

## **Mitteilung an alle Anteilseigner der Alken Fonds:**

Anbei finden Sie die Information der Fondsgesellschaft, folgende Fonds sind betroffen:

LU0300834669	Alken Fund Small Cap Europe R Acc
LU0235308482	Alken European Opport R EUR Acc

Details können Sie der beigefügten Anlage entnehmen. Falls Ihre Kunden diesen Änderungen nicht zustimmen und die Möglichkeit besteht, die Anteile ohne Gebühren seitens der Fondsgesellschaft zurückzugeben, können Sie den Verkauf der Anteile direkt in MoventumOffice erfassen.

Bitte nehmen Sie zur Kenntnis, dass für die Abwicklung dieser Aufträge die im Preis- und Leistungsverzeichnis von Moventum ausgewiesenen Gebühren und die auf MoventumOffice angegebenen Annahmeschlusszeiten gelten.

**ALKEN FUND**  
**Société d'Investissement à Capital Variable**  
**15, avenue J.F. Kennedy**  
**L- 1855 Luxembourg**  
**R.C. Luxembourg n° B 111 842**  
**(the "Company")**

Luxembourg, 18<sup>th</sup> of August 2021

Dear shareholder,

As shareholder of the Company, you are hereby informed that a new Prospectus of the Alken Fund SICAV (the "Company") will be issued in September 2021 including the following key changes effective as from 17<sup>th</sup> of September 2021.

**1. Key changes**

**1.1 Changes relevant to all shareholders**

The details of the persons in charge to conduct the Management Company are updated.

The settlement cycle for the payment is reduced for subscriptions and redemptions from 4 to 3 Business Days following the relevant Applicable NAV. The shortening of the settlement cycle is implemented in order to comply with global best practices.

A section with respect to the "RESPONSIBLE INVESTMENT POLICY" is added to the Prospectus.

**1.2 Changes relevant to certain shareholders only**

**1.2.1 Changes for the Sub-Funds "ALKEN FUND – European Opportunities", "ALKEN FUND – Small Cap Europe" and "ALKEN FUND – Absolute Return Europe":**

The "Objectives and investment policy" section is amended as follows:

Current wording	Updated wording
<b>Profile of the typical Investor</b>	
This Sub-Fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for Investors who are more concerned with maximising long term returns than minimising possible short-term losses.	This Sub-Fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for Investors <b>adhering to sustainability principle</b> and who are more concerned with maximising long term returns than minimising possible short-term losses.
<b>Investment Policy</b>	
The Sub-Fund will invest at least 75% of its net assets in equities and equity related securities issued by companies that are headquartered in Europe, or conduct the preponderant part of their activity in Europe.	The Sub-Fund will invest at least 75% of its net assets in equities and equity related securities issued by companies that are headquartered in Europe, or conduct the preponderant part of their activity in Europe, <b>which adopted a sustainable development approach following the ESG investment policy of the Investment Manager Alken Asset Management Ltd. The Sub-Fund's investment process is supported by a proprietary investment model which combines financial and non-financial analysis. Covering the four key ESG themes: environment, social,</b>

	governance and human rights, the responsible investing approach is based on global criteria with quantitative and qualitative rating, recommendations and ranking of the companies, irrespective of their sectors, capitalizations or financial ratings. The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers.
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With the amendment summarized above, the ESG process and the integration methodology, the objective is to ensure that the investment team can make forward-looking decisions with the highest level of financial and extra-financial information available in order to protect and enhance returns.

#### 1.2.2 Changes for the Sub-Fund "ALKEN FUND – Continental Europe":

The name of the Sub-Fund is amended as follows:

Current name	Updated name
ALKEN FUND – Continental Europe	ALKEN FUND – Sustainable Europe

The "Objectives and investment policy" section is amended as follows:

Current wording	Updated wording
<b>Profile of the typical Investor</b>	
This Sub-Fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for Investors who are more concerned with maximising long term returns than minimising possible short-term losses.	This Sub-Fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for Investors <b>adhering to sustainability principle</b> and who are more concerned with maximising long term returns than minimising possible short-term losses.
<b>Investment Policy</b>	
The Sub-Fund will hold a diversified portfolio mainly composed of securities in listed companies.	The Sub-Fund will hold a diversified portfolio mainly composed of securities in listed companies <b>which adopted a sustainable development approach following the ESG investment policy of the Investment Manager Alken Asset Management Ltd. The Sub-Fund's investment process is supported by a proprietary investment model which combines financial and non-financial analysis. Covering the four key ESG themes: environment, social, governance and human rights, the responsible investing approach is based on global criteria with quantitative and qualitative rating, recommendations and ranking of the companies, irrespective of their sectors, capitalizations or financial ratings. The investment universe is subject to negative screening for binding exclusion of sectors and in some cases certain companies that do not meet the environment, social, governance and human rights standards ("Negative Screening / Exclusion"). Positive screening is also applied to identify companies that make a positive contribution to society and the environment ("Positive</b>

	Screening"). The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers. ESG assets constitute a major part of the portfolio, at least 80% of the portfolio will consist of sustainable companies. The Investment Manager has signed the UN Principles for Responsible Investments and is thus committed to integrating ESG factors into its investment analysis, decision making processes and active ownership practices.
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With the amendment summarized above, the ESG process and the integration methodology, the objective is to ensure that the investment team can make forward-looking decisions with the highest level of financial and extra-financial information available in order to protect and enhance returns.

