

MULTI UNITS LUXEMBOURG

Société d'Investissement à Capital Variable

R.C.S. Luxembourg B 115.129

**Annual report including the audited financial statements
as at December 31, 2020**

No subscriptions can be received on the basis of these financial statements. Subscriptions are only valid if made on the basis of the current prospectus and the Key Investor Information Document ("KIID"), accompanied by a copy of the latest annual report including the audited financial statements and a copy of the latest semi-annual report, if published thereafter.

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Organisation and Administration

Registered Office

28-32, Place de la gare,
L-1616 Luxembourg
Grand Duchy of Luxembourg

Promoter

Société Générale
29, boulevard Haussmann,
F-75009 Paris
France

Board of Directors

Chairman:

Lucien CAYTAN
1, rue des Foyers,
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Grand Duchy of Luxembourg

Directors:

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France

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Lyxor Funds Solutions S.A.
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Management Company

Lyxor International Asset Management S.A.S.
Tour Société Générale,
17, cours Valmy,
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France

Depositary and Paying Agent

Société Générale Luxembourg
(formerly Société Générale Bank and Trust)
11, avenue Emile Reuter,
L-2420 Luxembourg
Grand Duchy of Luxembourg

Administrative, Corporate and Domiciliary Agent

Société Générale Luxembourg
(formerly Société Générale Bank and Trust)
Operational center
28-32, Place de la gare,
L-1616 Luxembourg
Grand Duchy of Luxembourg

Registrar and Transfer Agent

Société Générale Luxembourg
(formerly Société Générale Bank and Trust)
28-32, Place de la gare,
L-1616 Luxembourg
Grand Duchy of Luxembourg

Auditor

PricewaterhouseCoopers, *Société coopérative*
2, rue Gerhard Mercator,
L-2182 Luxembourg
Grand Duchy of Luxembourg

Legal advisor

Arendt & Medernach S.A.
41A, avenue JF Kennedy,
L-2082 Luxembourg
Grand Duchy of Luxembourg

General information on the Fund

MULTI UNITS LUXEMBOURG (the “Fund”) has been incorporated on March 29, 2006 under Luxembourg laws as a *Société d’Investissement à Capital Variable* (“SICAV”) for an unlimited period of time. The Fund is governed by the provisions of Part I of the amended Luxembourg Law of December 17, 2010 relating to Undertakings for Collective Investment.

The Articles of Incorporation were deposited with the Register of Commerce and Companies of Luxembourg and have been published in the *Mémorial C, Recueil des Sociétés et Associations* (the “Mémorial”) on April 14, 2006. The Articles of Incorporation have been amended for the last time on January 28, 2014 and were published in the Mémorial on April 4, 2014.

The Fund is registered with the Register of Commerce and Companies of Luxembourg under number B 115.129.

The Fund aims to provide investors with professionally managed Sub-Funds investing in a wide range of transferable securities and money market instruments in order to achieve an optimum return from capital invested while reducing investment risk through diversification.

In addition, the Fund aims to provide investors with professionally managed index Sub-Funds whose objective is to replicate the composition of a certain financial index recognised by the Luxembourg supervisory authority.

As at December 31, 2020, 2 Sub-Funds are available to investors:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The investment objective of the Sub-Fund MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF (the “Sub-Fund”) is to track both the upward and the downward evolution of the Hang Seng China Enterprises Index Net Total Return index (the “Index”) denominated in Hong Kong dollars, and representative of the major Chinese equities known as “H-shares”, while minimizing the volatility of the difference between the return of the Sub-Fund and the return of the Index (the “Tracking Error”). The anticipated level of the Tracking Error under normal market conditions is expected to be up to 2.00%.

The investment objective of the Sub-Fund MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF (the “Sub-Fund”) is to track both the upward and the downward evolution of the MSCI AC Asia Pacific-ex Japan Net Total Return index (the “Index”) denominated in US Dollars and representative of the overall performance of large-cap and mid-cap stocks across main Asian Pacific excluding Japan, while minimizing the volatility of the difference between the return of the Sub-Fund and the return of the Index (the “Tracking Error”). The anticipated level of the Tracking Error under normal market conditions is expected to be up to 2.00%.

Information to the Shareholders

The Annual General Meeting of the Shareholders is held at the registered office of the Fund in Luxembourg each year on the first Friday of April at 10 a.m. (Luxembourg time) or, if any such day is not a business day, on the next following business day.

Notices of all general meetings are sent by mail to all registered Shareholders at their registered address at least 8 days prior to such meeting. Such notice will indicate the time and place of such meeting and the conditions of admission thereto, will contain the agenda and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majority at such meeting.

Audited annual reports and unaudited semi-annual reports are made available for public inspection at each of the registered offices of the Fund and the Administrative Agent within four, respectively two months following the relevant accounting period, and the latest Annual Report shall be available at least fifteen days before the annual general meeting.

The financial period of the Fund ends on December 31 of each year.

The list of changes in the portfolio for the year ended December 31, 2020 is available, free of charge, at the registered office of the Fund.

