

# **CARTESIO FUNDS**

**Société d'Investissement à Capital Variable**

R.C.S. Luxembourg N° B 237329

Annual Report, including Audited Financial Statements as at December 31, 2024

# CARTESIO FUNDS

Cartesio Funds Equity

Cartesio Funds Income

No Subscription may be accepted on the basis of this annual report, including audited financial statements. Subscriptions are accepted only if they have been made on the basis of the current prospectus and relevant Key Investor Information Document ("KIID"), which will be accompanied by latest annual report including audited financial statements and a copy of the latest available unaudited semi-annual report, if published after such annual report, including audited financial statements.

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**Directory**

**REGISTERED OFFICE OF THE FUND**

60, avenue J. F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

**BOARD OF DIRECTORS OF THE FUND**

**Chairman**

Juan A. Bertran - Director

**Directors**

Alvaro Martinez - Director  
Cayetano Cornet - Director  
Juan Ignacio González - Director (since April 26, 2024)  
Carlo Montagna - Independent Director

**MANAGEMENT COMPANY OF THE FUND**

Waystone Management Company (Lux) S.A.  
19, rue de Bitbourg,  
L-1273 Luxembourg  
Grand Duchy of Luxembourg

**BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY OF THE FUND**

Timothy Madigan  
Chairman, Independent Director

Rachel Wheeler  
Global Product Head - Regulated Fund Solutions

Denis Harty  
Waystone Country Head - Continental Europe

Vasileios Karalekas (since April 30, 2024)  
Waystone Product Lead - Quantitative Solutions in Regulated Fund Solutions

**INVESTMENT MANAGER**

Cartesio Inversiones, S.G.I.I.C., S.A.  
Rubén Darío 3  
S-28010 Madrid  
Spain

**ADMINISTRATIVE AGENT, DOMICILIARY, CORPORATE, REGISTRAR AND TRANSFER AGENT**

BNP Paribas, Luxembourg Branch  
60, avenue J. F. Kennedy,  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

**DEPOSITARY AND PAYING AGENT**

BNP Paribas, Luxembourg Branch  
60, avenue J. F. Kennedy,  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

**CABINET DE RÉVISION AGRÉÉ / AUDITOR OF THE FUND**

Deloitte Audit  
*Société à responsabilité limitée*  
20, Boulevard de Kockelscheuer L-1821 Luxembourg  
Grand Duchy of Luxembourg

## Directors' Report

### Cartesio Funds Equity

Cartesio Funds Equity is up 7.7% in 2024 with a volatility of 9%. The Sub-fund's benchmark (MSCI Euro Total Return) was up 8.6% on a total return basis with a volatility of 10.3%.

The Sub-fund replicates the investment strategy of Cartesio Y (a Spanish domiciled fund) which since inception (March 2004) has returned 5.2% p.a. with a volatility of 10.9%, against 6.4% p.a. total return for the benchmark with a volatility of 18.1%. Cartesio Y has outperformed its benchmark since inception in risk adjusted terms.

2024 ends with a moderate increase of 8.6% in European equities. It is worth noting that this entire rise was concentrated in the first half of the year, as European equities slightly declined during the second half. In addition to a moderate increase concentrated in the first half, we can say that 2024 has not been an easy or obvious year for an investor in European equities, which have evolved with a very different profile compared to U.S. equities. Four of the eleven sectors that make up the market posted negative returns. At the same time, gains were led by cheap stocks ("value" in financial jargon), rather than expensive/growth stocks ("growth"). European Value rose 11% vs. only 6% for European Growth. The group of standout European growth and quality companies, the so-called GRANOLAS, rose just 3.9%. However, within the "value" sectors, there were enormous divergences, with sectors such as energy and automobiles falling 4% and 7%, respectively. Beaten-down sectors like banking and telecoms rose 35% and 22%, respectively.

In 2024, equities were also marked by American exceptionalism. Everyone was talking about U.S. economic growth, its capacity for innovation in the tech sector, Trump's reemergence, the positive market implications, and the fact that the U.S. stock market enjoyed another strong year (up 25%), on top of a nearly 8% appreciation in the dollar. Much less is said about an unprecedented - and negative - fiscal dynamic during a time of economic prosperity, or about the contradictions of future economic policy. Even less is said about the extreme valuations of U.S. equities relative to Europe or the rest of the world.

Throughout the year, we remained constructive on European equities, where we believed it was not hard to find very reasonable valuations and highly depressed expectations. We had no positioning based on Trump's potential return to the White House. One of the major consensus heading into 2024 was that interest rates would fall, encouraged by central bank cuts and falling inflation. Our position, especially regarding long-term rates, was much more skeptical. We were concerned about the general fiscal situation (high debts and deficits), demographic factors that imply low unemployment and rising wages, and above all, the fact that long-term interest rates do not offer an attractive real return - even if one believes in the long-term inflation target of 2%. 2024 ended with long-term debt yields slightly above early-year levels, implying that Eurozone long-term debt returned only 1.8% in 2024.

The equity investment level during 2024 averaged 89%, starting the year at 85% and ending at 92%. The equity portfolio (model portfolio, excluding cash) rose 10.7% over the year, while the benchmark index (MSCI Europe Net Total Return Index) rose 8.6%.

In the equity portfolio during 2024, we sold the Sub-fund's positions in: Crédit Agricole, Fnac Darty, Fresenius, Allianz, SES Global, KPN, Covestro, CCR, Bayer, and Pinfra. We added: Verallia, Caixabank, Banca Monte dei Paschi, Roche, Tencent, Jungheinrich, Teleperformance, and Deutsche Post.

The five positions with the highest contribution to overall fund performance in 2024 were: Unipol, Banca Monte dei Paschi di Siena, Heidelberg Materials, BAT, and Tencent. The five biggest detractors were: Verallia, Glencore, Signify, SES Global, and Bayer.

At the year-end we maintain a portfolio that is very cheap in valuation terms (P/E of 10x and a Dividend Yield of 5.6%), built from the bottom up - that is, based on detailed analysis of each company without giving much weight to broader macro, sector, or geopolitical trends.

## Directors' Report (continued)

Trump's return to the U.S. presidency raises many questions and few certainties. Given the transactional nature of this president, we believe it makes little sense to take specific positions based on potential scenarios. We will react if we see market opportunities stemming from concrete policies and how the market interprets them.