### 1.2.3 Changes for the Sub-Fund "ALKEN FUND – Global Convertible":

The name of the Sub-Fund is amended as follows:

Current name	Updated name
ALKEN FUND – Global Convertible	ALKEN FUND – Global Sustainable Convertible

The "Objectives and investment policy" section is amended as follows:

Current wording	Updated wording
<b>Profile of the typical Investor</b> This is a convertible bond Sub-Fund which offers the lower volatility characteristics associated with bonds with some of the returns typically associated with an equity portfolio. This Sub-Fund is suitable for Investors seeking capital growth as well as income and who wish to gain exposure to convertible or exchangeable bonds and similar investments of the type described in the investment policy below.	This Sub-Fund is suitable for Investors adhering to sustainability principle and seeking capital growth as well as income.
<b>Investment Objective</b> The investment objective of the Sub-Fund is to provide capital growth by investing primarily in a diversified portfolio of Convertibles and Exchangeable bonds globally. The Sub-Fund will seek to outperform the TR Convertible Global Focus Hedged USD index.	The investment objective of the Sub-Fund is to provide capital growth and income by investing primarily in a globally diversified portfolio of Convertible and Exchangeable bonds. The Sub-Fund is actively managed without reference to a benchmark.
<b>Investment Policy</b> The Sub-Fund will invest at least 67% of its net assets in convertible securities. Issuers of these securities may be located in any country, including emerging markets.	The Sub-Fund aims at investing in companies which have both, an attractive long-term value creation and which adopted a sustainable development approach following the ESG investment policy of the Investment Manager Alken Asset Management Ltd. The Sub-Fund's investment process is supported by a proprietary investment model which combines financial and non-financial analysis. Covering the four key ESG themes: environment, social, governance and human

	<p>rights, the responsible investing approach is based on global criteria with quantitative and qualitative rating, recommendations and ranking of the companies, irrespective of their sectors, capitalizations or financial ratings. The investment universe is subject to negative screening for binding exclusion of sectors and in some cases certain companies that do not meet the environment, social, governance and human rights standards ("Negative Screening / Exclusion"). Positive screening is also applied to identify companies that make a positive contribution to society and the environment ("Positive Screening"). The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG providers. ESG assets constitute a major part of the portfolio, at least 80% of the portfolio will consist of sustainable companies. The Investment Manager has signed the UN Principles for Responsible Investments and is thus committed to integrating ESG factors into its investment analysis, decision making processes and active ownership practices.</p> <p>The Sub-Fund will invest at least 67% of its net assets in convertible securities. Issuers of these securities may be located in any country, including emerging markets. The Sub-Fund will invest mainly in Investment Grade assets.</p>
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The reference to a benchmark index is deleted. The reason for that is that the Sub-Fund is managed with a total return angle which is not compatible with a benchmark approach and by integrating ESG considerations the relevance of the benchmark further decreases. The overall credit quality of the portfolio will not change and the Sub-Fund will stay investment grade on average.

With the amendment summarized above, the ESG process and the integration methodology, the objective is to ensure that the investment team can make forward-looking decisions with the highest level of financial and extra-financial information available in order to protect and enhance returns.

#### 1.2.4 Changes for the Sub-Fund "ALKEN FUND – Income Opportunities":

The name of the Sub-Fund is amended as follows:

Current name	Updated name
ALKEN FUND – Income Opportunities	ALKEN FUND – Sustainable Income Opportunities

The "Objectives and investment policy" section is amended as follows:

Current wording	Updated wording
Profile of the typical Investor	
This is a bond Sub-Fund suitable for Investors seeking regular income and capital growth and who wish to gain exposure to a total return	This is a bond Sub-Fund suitable for Investors adhering to sustainability principle and seeking regular income and capital growth

fund that aims to exceed the return of a cash benchmark.	and who wish to gain exposure to a total return fund.
<b>Investment Objective</b>	
The investment objective of the Sub-Fund is to achieve an <b>excess return of the Libor</b> by exploiting investment opportunities in income generating securities including but not limited to debt and convertible markets.	The investment objective of the Sub-Fund is to achieve a return by exploiting investment opportunities in income generating securities including but not limited to debt and convertible markets.
<b>Investment Policy</b>	
The Sub-Fund will invest at least 67% of its net assets in bonds, corporate bonds and other types of bonds. Issuers of these securities may be located in any country, including emerging markets.	<p>The Sub-Fund aims at investing in companies which adopted a sustainable development approach following the ESG investment policy of the Investment Manager Alken Asset Management Ltd. The Sub-Fund's investment process is supported by a proprietary investment model which combines financial and non-financial analysis. Covering the four key ESG themes: environment, social, governance and human rights, the responsible investing approach is incorporated in the investment process and based on global criteria with quantitative and qualitative rating, recommendations and ranking of the companies, irrespective of their sectors, capitalizations or financial ratings. The investment universe is subject to negative screening for binding exclusion of sectors and in some cases certain companies that do not meet the environment, social, governance and human rights standards ("Negative Screening / Exclusion"). Positive screening is also applied to identify companies that make a positive contribution to society and the environment ("Positive Screening"). The responsible investing approach assessment is based on the asset manager's proprietary ESG analysis and all information gathered from external ESG provider. ESG assets constitute a major part of the portfolio, at least 80% of the portfolio will consist of sustainable companies according to the Investment Manager's taxonomy standards. The Investment Manager has signed the UN Principles for Responsible Investments and is thus committed to integrating ESG factors into its investment analysis, decision making processes and active ownership practices.</p> <p>The Sub-Fund will invest at least 67% of its net assets in bonds, corporate bonds and other types of bonds. Issuers of these securities may be located in any country, including emerging markets.</p>