LYXOR CHINA ENTERPRISE (HSCEI) UCITS ETF

The investment objective of the sub-fund is to track the performance of Hang Seng China Enterprises Index Net Total Return Index HKD (Ticker:HSI21N).

Performances over the period:

Share name	ISIN	Share currency	Performance over the accounting year			Share performance since inception
			Share	Index	Foreign exchange	
Lyxor China Enterprise (HSCEI) UCITS ETF - Acc	LU1900068914	EUR	-9.18%(1)	-8.12%(3)	8.47%(2)	182.91%
Lyxor China Enterprise (HSCEI) UCITS ETF - USD	LU1900069136	USD	-1.00%(1)	0.16%(3)	-0.49%(2)	98.34%

(1)«The difference between the yearly performance of the fund and its index is due to:

- the management and the administrative fees;
- index replication costs;
- taxation incurred in relation to the methodology used in the Benchmark Index»

(2)«Since the Share Class NAV is not calculated in the Index currency, the share class may be exposed to currency risk.

The calculation methodology for the Foreign Exchange rate during the period is share currency/ index currency.»

(3)«When the Benchmark Index is denominated in a currency other than the share currency, the performance of the Benchmark Index is converted into the share's currency for comparison purpose. FOREX transactions are executed on a daily basis (WM Reuters 5 pm rate on the relevant date).»

The Tracking Error is 0.0364% for the sub-fund. The anticipated level of tracking error for the year was up to 2%.

The tracking error has remained below the anticipated tracking error due to market conditions and replication techniques implemented by the management teams.

Index Linked Swap's counterparty is : Société Générale.

The figures relating to past performances refer or relate to past periods and are not a reliable indicator of future results.

LYXOR MSCI AC ASIA PACIFIC EX JAPAN UCITS ETF

The investment objective of the sub-fund is to track the performance of MSCI AC Asia Pacific-ex Japan Net Total Return index USD (Ticker:NDUECAPF).

Performances over the period:

Share name	ISIN	Share currency	Performance over the accounting year			Share performance since inception
			Share	Index	Foreign exchange	
Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF - Acc	LU1900068328	EUR	11.51%(1)	12.33%(3)	9.00%(2)	154.05%
Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF - USD	LU1900068674	USD	21.54%(1)	22.44%		150.50%

(1)«The difference between the yearly performance of the fund and its index is due to:

- the management and the administrative fees;
- index replication costs;
- taxation incurred in relation to the methodology used in the Benchmark Index»

(2)«Since the Share Class NAV is not calculated in the Index currency, the share class may be exposed to currency risk.

The calculation methodology for the Foreign Exchange rate during the period is share currency/ index currency.»

(3)«When the Benchmark Index is denominated in a currency other than the share currency, the performance of the Benchmark Index is converted into the share's currency for comparison purpose. FOREX transactions are executed on a daily basis (WM Reuters 5 pm rate on the relevant date).»

The Tracking Error is 0.0291% for the sub-fund. The anticipated level of tracking error for the year was up to 2%.

The tracking error has remained below the anticipated tracking error due to market conditions and replication techniques implemented by the management teams.

Index Linked Swap's counterparty is : Société Générale.

The figures relating to past performances refer or relate to past periods and are not a reliable indicator of future results.



Audit report

To the Shareholders of
Multi Units Luxembourg

Report on the audit of the financial statements

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Multi Units Luxembourg (the "Fund") and of each of its sub-funds as at 31 December 2020, 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.

What we have audited

The Fund's financial statements comprise:

- the statement of net assets as at 31 December 2020;
 - the statement of operations and changes in net assets for the year then ended;
 - the schedule of investments as at 31 December 2020; and
 - the notes to the financial statements, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (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 EU Regulation No 537/2014, 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are 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. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

The non-audit services that we have provided to the Fund, for the year then ended, are disclosed in Note 14 of the financial statements.

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R.C.S. Luxembourg B 65 477 - TVA LU25482518*



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><i>Valuation of OTC derivatives instruments</i></p> <p>The valuation of such investments is considered to be a Key Audit Matter due to the potential magnitude of material misstatement.</p> <p>Refer to Note 2 of the financial statements for the valuation policy for such instruments.</p>	<p>We gained an understanding of the internal control structure and operating effectiveness of key controls surrounding valuation of OTC derivative instruments through observations, inquiries, and tests of all intervening parties in the valuation process. In addition, we gained an understanding of internal controls implemented by the Management Company including key controls over the fair value process.</p> <p>As of 31 December 2020, a number of the Fund’s sub funds (refer to Note 6 of financial statements) invested in OTC derivative instruments. Such instruments are composed by total return swaps.</p> <p>For OTC derivatives such as total return swaps, we independently determined a range of acceptable values, through the use of internally developed models using recognised methodologies, taking into account the key terms of the contracts and observable market data.</p> <p>In addition, for all OTC derivatives, we compared the value of such derivatives to the counter-valuation performed by the Fund’s Management Company.</p>
<p><i>Existence of OTC derivatives</i></p> <p>The existence of such assets is considered to be a Key Audit Matter due to the potential magnitude of material misstatement combined with the higher inherent risk for assets that cannot be held by the Depositary Bank.</p>	<p>We gained an understanding of the internal control structure and operating effectiveness of key controls surrounding authorisation, completeness and accuracy of OTC derivative transactions and the reconciliation process in place for these instruments.</p> <p>We obtained from the Depositary Bank, the confirmation of the ownership by the Fund of all OTC derivative instruments. We agreed all positions as per Depositary Bank confirmation to the Fund’s accounting records.</p>