### Cartesio Funds Income

Cartesio Funds Income is up 8.7% (Classes R and I) in 2024 with a volatility of 2.3%. The Sub-fund's benchmark (Bloomberg Series Euro Govt 7-10 Yr Bond Index) is up 1.8% with a volatility of 5.5%.

The Sub-fund replicates the investment strategy of Cartesio X (a Spanish domiciled fund) which since inception (March 2004) has returned 4.0% p.a. with a volatility of 4.0%, against 3.2% p.a. total return for the benchmark with a volatility of 5.2%.

2024 closed with a moderate 8.6% increase in European equities. It is worth noting that this entire rise occurred during the first half of the year, as European equities slightly retreated in the second half. Beyond this moderate rise concentrated in the first half, we can say that 2024 has not been an easy or straightforward year for investors in European equities, which behaved quite differently from U.S. equities. Four of the eleven sectors that make up the market posted negative returns. At the same time, gains were led by cheap stocks (so-called "value" stocks in financial jargon) rather than expensive/growth stocks ("growth" in the jargon). European value stocks rose by 11% vs. only 6% for European growth. The group of top European growth and quality companies known as the GRANOLAS rose only 3.9%. However, within the "value" sectors, there were huge divergences, with sectors such as energy and automobiles falling by 4% and 7% respectively. Neglected sectors like banking and telecoms rose by 35% and 22% respectively.

In 2024, equities were also marked by the American exception. Everyone was talking about U.S. economic growth, the tech sector's innovation capacity, the rise of Trump, the market optimism that this brings, and the fact that U.S. equities enjoyed another strong year (+25%), in addition to an almost 8% rise in the dollar. Less is said about the unprecedentedly poor fiscal dynamics in a cyclical boom like the current one, or the contradictions of the economic policy to come. Even less is said about the extreme valuations compared to Europe or the rest of the world.

During the year, we maintained a constructive view on European equities, where we believed it was not hard to find very reasonable valuations and very low expectations. We did not take any positions based on Trump's return to the White House. One of the main consensuses heading into 2024 was that interest rates would fall, driven by central bank cuts and declining inflation. Our position, especially on long-term rates, was and remains much more skeptical. We are concerned about the overall fiscal situation (high debt and deficits), demographic factors that imply low unemployment and rising wages, and above all, the fact that long-term interest rates do not offer attractive real returns, even if one believes in the long-term inflation target of 2%. 2024 ended with long-term bond yields slightly above the levels at the beginning of the year, which means that long-term Eurozone bonds returned only 1.8% in 2024.

The average investment level in fixed income (entirely corporate credit) was in the region of 75%, continuing with the rising trend started in 2022. In equities, the net investment level remained stable at around 15%, although the short position in Eurostoxx 50 futures was reduced by nearly half, always taking advantage of market weakness.

The bullseye for CI was the result of asset allocation and stock picking. The credit portfolio performed very well, contributing around 85% of the fund's gross return. The remaining return came from the equity portfolio, which outperformed European equities. The Sub-fund held, within the limits of the prospectus, the highest possible allocation to below investment grade debt, AT1s, hybrids and subordinated financial debt. This has allowed the Sub-fund to benefit from high coupons, a fall in spreads and little sensitivity to interest rates. Active credit portfolio management was carried out to maintain high yields without significantly extending duration.

## Directors' Report (continued)

10-year bond yields ended the year up slightly. The ECB has cut rates, but the yield curve is no longer inverted. Investors, rightly we think, are wary of central banks cutting rates with inflation moving in the right direction but still running above target and, finally, the path to fiscal consolidation is not clear in the face of record debt to GDP, looming unfunded liabilities courtesy of ageing/low fertility and reluctance by politicians to speak uncomfortable truths to the public. This applies perhaps even more to the US than Europe. The easiest path to fiscal consolidation is inflation and financial repression.

It is important to highlight not only that the fund rose by 8.7% (Classes R and I) over the year vs. 1.8% for the benchmark index, but also that the fund closed at all-time highs, while the benchmark has still not recovered from the sharp 19% drop in 2022. The benchmark remains 12% below its end-2021 level, while the fund has risen by 15% over the same period - a 30% outperformance.

In the equity portfolio during 2024, the fund exited positions in Crédit Agricole, Fnac Darty, Fresenius, Allianz, SES Global, KPN, Covestro, CCR, Bayer, and Pinfra. New positions were added in Verallia, Caixabank, Banca Monte dei Paschi, Roche, Tencent, Jungheinrich, Teleperformance, and Deutsche Post.

The five equity positions that contributed most to the fund's equity returns in the year were Covestro, Publicis, Heidelberg Cement, Merlin Properties, and Enel. The five positions that detracted the most were Bayer, Petrofac, FNAC, ITV, and BAT.

The top five contributors to the equity return in 2024 were Unipol, Banca Monte dei Paschi di Siena, Heidelberg Materials, BAT, and Tencent. The five positions that detracted the most were Verallia, Glencore, Signify, SES Global, and Bayer.

At the year-end we maintain a very cheap portfolio in valuation terms (P/E of 10x and dividend yield of 5.6%), built bottom-up, that is, through detailed analysis of each company without focusing too much on big macro, sectoral, or geopolitical trends.

Regarding our fixed income investment, it is reasonable to expect that the credit portfolio's performance will be much more moderate unless there is a positive surprise in interest rates and inflation. The equity investment level should remain at least around 15% going forward.

Trump's return to the U.S. presidency raises many questions and few certainties. Given the transactional nature of this president, we believe it makes little sense to take specific positions based on potential scenarios. We will react if we see market opportunities stemming from concrete policies and how the market interprets them.

The Board of Directors,

Luxembourg, April 3, 2025

The figures stated on the report are historical and not necessarily indicative of the future performance.

To the Shareholders  
of Cartesio Funds  
60, avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand-Duchy of Luxembourg

## REPORT OF THE *RÉVISEUR D'ENTREPRISES AGRÉÉ*

### Opinion

We have audited the financial statements of Cartesio Funds (the “Fund”) and of each of its sub-funds, which comprise the statement of net assets, securities portfolio and Financial derivative instruments as at December 31, 2024 and the statement of operations and changes in net assets for the year then ended, and 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 and of each of its sub-funds as at December 31, 2024, and of the results of their operations and changes in their 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 July 23, 2016 on the audit profession (Law of July 23, 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 July 23, 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 Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated 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 Board of Directors of the Fund for the Financial Statements**

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the 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 Board of Directors of the Fund 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 Board of Directors of the Fund 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 Board of Directors of the Fund 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**

The objectives of our audit 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 dated July 23, 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 dated July 23, 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 Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund 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.
- 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.

