

Website product disclosure for Article 8

Summary

The Sub-Fund's main objective is to achieve a long-term capital appreciation by selecting stocks within Israel's IT-Security sector based on quantitative models. The strategy will then overweight those stocks within a large and diversified basket of global IT security stocks.

The Sub-Fund aims to maximize the increase in value of the portfolio with agile response to the Israel, London and US markets.

No Sustainable Development objectives

None

Environmental or Social Characteristics of the fund

The Sub-Fund promotes social characteristics with a view to raise adequate living standards and wellbeing for end-users by investing in investee companies active in the field of cyber security, i.e. companies which pursue cyber security activities (a "CyberSecurity Activity and together the "CyberSecurity Activities"). The Sub-Fund thereby also contributes to the following UN Social Development Goals, such as



SDG 4 "Quality education",

SDG 8 "Decent work and economic growth",

SDG 9 "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation",

SDG 16 "Peace, Justice and Strong Institutions".

Investment Strategy

The Sub-Fund will invest (up to 100% of its net assets) in equities mainly listed on the US, London and Israel markets.

The quantitative models used by the Manager aim to achieve the investment objective through a dynamic risk protection process, which increases allocation to low-risk money markets during periods of high risk, as well as dynamically allocating to the best performing equities.

The investment strategy uses a systematic approach to quantitatively (using a mathematical model) and qualitatively (using fundamental and guidance-estimated analysis) select 20 stocks from a universe of 50 stocks. Every month this analysis is performed, and the portfolio is rebalanced.

To achieve its investment objective, the Sub-Fund will mainly invest in Israeli related tech stocks and global cyber-security stocks and will overweight the stocks from issuers active in Cyber Security Activities, as defined in the following point.

Proportion of Investments

The Sub-Fund must invest at least 75% in companies that are active in at least one or several of the following cyber security activities:

- **Data protection**, i.e., covering the fields of Data Discovery and Classification, Data Loss Prevention, e-Discovery, Encryption, File Integrity Protection, Database Security, Public Key Infrastructure Data Access Governance Rights Management, Secure Collaboration, Tokenization and Blockchain;
- **Security Operations**, i.e., covering the fields of Monitoring and Operations Change Management Orchestration and Automation Vulnerability Assessment and Management Threat Detection and Analysis, Incident Management and Response;
- **Foundational security**, i.e., covering Networks, Data Center and (Consumer Endpoint) security;
- **Cloud Application Security**
- **Risk and compliance and governance**
- **Application security**, i.e., covering the fields of Software Composition Analysis Web Application Firewall /Runtime Application Self-Protection Static and Dynamic Application Security Testing AppSec Program Management;
- **Identity Management**, i.e., covering the fields of Identity and Access Management, Access Governance, Privileged Access Management, Data Access Governance, IoT/ICS, Internet of Things/Industrial Control Systems Analytics.

(each a **CyberSecurity Activity** and together the **CyberSecurity Activities**).

Monitoring of Environmental of Social Characteristics

The Sub-Fund will verify, (i) in a first instance, if the relevant investee companies are in fact CyberSecurity Activity companies taking a revenue-based approach and will then (ii) in a second step verify, if a substantial number of the products of the relevant CyberSecurity Activity company will generally promote the social characteristics set out above by applying a scoring model using the following general (social) indicators:

- (1) Compensation & Satisfaction

- (2) Diversity & Rights
- (3) Education & Work Conditions
- (4) Community & Charity
- (5) Sustainability Integration
- (6) Board Effectiveness
- (7) Management Ethics
- (8) Disclosure & Accountability

Methodologies

The score obtained (from 0 to 100) is used by the Sub-Fund to assure that the social characteristics promoted are attained and to determine if further engagement with any investee company is required. At least 80% of the investment portfolio companies must have a positive score (while only 60% must promote the stated social characteristics).

The average global score of the portfolio of sub-Fund must always remain above 50 for the investee companies, which promote the stated social characteristics. The Sub-Fund will aim to invest in companies with a minimum score of 60 for the social characteristics. Investee companies with a score below 50 cannot represent more than 20% of the net assets of the Sub-Fund. Investee companies with a score below 40 cannot represent more than 10% of the net assets.

Data Sources and Processing

The Sub-Fund will use a multi-factor approach based on an external scoring model which combines inputs from a wide range of third-party data providers. Each investee company will be assessed using this scoring based on the eight (8) different indicators mentioned above.

Limitations to Data Processing and Data

When making the above assessment, the Sub-Fund will endeavor to take into account the current state-of-the-art and, where applicable, relevant European and / or international standards or certifications (if and when applicable).

Due Diligence

The Sub-Fund may, amongst others, in its pre-investment due diligence have regard to the products of the relevant CyberSecurity Activity company based on publicly available information published by the relevant Cyber Security Activity company.

Engagement Policies

The Investment Manager is encouraged to engage with any investee company with a score below 50 and may even consider divesting (or not investing) if the investee company has a score below 40 and fails to commit to improvements of the score within a reasonable timeframe. The Sub-Fund also endeavours to perform an in-depth assessment of an investee company with a score below 40.

No reference benchmark has been designated for the Sub-Fund.