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 audit report 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 identified above 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 that 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 and each of its sub-funds' 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 close any of its sub-funds 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 an audit report 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 EU Regulation No 537/2014, 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 EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism 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's 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 or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report 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 audit report. However, future events or conditions may cause the Fund or any of its sub-funds (except for Lyxor FTSE Europe Minimum Variance (DR) UCITS ETF, Lyxor EuroMTS Highest Rated Macro-Weighted Govt Bond 5-7Y (DR) UCITS ETF, Lyxor WIG20 UCITS ETF, Lyxor MSCI Canada UCITS ETF, Lyxor FTSE USA Minimum Variance UCITS ETF, Lyxor S&P 500 Banks UCITS ETF, Lyxor MSCI South Africa UCITS ETF, Lyxor MSCI Thailand UCITS ETF, Lyxor MSCI Malaysia UCITS ETF, Lyxor Inverse EUR 2-10Y Inflation Expectations UCITS ETF, Lyxor EUR Curve Flattening 2-10 UCITS ETF, Lyxor EUR Curve Steepening 2-10 UCITS ETF and Lyxor US Curve Flattening 2-10 UCITS ETF where a decision or an intention to liquidate exists) 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore



the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as “Réviseur d’entreprises agréé” of the Fund by the General Meeting of the Shareholders on 27 May 2020 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 15 years.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 29 April 2021

Frédéric Botteman

Statement of Net Assets

(expressed in the Sub-Fund's currency)

	Notes	MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF EUR	MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF EUR	Combined EUR
ASSETS				
Securities portfolio at cost		340 006 009	701 535 975	1 041 541 984
Net unrealised profit/ (loss)		(4 722 533)	23 031 993	18 309 460
Securities portfolio at market value	2.2	335 283 476	724 567 968	1 059 851 444
Receivable for securities sold		641 092	55 224 217	55 865 309
Receivable on swaps		3 833 411	13 946 791	17 780 202
		339 757 979	793 738 976	1 133 496 955
LIABILITIES				
Payable for securities purchased		4 474 503	65 391 775	69 866 278
Payable on swaps		-	3 779 233	3 779 233
Management fees payable	3	181 315	354 036	535 351
Swaps at market value	2.4, 6	68 828	3 281 569	3 350 397
		4 724 646	72 806 613	77 531 259
TOTAL NET ASSETS		335 033 333	720 932 363	1 055 965 696

Statement of Operations and Changes in Net Assets

(expressed in the Sub-Fund's currency)

	Notes	MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF EUR	MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF EUR	Combined EUR
Net assets at the beginning of the year		587 214 114	407 165 472	994 379 586
INCOME				
Dividends, net	2.10	5 332 699	1 999 750	7 332 449
		5 332 699	1 999 750	7 332 449
EXPENSES				
Management fees	3	2 420 972	3 102 592	5 523 564
		2 420 972	3 102 592	5 523 564
Net investment income/ (loss)		2 911 727	(1 102 842)	1 808 885
Net realised gains/ (losses) on				
- securities sold	2.6	5 087 252	22 086 302	27 173 554
- swaps	2.5	(23 997 070)	47 038 965	23 041 895
		(18 909 818)	69 125 267	50 215 449
Net realised result for the year		(15 998 091)	68 022 425	52 024 334
Change in net unrealised profit/ (loss) on				
- securities		(39 984 644)	6 306 094	(33 678 550)
- swaps		(111 048)	(3 144 579)	(3 255 627)
		(40 095 692)	3 161 515	(36 934 177)
Result of operations		(56 093 783)	71 183 940	15 090 157
Movements in capital				
Subscriptions		172 113 072	459 807 381	631 920 453
Redemptions		(368 200 070)	(217 224 430)	(585 424 500)
		(196 086 998)	242 582 951	46 495 953
Net assets at the end of the year		335 033 333	720 932 363	1 055 965 696

Statistical information

MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

	Currency	31/12/20	31/12/19	31/12/18
Class Acc				
Number of shares		2 250 614	3 144 635	-
Net asset value per share	EUR	137.2575	151.1279	-
Class USD				
Number of shares		1 901 544	7 403 544	-
Net asset value per share	USD	16.8066	16.9767	-
Total Net Assets	EUR	335 033 333	587 214 114	-

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

	Currency	31/12/20	31/12/19	31/12/18
Class Acc				
Number of shares		10 983 054	6 688 111	-
Net asset value per share	EUR	64.0610	57.4508	-
Class Dist				
Number of shares		2 707 818	3 990 818	-
Net asset value per share	USD	7.8380	6.4488	-
Total Net Assets	EUR	720 932 363	407 165 472	-

MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

Schedule of Investments

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market					
Shares					
154 218	ABBVIE INC	USD	13 070 588	13 505 340	4.03
10 428	ALPHABET INC	USD	14 684 889	14 930 820	4.46
4 632	AMAZON.COM INC	USD	12 122 820	12 329 778	3.68
5 237	AUTODESK INC	USD	941 622	1 306 907	0.39
819 705	AXA SA	EUR	17 533 490	15 994 084	4.77
35 276	BERKSHIRE HATHAWAY INC - B	USD	6 491 027	6 685 012	2.00
365 780	BNP PARIBAS SA	EUR	17 356 261	15 766 947	4.71
51 058	CATALENT INC	USD	3 901 141	4 342 778	1.30
382 651	CIE DE SAINT-GOBAIN	EUR	12 608 350	14 349 413	4.28
41 036	DANAHER CORP	USD	7 470 721	7 450 237	2.22
438 367	ENGIE SA	EUR	5 810 555	5 488 355	1.64
11 752	ESSILORLUXOTTICA SA	EUR	1 259 227	1 498 968	0.45
45 394	FACEBOOK INC	USD	10 277 674	10 134 302	3.02
245 993	FORD MOTOR CO	USD	1 807 668	1 767 217	0.53
37 350	INTEL CORP	USD	1 538 389	1 520 802	0.45
336 801	L BRANDS INC	USD	10 610 968	10 237 121	3.06
63 444	LVMH MOET HENNESSY LOUIS VUITTON SE	EUR	18 839 696	32 413 539	9.66
81 087	MICROSOFT CORP	USD	14 620 360	14 740 199	4.40
21 200	NOVATEK PJSC - GDR REG	USD	2 888 012	2 831 172	0.85
10 467	NVIDIA CORP	USD	4 474 503	4 467 220	1.33
1 314 811	ORANGE SA	EUR	17 940 596	12 798 370	3.82
34 481	PROLOGIS INC	USD	2 767 038	2 808 530	0.84
255 856	RENAULT SA	EUR	15 333 450	9 149 411	2.73
266 299	SANOFI	EUR	19 466 457	20 957 731	6.26
12 300	TESLA INC	USD	6 545 161	7 093 900	2.12
36 232	T-MOBILE US INC	USD	3 887 409	3 993 204	1.19
856 137	TOTAL SE	EUR	41 597 808	30 221 635	9.01
546	VERISIGN INC	USD	98 929	96 567	0.03
350 076	VINCI SA	EUR	28 278 200	28 482 182	8.50
563 500	VIVENDI SA	EUR	13 507 095	14 865 130	4.44
408 623	WELLS FARGO & CO	USD	9 798 887	10 079 067	3.01
8 370	ZILLOW GROUP INC (ISIN US98954M2008)	USD	425 263	887 929	0.27
Total Shares			337 954 254	333 193 867	99.45
Supranationals, Governments and Local Public Authorities, Debt Instruments					
162 048	ELECTRICITE DE FRANCE SA FRN	EUR	2 051 755	2 089 609	0.62
Total Supranationals, Governments and Local Public Authorities, Debt Instruments			2 051 755	2 089 609	0.62
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			340 006 009	335 283 476	100.07
Total Investments			340 006 009	335 283 476	100.07

MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

Economic and Geographical Classification of Investments

Economic classification	%	Geographical classification	%
Construction and Materials	12.77	France	60.90
Software and Computer Services	12.30	United States of America	38.32
Pharmaceuticals and Biotechnology	11.58	Russia	0.85
Oil, Gas and Coal	9.87		
Personal Goods	9.67		
Banks	7.71		
Non-life Insurance	6.77		
Retailers	6.74		
Automobiles and Parts	5.38		
Telecommunications Service Providers	5.01		
Media	4.44		
General Industrials	2.22		
Technology Hardware and Equipment	1.79		
Gas, Water and Multi-utilities	1.64		
Real Estate Investment Trusts	0.84		
Governments	0.62		
Medical Equipment and Services	0.45		
Real Estate Investment and Services	0.27		
	100.07		100.07