For Deloitte Audit, *Cabinet de révision agréé*

Nicolas Hennebert, *Réviseur d'entreprises agréé*  
Partner

April 24, 2025

## Statistics

		December 31, 2024	December 31, 2023	December 31, 2022
<b>Cartesio Funds Equity</b>				
<b>Net Asset Value</b>	EUR	85,872,448.97	84,414,703.44	82,238,502.21
<b>Net asset value per share</b>				
Class "I"	EUR	120.02	111.35	99.98
Class "R"	EUR	119.77	111.16	99.86
Class "Z"	EUR	120.88	111.94	100.56
<b>Number of shares</b>				
Class "I"		166,861.890	158,331.842	263,433.586
Class "R"		351,924.106	336,014.999	328,658.892
Class "Z"		196,009.823	262,947.631	229,530.978
<b>Cartesio Funds Income</b>				
<b>Net Asset Value</b>	EUR	222,446,016.83	162,327,509.62	125,814,216.17
<b>Net asset value per share</b>				
Class "I"	EUR	117.50	108.11	98.10
Class "R"	EUR	117.22	107.91	97.96
Class "Z"	EUR	118.13	109.00	99.15
<b>Number of shares</b>				
Class "I"		317,054.583	387,772.196	555,068.037
Class "R"		1,279,941.403	870,184.224	586,810.121
Class "Z"		297,599.732	243,129.755	140,003.060

Combined Statement

Statement of Net Assets as at December 31, 2024

	Notes	EUR
<b>Assets</b>		
Investment in securities at cost		262,867,766.07
Unrealised appreciation / (depreciation) on securities		25,827,179.96
Investment in securities at market value	2.2	288,694,946.03
Cash at bank		16,852,217.27
Receivable on Fund shares sold		289,036.68
Receivable on withholding tax reclaim		373,693.13
Net unrealised appreciation on futures contracts	2.2	85,188.45
Dividends and interest receivable		3,442,583.39
<b>Total assets</b>		<b>309,737,664.95</b>
<b>Liabilities</b>		
Accrued expenses		1,323,039.51
Payable on fund shares repurchased		17,927.96
Net unrealised depreciation on futures contracts	2.2	78,231.68
<b>Total liabilities</b>		<b>1,419,199.15</b>
<b>Net assets at the end of the year</b>		<b>308,318,465.80</b>

Statement of Operations and Changes in Net Assets for the year ended December 31, 2024

	Notes	EUR
<b>Income</b>		
Dividends (net of withholding taxes)	2.6	4,982,033.93
Interest on bonds	2.6	7,478,453.50
Bank interest	2.6	599,542.37
Other income		36,750.56
<b>Total income</b>		<b>13,096,780.36</b>
<b>Expenses</b>		
Investment Manager fees and management fees	4	3,107,138.55
Depositary fees	5	48,389.47
Performance fees	4	314,046.20
Administration fees	6	146,407.28
Professional fees	8	64,250.48
Transaction costs	2.7	125,836.28
Research fees	10	129,941.11
Taxe d'abonnement	7	119,401.91
Bank interest and charges	2.5	42,579.88
Other expenses	8	97,942.55
<b>Total expenses</b>		<b>4,195,933.71</b>
<b>Net investment income / (loss)</b>		<b>8,900,846.65</b>
Net realised gain / (loss) on:		
Investments	2.4	3,900,034.90
Foreign currencies transactions	2.3	18,723.55
Futures contracts	2.2	(1,093,381.91)
Forward foreign exchange contracts		(0.05)
<b>Net realised gain / (loss) for the year</b>		<b>11,726,223.14</b>
Net change in unrealised appreciation / (depreciation) on:		
Investments	2.2	10,866,217.92
Futures contracts	2.2	(244,379.65)
<b>Increase / (Decrease) in net assets as a result of operations</b>		<b>22,348,061.41</b>
Proceeds received on subscription of shares		88,281,560.05
Net amount paid on redemption of shares		(49,053,368.72)
Net assets at the beginning of the year		246,742,213.06
<b>Net assets at the end of the year</b>		<b>308,318,465.80</b>

The accompanying notes are an integral part of these financial statements.

Cartesio Funds Equity (in EUR)

Statement of Net Assets as at December 31, 2024

	Notes	EUR
<b>Assets</b>		
Investment in securities at cost		66,693,229.36
Unrealised appreciation / (depreciation) on securities		13,924,490.07
Investment in securities at market value	2.2	80,617,719.43
Cash at bank		5,478,608.81
Receivable on Fund shares sold		39,261.14
Receivable on withholding tax reclaim		241,391.92
Dividends and interest receivable		72,425.61
<b>Total assets</b>		<b>86,449,406.91</b>
<b>Liabilities</b>		
Accrued expenses		494,158.97
Payable on fund shares repurchased		4,567.29
Net unrealised depreciation on futures contracts	2.2	78,231.68
<b>Total liabilities</b>		<b>576,957.94</b>
<b>Net assets at the end of the year</b>		<b>85,872,448.97</b>

Statement of Operations and Changes in Net Assets for the year ended December 31, 2024

	Notes	EUR
<b>Income</b>		
Dividends (net of withholding taxes)	2.6	3,420,522.16
Bank interest	2.6	230,254.25
Other income		3,188.06
<b>Total income</b>		<b>3,653,964.47</b>
<b>Expenses</b>		
Investment Manager fees and management fees	4	1,231,391.24
Depositary fees	5	18,348.58
Performance fees	4	138,707.22
Administration fees	6	59,957.96
Professional fees	8	32,008.23
Transaction costs	2.7	79,441.61
Research fees	10	42,142.89
Taxe d'abonnement	7	36,779.66
Bank interest and charges	2.5	13,406.76
Other expenses	8	43,673.22
<b>Total expenses</b>		<b>1,695,857.37</b>
<b>Net investment income / (loss)</b>		<b>1,958,107.10</b>
Net realised gain / (loss) on:		
Investments	2.4	1,875,978.06
Foreign currencies transactions	2.3	(6,180.64)
Futures contracts	2.2	(213,132.98)
Forward foreign exchange contracts		(0.02)
<b>Net realised gain / (loss) for the year</b>		<b>3,614,771.52</b>
Net change in unrealised appreciation / (depreciation) on:		
Investments	2.2	3,200,119.49
Futures contracts	2.2	(138,028.06)
<b>Increase / (Decrease) in net assets as a result of operations</b>		<b>6,676,862.95</b>
Proceeds received on subscription of shares		12,193,180.70
Net amount paid on redemption of shares		(17,412,298.12)
Net assets at the beginning of the year		84,414,703.44
<b>Net assets at the end of the year</b>		<b>85,872,448.97</b>

