicile of the counterparty	see Note 5
Gross volume of the outstanding transactions	see Note 5
<b>Data on Collateral</b>	
<i>Type of collateral</i>	-
Cash	see Note 6
Securities	-
<i>Quality of collateral</i>	-
Rating	-
<b>Maturity tenor of the collateral broken down in the following maturity buckets</b>	
Less than one day	-
One day to one week	-
One week to one month	-
One month to three months	-
Three months to one year	-
Above one year	-
Open maturity	see Note 6
Total	see Note 6
<b>Safekeeping of collateral received by the Fund as part of Total Return Swap</b>	
Name of custodian	SOCIETE GENERALE
Securities	-
Cash	see Note 6
Proportion of collateral granted	-

Returns and costs incurred from total return swap transactions during the year May 31, 2022, are included in the valuation of the swaps.

All transactions are bilateral transactions.

The collateral on total return swaps is not reused.

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## Transparency of sustainable investments in periodic reports (Unaudited Information)

The Fund is considered as not falling within the scope of Article 8 or Article 9 of SFDR as it does not promote Sustainability Factors and do not maximize portfolio alignment with Sustainability Factors.

The Fund however remain exposed to Sustainability Risks and fall within the scope of Article 6 of SFDR.

The investments underlying this financial product do not take into the account the EU criteria for environmentally sustainable economic activities.