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Schedule of Investments

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market					
Shares					
26 781	ABBVIE INC	USD	2 269 796	2 345 294	0.33
6 122	AGEAS SA/NV	EUR	254 369	266 797	0.04
62 729	AIRBUS SE	EUR	3 931 361	5 631 810	0.78
2 301	AISIN SEIKI CO LTD	JPY	56 385	56 375	0.01
8 759	ALIGN TECHNOLOGY INC	USD	3 586 147	3 825 454	0.53
44 063	ALPHABET INC	USD	63 098 045	63 089 444	8.74
11 829	AMAZON.COM INC	USD	32 014 083	31 487 250	4.37
942	ANSYS INC	USD	255 540	280 086	0.04
126 519	APPLE INC	USD	14 158 486	13 720 572	1.90
16 374	AUTODESK INC	USD	2 776 021	4 086 173	0.57
320 455	AXA SA	EUR	6 854 532	6 252 718	0.87
41 400	BALLARD POWER SYSTEMS INC	CAD	652 346	790 924	0.11
64 474	BAXTER INTERNATIONAL INC	USD	4 147 818	4 228 183	0.59
23 285	BHP GROUP LTD	AUD	612 873	623 097	0.09
340 885	BNP PARIBAS SA	EUR	16 174 993	14 693 848	2.04
135 399	BOEING CO	USD	23 926 873	23 688 047	3.29
18 099	BOOKING HOLDINGS INC	USD	31 023 143	32 946 230	4.57
11 682	BOSTON SCIENTIFIC CORP	USD	461 418	343 237	0.05
63 828	CABOT OIL & GAS CORP	USD	923 384	849 266	0.12
6 271	CADENCE DESIGN SYSTEMS INC	USD	609 695	699 238	0.10
474 215	CATALENT INC	USD	36 451 378	40 334 727	5.59
225 025	CHEVRON CORP	USD	15 760 154	15 531 332	2.15
254 233	CIE DE SAINT-GOBAIN	EUR	8 376 977	9 533 738	1.32
9 120	CINTAS CORP	USD	2 672 553	2 634 592	0.37
44 938	CITRIX SYSTEMS INC	USD	4 798 035	4 778 255	0.66
87 282	COCA-COLA CO	USD	3 797 070	3 912 014	0.54
770	COSTAR GROUP INC	USD	539 371	581 665	0.08
139 321	CSX CORP	USD	10 539 582	10 333 358	1.43
40 100	CVS HEALTH CORP	USD	2 147 149	2 238 429	0.31
95 229	CYBERDYNE INC	JPY	592 273	547 287	0.08
92 003	DANAHER CORP	USD	16 749 409	16 703 483	2.32
24 299	DELTA AIR LINES INC	USD	605 570	798 548	0.11
341 119	DOMINION ENERGY INC	USD	21 111 829	20 965 346	2.91
76 265	EISAI CO LTD	JPY	4 922 391	4 450 612	0.62
65 457	ENBRIDGE INC	CAD	1 820 448	1 709 491	0.24
305 073	ENGIE SA	EUR	4 043 743	3 819 514	0.53
44 765	FACEBOOK INC	USD	10 151 791	9 993 876	1.39
47 791	FAST RETAILING CO LTD	JPY	32 060 934	34 982 925	4.85
3 430	FEDEX CORP	USD	724 955	727 797	0.10
4 245	FIRST SOLAR INC	USD	302 216	343 194	0.05
2 910	FLEETCOR TECHNOLOGIES INC	USD	588 125	648 879	0.09
44 752	FUJITSU LTD	JPY	4 866 252	5 280 239	0.73
251	GARTNER INC	USD	35 855	32 862	0.00
55 162	GENERAL MOTORS CO	USD	1 902 850	1 877 280	0.26

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Schedule of Investments (continued)

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market (continued)					
Shares (continued)					
5 393	GMO PAYMENT GATEWAY INC	JPY	604 005	590 848	0.08
292 109	HP INC	USD	5 777 771	5 870 590	0.81
12 999	INCYTE CORP	USD	928 824	924 076	0.13
5 940	INGERSOLL RAND INC	USD	217 181	221 181	0.03
229 013	INTEL CORP	USD	8 887 737	9 324 856	1.29
2 374	INTERNATIONAL PAPER CO	USD	94 001	96 470	0.01
30 501	JAPAN AIRLINES CO LTD	JPY	471 704	481 688	0.07
34 594	JOHNSON & JOHNSON	USD	4 388 760	4 449 678	0.62
350	KEYENCE CORP	JPY	139 515	160 696	0.02
6 209	KEYSIGHT TECHNOLOGIES INC	USD	560 537	670 301	0.09
10 497	KOMATSU LTD	JPY	221 424	234 120	0.03
145 603	KROGER CO	USD	3 686 152	3 779 454	0.52
17 399	LAM RESEARCH CORP	USD	7 349 133	6 715 725	0.93
45 383	LIGHTSPEED POS INC	CAD	2 179 580	2 615 607	0.36
86 635	LVMH MOET HENNESSY LOUIS VUITTON SE	EUR	25 726 263	44 261 822	6.13
109 211	MACY'S INC	USD	585 265	1 004 147	0.14
101 992	MAGNA INTERNATIONAL INC	CAD	5 170 664	5 895 881	0.82
7 958	MARSH & MCLENNAN COS INC	USD	761 666	760 971	0.11
27 781	MCDONALD'S CORP	USD	4 860 824	4 872 091	0.68
44 599	MEDICAL PROPERTIES TRUST INC	USD	769 966	794 256	0.11
53 780	MERCK & CO INC	USD	3 523 540	3 595 443	0.50
368 758	MICROSOFT CORP	USD	66 199 324	67 033 759	9.29
11 138	MOODY'S CORP	USD	2 547 414	2 642 061	0.37
55 122	NATIONAL INSTRUMENTS CORP	USD	1 623 814	1 979 536	0.27
25 392	NEXTERA ENERGY INC	USD	1 565 946	1 601 073	0.22
9 538	NIDEC CORP	JPY	861 988	980 034	0.14
433	NIKE INC - B	USD	50 075	50 065	0.01
244	NINTENDO CO LTD	JPY	108 217	127 152	0.02
12 007	NORDSTROM INC	USD	210 193	306 271	0.04
43 748	NVIDIA CORP	USD	18 701 688	18 671 248	2.59
404 873	OCCIDENTAL PETROLEUM CORP	USD	6 401 167	5 727 883	0.79
3 907	PARK24 CO LTD	JPY	55 023	55 392	0.01
11 412	PAYPAL HOLDINGS INC	USD	2 088 742	2 184 374	0.30
42 665	PHILLIPS 66	USD	2 340 390	2 438 797	0.34
23 286	PKSHA TECHNOLOGY INC	JPY	445 602	472 815	0.07
110 989	PLUG POWER INC	USD	2 176 881	3 075 998	0.43
2 583	PNC FINANCIAL SERVICES GROUP INC	USD	298 140	314 549	0.04
64 863	PROCTER & GAMBLE CO	USD	7 674 874	7 376 109	1.02
54 133	PROLOGIS INC	USD	4 332 196	4 409 215	0.61
5 509	RAVEN INDUSTRIES INC	USD	126 370	148 987	0.02
243 986	RENAULT SA	EUR	14 622 081	8 724 939	1.21
8 594	ROBERT HALF INTERNATIONAL INC	USD	437 089	438 849	0.06
37 046	RYOHIN KEIKAKU CO LTD	JPY	680 831	617 309	0.09
15 214	SALESFORCE.COM INC	USD	2 750 777	2 767 007	0.38