Statement of Changes in Number of Shares

	Number of shares in issue at the beginning of the year	Number of shares subscribed	Number of shares redeemed	Number of shares in issue at the end of the year
Class "I"	158,331.84	25,277.47	(16,747.42)	166,861.89
Class "R"	336,015.00	73,045.47	(57,136.36)	351,924.11
Class "Z"	262,947.63	7,128.58	(74,066.39)	196,009.82

The accompanying notes are an integral part of these financial statements.

## Cartesio Funds Equity (in EUR)

### Securities Portfolio as at December 31, 2024

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
<b>Transferable securities admitted to an official exchange listing</b>				
<b>Shares</b>				
<b>France</b>				
84,000.00	AXA SA	EUR	2,882,880.00	3.36
292,425.00	AYVENS SA	EUR	1,913,921.63	2.23
219,560.00	CARREFOUR SA	EUR	3,014,558.80	3.51
147,568.00	ENGIE	EUR	2,259,266.08	2.63
78,237.00	MICHELIN (CGDE)	EUR	2,487,936.60	2.90
26,993.00	PUBLICIS GROUPE	EUR	2,780,279.00	3.24
22,238.00	TELEPERFORMANCE	EUR	1,848,422.56	2.15
48,575.00	TOTALENERGIES SE	EUR	2,592,447.75	3.02
25,214.00	UNIBAIL-RODAMCO-WESTFIELD	EUR	1,833,562.08	2.14
82,599.00	VERALLIA	EUR	2,005,503.72	2.34
17,595.00	VINCI SA	EUR	1,754,925.30	2.03
			<b>25,373,703.52</b>	<b>29.55</b>
<b>Spain</b>				
346,387.00	ACERINOX SA	EUR	3,273,357.15	3.81
515,742.00	BANCO SANTANDER SA	EUR	2,302,530.16	2.68
375,934.00	CAIXABANK SA	EUR	1,968,390.42	2.29
54,578.00	LOGISTA INTEGRAL SA	EUR	1,593,677.60	1.86
414,613.00	MERLIN PROPERTIES SOCIMI SA	EUR	4,212,468.08	4.91
275,515.00	REPSOL SA	EUR	3,220,770.35	3.75
			<b>16,571,193.76</b>	<b>19.30</b>
<b>United Kingdom</b>				
101,687.00	BRITISH AMERICAN TOBACCO PLC	GBP	3,542,586.73	4.13
22,537.00	COCA-COLA EUROPACIFIC PARTNE	USD	1,672,043.82	1.94
2,881,618.00	ITV PLC	GBP	2,565,528.20	2.99
37,045.00	RIO TINTO PLC	GBP	2,116,460.24	2.46
			<b>9,896,618.99</b>	<b>11.52</b>
<b>Italy</b>				
504,200.00	BANCA MONTE DEI PASCHI SIENA	EUR	3,431,585.20	4.00
374,000.00	ENEL SPA	EUR	2,575,364.00	3.00
205,471.00	UNIPOL GRUPPO SPA	EUR	2,471,816.13	2.87
			<b>8,478,765.33</b>	<b>9.87</b>
<b>Germany</b>				
34,067.00	DHL GROUP	EUR	1,157,596.66	1.35
23,948.00	HEIDELBERG MATERIALS AG	EUR	2,856,996.40	3.33
65,020.00	JUNGHEINRICH - PRFD	EUR	1,668,413.20	1.94
			<b>5,683,006.26</b>	<b>6.62</b>
<b>Switzerland</b>				
533,809.00	GLENORE PLC	GBP	2,281,996.67	2.66
7,000.00	ROCHE HOLDING AG-GENUSSCHEIN	CHF	1,903,570.86	2.22
4,750.00	SWATCH GROUP AG/THE-BR	CHF	834,175.94	0.97
			<b>5,019,743.47</b>	<b>5.85</b>
<b>United States of America</b>				
12,290.00	ALPHABET INC-CL A	USD	2,247,171.83	2.62
3,334.00	MICROSOFT CORP	USD	1,357,365.98	1.58
			<b>3,604,537.81</b>	<b>4.20</b>
<b>China</b>				
44,250.00	TENCENT HOLDINGS LTD-UNS ADR	USD	2,272,978.85	2.65
			<b>2,272,978.85</b>	<b>2.65</b>
<b>Netherlands</b>				
89,568.00	SIGNIFY NV	EUR	1,932,877.44	2.25
			<b>1,932,877.44</b>	<b>2.25</b>
<b>Austria</b>				
45,172.00	STRABAG SE-BR	EUR	1,784,294.00	2.07
			<b>1,784,294.00</b>	<b>2.07</b>
			<b>80,617,719.43</b>	<b>93.88</b>
<b>Total securities portfolio</b>			<b>80,617,719.43</b>	<b>93.88</b>

The accompanying notes are an integral part of these financial statements.

Cartesio Funds Equity (in EUR)

Financial derivative instruments as at December 31, 2024

Quantity	Name	Currency	Commitment in EUR	Counterparty	Unrealised appreciation / (depreciation) in EUR
<b>Futures</b>					
<b>Currency Future</b>					
10.00	EURO / GBP FUTURE 17/03/2025	GBP	1,512,072.39	BNP Paribas Paris	3,969.13
42.00	EURO FX CURR FUT (CME) 17/03/2025	USD	5,070,993.91	BNP Paribas Paris	(82,200.81)
					(78,231.68)
<b>Total futures</b>					<b>(78,231.68)</b>
<b>Total financial derivative instruments</b>					<b>(78,231.68)</b>

Summary of net assets

		% NAV
Total securities portfolio	80,617,719.43	93.88
Total financial derivative instruments	(78,231.68)	(0.09)
Cash at bank	5,478,608.81	6.38
Other assets and liabilities	(145,647.59)	(0.17)
<b>Total net assets</b>	<b>85,872,448.97</b>	<b>100.00</b>

The accompanying notes are an integral part of these financial statements.