With the amendment summarized above, the ESG process and the integration methodology, the objective is to ensure that the investment team can make forward-looking decisions with the highest level of financial and extra-financial information available in order to protect and enhance returns.

The Articles of Incorporation of the Company describe that specific distribution policies may be defined. In order to enhance the description which share classes of the Sub-Fund will make distributions and which not, the "Dividend Policy" section is amended as follows:

Current wording	Updated wording
Under normal circumstances, the Sub-Fund does not intend to declare and make distributions with respect to the net investment income and realised capital gains for the Share Classes classified as Accumulation for the Dividend Policy in the section Shares Classes below. Accordingly, the Net Asset Value per Share of these Share Classes will reflect any net investment income or capital gains. Under normal circumstances, the Sub-Fund intends to make distributions as at the end of the financial year, or at other time(s) to be determined by the Board of Directors, with respect to the net income, if any, attributable to the Share Classes classified as "Distribution" for the "Dividend Policy" in the section "Shares Classes" below. The Sub-Fund will re-invest all distributions in additional Shares of the Sub-Fund, and not distribute cash to Shareholders in connection with any distributions, unless otherwise expressly requested by the relevant Shareholder.	Unless for Share Classes classified as "Distribution", under normal circumstances, the Sub-Fund does not intend to declare and make distributions with respect to the net investment income and realised capital gains for the Share Classes. However the Sub-Fund will make distributions as determined by the Board of Directors (including no distribution) as at the end of the financial year, or at other time(s), with respect to the Share Classes classified as "Distribution" for the "Dividend Policy" in the section "Shares Classes" below.

The "Performance Fee" section is amended as follows:

#### Current wording

The "Hurdle Rate" is defined as the performance of the Relevant Benchmark Index + 100bps compounded since the last day of the previous calendar year and over the calculation period.

The "Relevant Benchmark Index" per share class currency:

Share Class Currency	Relevant Benchmark Index	Bloomberg ticker
USD	1 Month USD ICE Libor	US0001M Index
EUR	1 Month EUR Euro Interbank Offer Rate (EURIBOR)	EUR001M Index
CHF	1 Month CHF ICE Libor	SF0001M Index
GBP	1 Month GBP ICE Libor	BP0001M Index
JPY	1 Month JPY ICE Libor	JY0001M Index

### Updated wording

The "Hurdle Rate" is defined as the performance of the Relevant Benchmark Index **plus a spread as defined below + 100bps compounded** since the last day of the previous calendar year and over the calculation period.

The "Relevant Benchmark Index" per share class currency:

Share Class Currency	Relevant Benchmark Index	Bloomberg ticker	Hurdle Rate
USD	SOFR	SOFRRATE Index	SOFR + 100 bps
EUR	€STR	ESTRON Index	€STR + 100 bps
CHF	€STR	ESTRON Index	€STR + 80 bps
GBP	SONIA	SONIO/N Index	SONIA + 100 bps
JPY	TONAR	MUTKCALM Index	TONAR + 100 bps

## 2. Right to redeem and contact information

Shareholders who do not agree to the changes as described above may redeem their shares, following the redemption process detailed in the Prospectus, free of any charges, with the exception of any local transaction fees that might be charged by local intermediaries on their own behalf and which are independent from the Company and the Management Company AFFM S.A. from the date of this notice until 17<sup>th</sup> of September 2021.

The updated version of the prospectus dated September 2021 may be obtained, free of any charge, at the registered office of the Company and on the website [www.affm.lu](http://www.affm.lu), as soon as the CSSF has issued the visa-stamped official Prospectus. Shareholders having any question relating to the above changes should not hesitate to contact AFFM S.A. on telephone +352 260 967 242 or by email at [info@alken-fund.com](mailto:info@alken-fund.com).

A copy of the Prospectus, the KIID(s), the annual reports, the semi-annual reports and any other official documents relating to the Company are available at the registered office of the Alken Fund at 15, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. Swiss investors may obtain those free of charge from the representative in Switzerland: FundPartner Solutions (Suisse) SA, route des Acacias 60, CH-1211 Geneva 73, Switzerland.

On behalf of the Board of ALKEN FUND



Mr. Nicolaus P. Bocklandt  
Chairman