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Schedule of Investments (continued)

Nominal value/ Quantity	Description	Quotation Currency	Cost EUR	Market value EUR	% of net assets
Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market (continued)					
Shares (continued)					
707 234	SBERBANK OF RUSSIA PJSC - ADR	USD	8 053 741	8 392 822	1.16
13 491	SCSK CORP	JPY	595 843	630 094	0.09
31 828	SEIKO EPSON CORP	JPY	278 834	385 739	0.05
21 316	SHIN-ETSU CHEMICAL CO LTD	JPY	2 898 097	3 044 047	0.42
177 361	SOFTBANK GROUP CORP	JPY	9 915 930	11 313 436	1.57
57 040	SOUTHERN CO	USD	2 844 780	2 863 771	0.40
4 444	SQUARE INC - A	USD	523 158	790 480	0.11
27 996	SSR MINING INC	CAD	451 525	459 057	0.06
13 997	TAKEDA PHARMACEUTICAL CO LTD	JPY	393 855	416 058	0.06
83 054	TEXAS INSTRUMENTS INC	USD	10 415 324	11 141 067	1.55
43 862	THOMSON REUTERS RG	CAD	2 930 468	2 931 449	0.41
2 814	TOKYO ELECTRON LTD	JPY	652 640	855 391	0.12
517 991	TOTAL SE	EUR	25 168 049	18 285 082	2.54
55 209	UNDER ARMOUR INC	USD	684 983	671 415	0.09
27 602	UNION PACIFIC CORP	USD	4 571 110	4 697 224	0.65
11 870	UNITED PARCEL SERVICE INC - B	USD	1 691 463	1 633 695	0.23
6 852	UNITEDHEALTH GROUP INC	USD	1 921 769	1 963 842	0.27
11 590	UNITY SOFTWARE INC	USD	1 378 879	1 453 735	0.20
2 384	VAIL RESORTS INC	USD	503 590	543 534	0.08
1 683	VERISIGN INC	USD	315 639	297 659	0.04
129 161	VINCI SA	EUR	10 433 273	10 508 539	1.46
311 351	VIVENDI SA	EUR	7 463 083	8 213 439	1.14
72 149	YAMADA DENKI CO LTD	JPY	302 097	312 982	0.04
16 150	ZOOMINFO TECHNOLOGIES INC	USD	596 293	636 602	0.09
Total Shares			701 535 975	724 567 968	100.50
Total Transferable securities and money market instruments admitted to an official exchange listing or dealt in on another regulated market			701 535 975	724 567 968	100.50
Total Investments			701 535 975	724 567 968	100.50

MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Economic and Geographical Classification of Investments

Economic classification	%	Geographical classification	%
Software and Computer Services	22.02	United States of America	70.04
Technology Hardware and Equipment	10.11	France	17.24
Retailers	9.53	Japan	9.15
Pharmaceuticals and Biotechnology	7.84	Canada	2.00
Personal Goods	6.24	Russia	1.16
Oil, Gas and Coal	6.18	Netherlands	0.78
Travel and Leisure	5.50	Australia	0.09
Aerospace and Defense	4.07	Belgium	0.04
Electricity	3.53		
Banks	3.25		100.50
Construction and Materials	2.78		
Industrial Transportation	2.44		
Automobiles and Parts	2.41		
General Industrials	2.34		
Personal Care, Drug and Grocery Stores	1.86		
Telecommunications Service Providers	1.57		
Media	1.55		
Medical Equipment and Services	1.24		
Non-life Insurance	0.97		
Electronic and Electrical Equipment	0.82		
Industrial Support Services	0.80		
Real Estate Investment Trusts	0.72		
Investment Banking and Brokerage Services	0.67		
Beverages	0.54		
Gas, Water and Multi-utilities	0.53		
Chemicals	0.42		
Health Care Providers	0.27		
Industrial Metals and Mining	0.09		
Precious Metals and Mining	0.06		
Alternative Energy	0.05		
Life Insurance	0.04		
Industrial Engineering	0.03		
Leisure Goods	0.02		
Industrial Materials	0.01		
	100.50		