Cartesio Funds Income (in EUR)

Statement of Net Assets as at December 31, 2024

	Notes	EUR
<b>Assets</b>		
Investment in securities at cost		196,174,536.71
Unrealised appreciation / (depreciation) on securities		11,902,689.89
Investment in securities at market value	2.2	208,077,226.60
Cash at bank		11,373,608.46
Receivable on Fund shares sold		249,775.54
Receivable on withholding tax reclaim		132,301.21
Net unrealised appreciation on futures contracts	2.2	85,188.45
Dividends and interest receivable		3,370,157.78
<b>Total assets</b>		<b>223,288,258.04</b>
<b>Liabilities</b>		
Accrued expenses		828,880.54
Payable on fund shares repurchased		13,360.67
<b>Total liabilities</b>		<b>842,241.21</b>
<b>Net assets at the end of the year</b>		<b>222,446,016.83</b>

Statement of Operations and Changes in Net Assets for the year ended December 31, 2024

	Notes	EUR
<b>Income</b>		
Dividends (net of withholding taxes)	2.6	1,561,511.77
Interest on bonds	2.6	7,478,453.50
Bank interest	2.6	369,288.12
Other income		33,562.50
<b>Total income</b>		<b>9,442,815.89</b>
<b>Expenses</b>		
Investment Manager fees and management fees	4	1,875,747.31
Depository fees	5	30,040.89
Performance fees	4	175,338.98
Administration fees	6	86,449.32
Professional fees	8	32,242.25
Transaction costs	2.7	46,394.67
Research fees	10	87,798.22
Taxe d'abonnement	7	82,622.25
Bank interest and charges	2.5	29,173.12
Other expenses	8	54,269.33
<b>Total expenses</b>		<b>2,500,076.34</b>
<b>Net investment income / (loss)</b>		<b>6,942,739.55</b>
Net realised gain / (loss) on:		
Investments	2.4	2,024,056.84
Foreign currencies transactions	2.3	24,904.19
Futures contracts	2.2	(880,248.93)
Forward foreign exchange contracts		(0.03)
<b>Net realised gain / (loss) for the year</b>		<b>8,111,451.62</b>
Net change in unrealised appreciation / (depreciation) on:		
Investments	2.2	7,666,098.43
Futures contracts	2.2	(106,351.59)
<b>Increase / (Decrease) in net assets as a result of operations</b>		<b>15,671,198.46</b>
Proceeds received on subscription of shares		76,088,379.35
Net amount paid on redemption of shares		(31,641,070.60)
Net assets at the beginning of the year		162,327,509.62
<b>Net assets at the end of the year</b>		<b>222,446,016.83</b>

Statement of Changes in Number of Shares

	Number of shares in issue at the beginning of the year	Number of shares subscribed	Number of shares redeemed	Number of shares in issue at the end of the year
Class "I"	387,772.20	13,635.65	(84,353.27)	317,054.58
Class "R"	870,184.22	545,113.75	(135,356.57)	1,279,941.40
Class "Z"	243,129.76	114,212.41	(59,742.44)	297,599.73

The accompanying notes are an integral part of these financial statements.



Cartesio Funds Income (in EUR)

Securities Portfolio as at December 31, 2024 (continued)

Quantity/ Nominal	Name	Currency	Market Value in EUR	% NAV
11,676.00	HEIDELBERG MATERIALS AG	EUR	1,392,946.80	0.63
32,848.00	JUNGHEINRICH - PRFD	EUR	842,879.68	0.38
			<b>2,819,874.72</b>	<b>1.27</b>
<b>Switzerland</b>				
246,191.00	GLENCORE PLC	GBP	1,052,449.55	0.47
3,200.00	ROCHE HOLDING AG-GENUSSCHEIN	CHF	870,203.82	0.39
2,100.00	SWATCH GROUP AG/THE-BR	CHF	368,793.57	0.17
			<b>2,291,446.94</b>	<b>1.03</b>
<b>United States of America</b>				
6,028.00	ALPHABET INC-CL A	USD	1,102,192.99	0.50
1,448.00	MICROSOFT CORP	USD	589,521.88	0.26
			<b>1,691,714.87</b>	<b>0.76</b>
<b>Cayman Islands</b>				
21,100.00	TENCENT HOLDINGS LTD-UNS ADR	USD	1,083,838.50	0.49
			<b>1,083,838.50</b>	<b>0.49</b>
<b>Netherlands</b>				
45,405.00	SIGNIFY NV	EUR	979,839.90	0.44
			<b>979,839.90</b>	<b>0.44</b>
<b>Austria</b>				
15,188.00	STRABAG SE-BR	EUR	599,926.00	0.26
			<b>599,926.00</b>	<b>0.26</b>
			<b>38,396,543.66</b>	<b>17.26</b>
<b>Mortgage backed securities</b>				
<b>Spain</b>				
1,307,967.00	OHL OPERACIONES 9.75% 21-31/03/2026	EUR	1,341,009.18	0.60
			<b>1,341,009.18</b>	<b>0.60</b>
			<b>1,341,009.18</b>	<b>0.60</b>
<b>Total securities portfolio</b>			<b>208,077,226.60</b>	<b>93.54</b>

The accompanying notes are an integral part of these financial statements.

Cartesio Funds Income (in EUR)

Financial derivative instruments as at December 31, 2024

Quantity	Name	Currency	Commitment in EUR	Counterparty	Unrealised appreciation / (depreciation) in EUR
<b>Futures</b>					
<b>Currency Future</b>					
10.00	EURO / GBP FUTURE 17/03/2025	GBP	1,512,072.39	BNP Paribas Paris	3,969.13
35.00	EURO FX CURR FUT (CME) 17/03/2025	USD	4,225,828.26	BNP Paribas Paris	(68,500.68)
					<b>(64,531.55)</b>
<b>Index Future</b>					
(152.00)	EURO STOXX 50 - FUTURE 21/03/2025	EUR	7,441,889.60	BNP Paribas Paris	149,720.00
					<b>149,720.00</b>
<b>Total futures</b>					<b>85,188.45</b>
<b>Total financial derivative instruments</b>					<b>85,188.45</b>

Summary of net assets

		<b>% NAV</b>
Total securities portfolio	208,077,226.60	93.54
Total financial derivative instruments	85,188.45	0.04
Cash at bank	11,373,608.46	5.11
Other assets and liabilities	2,909,993.32	1.31
<b>Total net assets</b>	<b>222,446,016.83</b>	<b>100.00</b>

The accompanying notes are an integral part of these financial statements.

## Notes to the Financial Statements as at December 31, 2024

### Note 1 - General information

Cartesio Funds (the "Fund") is an investment company organised as a "Société Anonyme" under the laws of the Grand Duchy of Luxembourg and qualifies as a "Société d'Investissement à Capital Variable" (SICAV). The Fund was incorporated in Luxembourg on August 26, 2019. The Articles of Incorporation of the Fund were initially published in the in the official gazette ("RESA - Recueil Électronique des Sociétés et Associations") on September 6, 2019. The Fund qualifies as an undertaking for collective investment under Part I of the Luxembourg law of December 17, 2010 relating to undertakings for collective investment as amended from time to time (the "Law of 2010") and is managed by a management company. The Fund is registered with the Luxembourg Trade and Companies' Register ("RCS") under number B 237329.

Waystone Management Company (Lux) S.A. is a "Société Anonyme" incorporated under Luxembourg law (the law of August 10, 1915 as amended December 5, 2017) for an unlimited period of time. The Management Company is registered under the Registre de Commerce et des Sociétés Luxembourg (the "RCS") with number B 96744. The Management Company was incorporated by a notarial deed dated October 23, 2003, published in the Mémorial C, "Recueil des Sociétés et Associations" (the "Memorial") number 1252 of November 26, 2003. As at the date of this Report, the share capital of the Management Company is EUR 2,450,000 and has been fully paid, and the UCITS ("Undertakings for the Collective Investment in Transferable Securities") funds under the management of the Management Company comply with the requirements of the amended Law of December 17, 2010.

The Management Company is registered on the official list of Luxembourg management companies governed by Chapter 15 of the amended Law of December 17, 2010.

As at December 31, 2024, the Fund has the following active Sub-Funds:

- Cartesio Funds Equity
- Cartesio Funds Income

There are three classes of Shares active as at December 31, 2024, namely Class "I", Class "R" and "Z" Shares. The Sub-Funds issue shares in dematerialised and registered form. The Sub-Funds only issue capitalisation Shares.

### Note 2. Significant accounting policies

The financial statements of the Fund are presented in accordance with Luxembourg regulations relating to undertakings for collective investment in transferable securities. They are prepared in accordance with generally accepted accounting policies in Luxembourg.

#### 2.1 Combined financial statements

The combined financial statements of Cartesio Funds are expressed in euro and are equal to the sum of the corresponding in the financial statements of each Sub-Fund converted into euro at the exchange rate prevailing at the end of the financial year.

#### 2.2 Valuation rules

The value of the following assets is determined as follows:

- a) The value of any cash at bank or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof validated by the Board of Directors of the Fund.
- b) The value of securities and/or financial derivative instruments, which are listed or dealt in on any stock exchange, is based on the last available price on the stock exchange, which is normally the principal market for such assets.
- c) The value of assets dealt in any other Regulated Market is based on the last available price,
- d) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (b) or (c) is not representative of the fair market value of the relevant assets, the value of such assets are based on the reasonably foreseeable sales price determined prudently and in good faith validated by the Board of Directors of the Fund.
- e) The liquidating value of options contracts not traded on stock exchanges or on other Regulated Markets means their net liquidating value determined, pursuant to the policies established by the Board of Directors of the Fund, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets is based upon the last available closing or settlement prices of these contracts on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract cannot be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors of the Fund may deem fair and reasonable.

**Notes to the Financial Statements as at December 31, 2024 (continued)**

**Note 2. Significant accounting policies (continued)**

**2.2 Valuation rules (continued)**

f) Investments in UCITS and other UCIs are taken at their latest official net asset values or their latest unofficial net asset values (i.e. which are not generally used for the purposes of subscription and redemption of shares of the target funds) as provided by the relevant administrators if more recent than their official net asset values and for which the Administrative Agent has sufficient assurance that the valuation method used by the relevant administrator for said unofficial net asset values is coherent as compared to the official one.

If events have occurred which may have resulted in a material change of the net asset value of such shares or units of UCITS and/or other UCI since the day on which the latest official net asset value was calculated, the value of such shares or units may be adjusted in order to reflect, in the reasonable opinion of the Board of Directors, such change of value.

g) Non-listed money market instruments held by the Fund with a remaining maturity of ninety days or less are valued at the amortised cost method which approximates market value.

h) All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the Board of Directors of the Fund.

i) Futures contracts are valued based on the last available market price. Net realised gain or (loss) and net change in unrealised appreciation or (depreciation) on futures contracts are included in the Statement of Operations and Changes in Net Assets. The net unrealised appreciation or (depreciation) are recorded in the Statement of Net Assets. For the calculation of net holdings by currency on financial instruments, the holdings are converted at the exchange rate prevailing at the year end.

j) Established in good faith by the Board of Directors of the Fund, on a basis consistently applied. The liquidating value of options contracts traded on Regulated Markets or on other Regulated Markets is based upon the last available settlement prices of these contracts on regulated markets and organised markets on which the particular options contracts are traded; provided that if an options contract cannot be liquidated on such Luxembourg Banking Day with respect to which a Net Asset Value is being determined, then the basis for determining the liquidating value of such contract is such value as Board of Directors of the Fund may, in good faith and pursuant to verifiable valuation procedures, deem fair and reasonable. The net unrealised appreciation or (depreciation) is included in the Statement of Net Assets and all net realised gain or (loss) and net changes in unrealised appreciation or (depreciation) are included in the Statement of Operations and Changes in Net Assets.

**2.3 Foreign currency translation**

The Financial Statements of the Fund include a consolidation of the Sub-Funds. These consolidated figures are expressed in "Euro" (EUR) all figures expressed in another currency being converted into EUR on the basis of the average rate the last know bid and offer rates on December 31, 2024.