Notes to the financial statements

1 - General

MULTI UNITS LUXEMBOURG (the “Fund”) was incorporated on March 29, 2006 under Luxembourg laws as a *Société d’Investissement à Capital Variable* (“SICAV”) for an unlimited period of time. The Fund is governed by the Provisions of Part I of the Luxembourg law of December 17, 2010, as amended relating to Undertakings for Collective Investment.

As at December 31, 2020, 2 Sub-Funds are available to investors:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Within each Sub-Fund, the Fund may create different Classes of Shares which are entitled to regular dividend payments (“Distribution Shares”) or with earnings reinvested (“Capitalisation Shares”), or which differ also by the targeted investors, their reference currencies, their currency hedging policy, by the management fees or the subscription/redemption fees.

Capitalisation and distribution shares have been issued during the year ended December 31, 2020.

The amounts invested in the several Classes of Shares of one Sub-Fund are themselves invested in a common underlying portfolio of investments within the Sub-Fund, although the Net Asset Value per share of each Class of Shares may differ as a result of either the distribution policy, and/or the management fees and/or the subscription and redemption fees for each Class.

Sub-Funds	Class of shares	ISIN Code	Distribution Capitalisation
MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	Class Acc	LU1900068914	Capitalisation
	Class USD	LU1900069136	Capitalisation
MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF	Class Acc	LU1900068328	Capitalisation
	Class Dist	LU1900068674	Distribution

The following Sub-Funds are listed in NYSE Euronext Paris Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Funds are listed in Deutsche Boerse Frankfurt Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Funds are listed in Borsa Italiana Milan Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Funds are listed in SIX Swiss Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

The following Sub-Funds are listed in London Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Notes to the financial statements (continued)

The following Sub-Fund are listed in SGX Stock Exchange:

- MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF
- MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

2 - Significant accounting policies

2.1 Presentation of financial statements

The financial statements are prepared in accordance with Luxembourg regulations relating to Undertakings for Collective Investment.

2.2 Valuation of investment in securities

2.2.1 Securities listed on a recognised stock exchange or dealt in on any other regulated market that operates regularly, is recognised and is open to the public, are valued at their last available closing prices, or, in the event that there should be several such markets, on the basis of their last available closing prices on the main market for the relevant security.

2.2.2 In the event that the last available closing price does not, in the opinion of the Board of Directors, truly reflect the fair market value of such securities, the value is defined by the Board of Directors based on the reasonably foreseeable sales proceeds determined prudently and in good faith.

2.2.3 Securities not listed or traded on a stock exchange or not dealt in on another regulated market are valued on the basis of the probable sales proceeds determined prudently and in good faith by the Board of Directors.

2.2.4 Securities not listed or traded on a stock exchange or not dealt in on another regulated market are valued at their face value with interest accrued.

2.2.5 In case of short term instruments which have a maturity of less than 90 days, the value of the instrument based on the net acquisition cost, is gradually adjusted to the repurchase price thereof. In the event of the material changes in market conditions, the valuation basis of the investment is adjusted to the new market yields.

2.2.6 Investments in open-ended UCIs are valued on the basis of the last available net asset value of the units or shares of such UCIs.

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

2.3 Valuation of Futures

The value of financial derivative instruments traded on exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these financial derivative instruments on exchanges and Regulated Markets on which the particular financial derivative instruments are traded by the Fund; provided that if financial derivative instruments could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the value of such financial derivative instruments shall be such value as the Directors may deem fair and reasonable. The financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Fund.

2.4 Valuation of total return swaps

Swaps linked to indexes or financial instruments are valued at their market value, net present value of future cash flows, based on the applicable index or financial instrument, in accordance with the procedure laid down by the Board of Directors.

2.5 Net realised gains or losses on performance 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.

Notes to the financial statements (continued)

2.6 Net realised gains or losses resulting from investments

The realised gains or losses resulting from the sales of investments are calculated on an average cost basis.

2.7 Foreign exchange translation

The accounts of each Sub-Fund are maintained in the reference currency of the Sub-Fund and the financial statements are expressed in that currency.

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

Income and expenses expressed in other currencies than the reference currency are converted at exchange rates ruling at the transaction date.

Assets and liabilities expressed in other currencies than the reference currency are converted at exchange rates ruling at the year end.

The realised or unrealised gains and losses on foreign exchange are recognised in the Statement of Operations and Changes in Net Assets in determining the increase or decrease in net assets.