At the end of the year, the investments' market value (determined as noted previously), the receivables, cash at banks and liabilities denominated in currencies other than the Sub-Fund's accounting currency are converted into that currency at the exchange rates prevailing at that date.

Income and charges expressed in currencies other than the currency at the exchange rate prevailing on the date of the transactions. Net realised gain or (loss) on foreign currency transaction are recorded in the Statement of Operations and Changes in Net Asset.

**2.4 Net realised gain or (loss) on investments**

The net realised gain or (loss) on sales of investments is calculated on an average cost basis and is included in the Statement of Operations and Changes in Net Assets.

**2.5 Expenses**

Interest expenses are accounted for on accrual basis. Expenses are included in the Statement of Operations and Changes in Net Assets.

**2.6 Dividends and interests**

Dividends and interest received or paid by the Fund on its investments are in many cases subject to recoverable withholding taxes at source. The value of any dividends and interest declared or accrued as aforesaid and not yet received or paid is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full. Dividends are recognised as income net of withholding tax on the date the securities are first quoted ex-dividend to the extent the information is reasonably available to the Fund. Interest is accrued at each net asset valuation.

**2.7 Transaction costs**

The Fund incurred transaction costs which have been defined as brokerage fees, certain taxes and certain depositary fees relating to the purchase and sale of transferable securities, money market instruments or other eligible assets. The global amounts of transaction costs are all taken into account through the Statement of Operations and Changes in Net Assets.

**Notes to the Financial Statements as at December 31, 2024 (continued)**

**Note 3. Exchange rates as at December 31, 2024**

The exchange rates used for the translation of the Fund's assets and liabilities not denominated in EUR are as follows:

1 Brazilian Real (BRL)	0.156343	EUR	1 New Mexican Peso (MXN)	0.046375	EUR
1 Danish Krone (DKK)	0.134095	EUR	1 Swedish Krone (SEK)	0.087271	EUR
1 Great Britain Pound (GBP)	1.209658	EUR	1 United States Dollar (USD)	0.965904	EUR
1 Japanese Yen (JPY)	0.006122	EUR	1 Swiss Franc (CHF)	1.064339	EUR

**Note 4. Investment Manager fees, Management Company fees and performance fees**

As compensation for its services the Investment Manager shall be entitled to the following commissions deducted from the net assets of the Sub-Fund a Delegate Manager's fee payable on advance on a quarterly basis and calculated on the basis of the average net assets of the Sub-Fund for the previous quarter of:

Sub-Fund	Class "I"	Class "R"	Class "Z"
Cartesio Funds Equity	1.55 % p.a.	1.55 % p.a.	0.90 % p.a.
Cartesio Funds Income	1.00 % p.a.	1.00 % p.a.	0.65 % p.a.

**Amount and % of performance fees**

Sub-Fund	Share Classes	Fund Currency	Amount of performance fees in Fund Currency	% of the average Net Assets per Share
Cartesio Funds Equity	Class "Z"	EUR	138,707.22	0.16
Cartesio Funds Income	Class "Z"	EUR	175,338.99	0.08

There is no equalisation mechanism to allocate the performance fee amongst different investors. No performance fee is payable or accrued if the Fund's performance is negative during the calendar year.

If during five consecutive years no performance fee is paid (i.e. the last NAV per shares calculated in December is below high water-mark), the high water-mark is reset to the last December NAV per share. This reset will apply to all existing and new investors. Reset in case of losses will not be performed with interval less than 5 years.

Under the Management Company Services Agreement, the Management Company is entitled to receive a variable fee based on the net assets of the relevant Sub-Fund, calculated at a maximum rate of 0.04% per annum, subject to a minimum annual fee of €20,000 per Sub-Fund. This fee will be calculated as the average of the month-end Net Asset Value of the previous quarter and invoiced quarterly in arrears.

Additional fees may be charged to the relevant Sub-Fund in relation to other ancillary services as may be agreed from time to time. In addition, the Management Company shall be entitled to receive from the Fund reimbursement for its reasonable cash disbursements, included but not limited to reasonable out-of-pocket expenses, incurred in the performance of its duties.

**Note 5. Depositary and Paying Agent fees**

The Board of Directors of the Fund has appointed BNP Paribas, Luxembourg Branch as depositary and paying agent.

The Depositary and Paying Agent entitles to receive out of the assets of each Sub-Fund annual customary fees to equal to 0.09% per annum, with a minimum monthly fee of 500 euros per Sub-Fund. They will be calculated by reference to the Net Asset Value of each Sub-Fund calculated on each Valuation Day and be payable monthly in arrears.

Further fees may be payable to the Depositary in consideration on ancillary services rendered to the Fund and relating to the core services of the Depositary. These fees will be paid directly out of the respective Sub-Fund's assets to the Depositary.

**Note 6. Administrative Agent, Domiciliary Agent, Registrar and Transfer Agent fees**

The Board of Directors of the Fund has appointed BNP Paribas, Luxembourg Branch as Administrative Agent, Domiciliary Agent, Registrar and Transfer Agent.

The Administrative Agent, Domiciliary Agent, Registrar & Transfer Agent entitles to receive out of the assets of each Sub-Fund annual customary fees, calculated by reference to the Net Asset Value of each Sub-Fund calculated on each Valuation Day and be payable monthly in arrears. For the fund accounting services, the Administrative Agent is entitled to receive up to 0.05% per Sub-Fund, subject to a minimum annual fee of 2,000 euros per Sub-Fund. The Administrative Agent, Domiciliary Agent, Registrar & Transfer Agent Additional is entitled to further fees for additional services provided to the Fund, such as but not limited to transaction services, maintenance, reporting and domiciliation services, as agreed with the Fund.

**Notes to the Financial Statements as at December 31, 2024 (continued)****Note 7. Taxe d'abonnement**

Under current law (Art. 174 of the Law of 17 December 2010) and practice, the Fund is not liable to any Luxembourg income tax, nor are dividends paid by the Fund liable to any Luxembourg withholding tax.

During the year, the Fund is liable to a subscription tax ("taxe d'abonnement") at a rate of 0.05% per annum on the Net Asset Value of each class which is available to all investors. This tax is reduced to 0.01% per annum of the Net Asset Value of each class which is restricted to institutional investors.

Following Art. 15(a) of the amended Law of 17 December 2010, the "taxe d'abonnement" is not applicable in respect of asset invested in Luxembourg UCI's which are themselves subject to such tax. No stamp duty or other tax is payable in Luxembourg on the issue of shares in the Fund.

**Note 8. Professional fees and other expenses**

The caption "Professional fees" include mainly legal, audit fees, directors fees and compliance fees.

The caption "Other expenses" is mainly composed of transfer agent fees and regulatory fees.

**Note 9. Formation expenses**

The formation expenses of the Fund and the expenses relating to the creation of new Sub-Funds are capitalized and amortized over a period not exceeding five years, as permitted by Luxembourg law of July 30, 2013.

**Note 10. Research fees**

The Research fees are composed of RPA fees. The Investment Manager may use such research payment account to pay for investment research within the meaning of Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits.

**Note 11. Changes in the composition of the Securities Portfolio**

The report on changes in the composition of the Securities Portfolio for each Sub-Fund during the year is available upon request and free of charge at the registered office of the Fund.

**Note 12. Changes in the composition of the Securities Portfolio**

The report on changes in the composition of the Securities Portfolio for each Sub-Fund during the year is available upon request and free of charge at the registered office of the Fund.

**Note 13. Subsequent events**

At the reporting date, there are no subsequent events to mention.

## Unaudited Information

### Note 1. Remuneration Policy of the Management Company

Waystone Management Company (Lux) S.A. (henceforth, “Waystone”, “WMC Lux”, or the “Company”) has adopted a remuneration policy in accordance with the applicable regulatory framework, particularly:

- The ESMA Guidelines on sound remuneration policies under the UCITS Directive of October 14, 2016 (ESMA/2016/575) and the ESMA Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232, as amended by ESMA/2016/579),
- The Law of December 17, 2010 relating to undertakings for collective investment,
- The Law of July 12, 2013 on alternative investment fund managers, and
- The CSSF Circular 10/437 of February 1, 2010 with guidelines concerning the remuneration policies in the financial sector, and
- The CSSF Circular 18/698 of August 23, 2018 on the Authorization and organization of investment fund managers incorporated under Luxembourg law.

Through its remuneration policy, and as prescribed by the Sustainable Finance Disclosure Regulation [Regulation (EU) 2019/2088 of 27 November 2019 or the “SFDR”], the Company ensures that the structure of its remuneration does not encourage excessive risk taking with respect to sustainability risks when performing its activities as AIFM/Management Company, while it promotes sound and effective risk management with respect to sustainability risks.

Details of Waystone’s remuneration policy, including the persons in charge of determining the fixed and variable remunerations of staff, a description of the key remuneration elements, and an overview of how remuneration is determined, is available under <https://www.waystone.com/waystone-policies/>.

With respect to the financial year ended December 31, 2024 (when, as of that date, WMC Lux had a headcount of 88 employees), the total fixed and variable remuneration paid by the Company to its employees amounted to EUR 7,672,747 and EUR 665,110 respectively.

The total remuneration paid by the Company to senior management and members of its identified staff whose actions have a material impact on the risk profile of the collective investment schemes managed amounted to EUR 3,148,665.

The Company’s remuneration committee has reviewed the implementation of the remuneration policy and has not identified any deficiency in that respect.

The current version of the remuneration policy was reviewed and approved by the Board of Directors on September 9, 2024.

### Note 2. Remuneration policy of the Delegated Investment Manager

The remuneration policy of the investment manager delegated complies with applicable laws and regulations. Its main purpose is to ensure that its remuneration structure is aligned with its interests over the long run and those of the collective investment schemes it manages. Moreover, it aims to avoid risk-taking which is unrelated to the risk profiles, rules or articles of incorporation or management regulations of the collective investment schemes mentioned above.

In order to deepen the remuneration policy of the investment manager delegated, including the persons in charge of determining the fixed and variable remunerations of staffs, a description of the key remuneration elements and an overview of how remuneration is defined, is available on request at the registered office of the management company.

As regards the financial year ended December 31, 2024 as of that date, the investment manager delegated had a headcount of 14 employees (including the senior managers). The total remuneration paid by the investment manager to its headcount amounted to EUR 3,493 million being EUR 1,691 million the fixed remuneration and EUR 1,892 million variable remuneration.

The total fixed remuneration paid by the investment manager delegated to senior management made up by four people has amounted EUR 0,875 million; a fixed remuneration amounting EUR 1,358 million has being paid to seven beneficiaries whose actions have a material impact on the risk profile of the collective investment schemes managed (such beneficiaries are the abovementioned senior management who are portfolio managers as well, three more portfolio managers and one employee devoted to risk control function).

In addition, the variable remuneration of the senior management has amounted EUR 1,260 million while the total remuneration of the risk-takers plus the employee devoted to risk control function has amounted EUR 1,635 million.

Five staff members who are neither risk-takers nor are engaged in control functions received a variable remuneration amounting EUR 0,133 million. The employee in charge of the compliance function received a variable remuneration amounting EUR 0,03 million.

Variable remuneration is calculated on the basis of the global financial result of the delegated investment manager and on the basis of the individual performance of each employee (amongst the specific assessment criteria applicable to each employee it is worth to mention the achievement of individual goals, compliance with internal policies and procedures, teamworking, ability to enhance labour quality, etc).

There is not a direct link between the variable remuneration of any employee with the performance fee charged to the Sub-funds.

The remuneration policy of the delegated investment manager is reviewed on an annual basis by its board of directors. It was reviewed on December 30, 2024 and it was resolved that no amendments were necessary. Furthermore, the remuneration policy was already adapted in the first quarter of 2021 to the new requirements stem from the EU Regulation 2019/2088 which applied from March 10, 2021.

**Unaudited Information (continued)****Note 3. SFT Regulation**

During the year, the Fund did not engage in transactions which are the subject of EU Regulation No 2015/2365 on the transparency of Securities Financing Transactions and of Reuse. Accordingly, no global, concentration or transaction data, or information on the reuse or safekeeping of collateral is required to be reported.

**Note 4. Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector ("SFDR")**

Given that the EU regulatory framework on sustainability is still in process, the Sub-Funds do not currently promote environmental or social characteristics or have specific sustainable investment objectives. Their underlying investments do not take into account the EUR criteria for environmentally sustainable activities.