2.8 Forward foreign exchange contracts

Net change in unrealised profits and losses on forward foreign exchange contracts are valued on the basis of forward exchange rates prevailing at the relevant valuation date and are included in the Statement of Operations and Changes in Net Assets.

Forward foreign exchange contracts are disclosed in the Statement of Net Assets under the item "Net unrealised profit/loss on forward foreign exchange contracts".

Net change in unrealised profits and losses and net realised gain/loss are recorded in the Statement of Operations and Changes in Net Assets.

2.9 Combined financial statements

The combined Statement of Net Assets and combined Statement of Operations and Changes in Net Assets represent the total of the Statements of Net Assets Assets and Statements of Operations and Changes in Net Assets of the individual Sub-Funds, converted in Euro, based on exchange rates applicable at year-end.

2.10 Income

Dividends are credited to income on the date upon which the relevant securities are first listed as ex-dividend. Interest income is accrued on a daily basis.

For the index Sub-Funds which replicate the composition of a financial index, the dividend payments are included in the swap performance.

2.11 Formation expenses

The formation expenses of the Fund are borne by the Management Company.

3 - Management fees

Following a Main Delegation Agreement dated March 29, 2006, as amended, Lyxor Asset Management Luxembourg S.A. was appointed as Management Company of the Sub-Funds.

Following a Novation Agreement dated February 28, 2014, Lyxor International Asset Management S.A.S was appointed as Management Company of the Sub-Funds.

A management fee is payable monthly in arrears to the Management Company in compensation for its services. Such fee was payable monthly and is set for the period under review at the following rates of the Net Asset Value (inclusive of VAT):

Notes to the financial statements (continued)

The Management fees rates applicable at December 31, 2020, are as follows :

Sub-Funds	Class of shares	Management fees p.a
MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	Class Acc	0.65%
	Class USD	0.65%
MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF	Class Acc	0.60%
	Class Dist	0.60%

4 - Depositary, Administrative, Registrar Agent and other fees

As Administrative, Corporate and Domiciliary Agent, Société Générale Luxembourg is entitled to receive fees and commissions for its services rendered to the Sub-Funds. Such fees are payable by the Management Company out of the Total Fee it receives to cover structural costs.

As Depositary, Société Générale Luxembourg is entitled to receive a fee for its services rendered to the Sub-Fund. Such fee is payable by the Management Company out of the Total Fee it receives from the Fund.

As Registrar and Transfer Agent, Société Générale Luxembourg is entitled to receive fees and commissions for its services rendered to the Sub-Fund. Such fees are payable by the Management Company out of the Total Fee it receives from the Fund.

5 - Taxation

The amended Law of December 17, 2010 lays down that Sub-Funds of umbrella UCI established under the Law of December 20, 2002 are exempted of the *taxe d'abonnement* if they comply with following conditions stated in the article 175 e):

- whose securities are listed or dealt in on a stock exchange or another market which is regulated, operates regularly and is recognised and open to the public;
- whose exclusive object is to replicate the performance of one or several indices.

Considering that all classes of shares of all Sub-Funds of the Fund described in the Prospectus comply with the conditions required by the article 175 e) of the amended Law of December 17, 2010, the Board of Directors decided, by a Circular Resolution dated December 31, 2010, that all Sub-Funds and their classes of shares are exempted of the *taxe d'abonnement* as from January 1, 2011.

The Fund is not liable to any Luxembourg tax other than a once-and-for-all tax of EUR 1250 that was paid upon incorporation. Investment income from dividends and interest received by the Fund may be subject to withholding taxes at varying rates. Such withholding taxes are usually not recoverable.

6 - Total return swap agreements

The total return swaps entered into by the Sub-Funds are governed by the Master Index Swap Confirmation Agreement dated as of November 13, 2014, signed between Société Générale and Lyxor International Asset Management on behalf of the Sub-Funds, (the "Master Agreement").

The terms and conditions of the swap transactions are detailed for each swap transaction in appendices to this Master Agreement.

Under the Master Agreement, the Sub-Fund pays to Société Générale an amount reflecting the performance of the basket of securities (including income received) held by the Sub-Fund, and receives an amount reflecting the performance of an index (see below the index for each Sub-Fund).

The performance difference between the two legs is adjusted by (i) the difference of repo rate between the basket of securities held by the Sub-Fund and the index components, (ii) the difference between the index components dividend level in the index methodology and their market price, and (iii) pricing parameters linked to the index replication.

The market value of those swaps, used only for index replication purpose are booked in the caption "Swap at market value" of the Statement of Net Assets.

Notes to the financial statements (continued)

Counterparty's countries are listed following the ISO 3166-1 standard.

Lines captioned "basket of securities" in the tables below should be read in accordance with the swap details presented per Sub-fund and do not have to be considered as swap positions.

As at December 31, 2020, no collateral was received or granted by the collective investment undertaking as part of Total Return Swaps.

As at December 31, 2020, the Company holds the following Total Return Swaps :

6.1 MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF

Maturity Date	Contract	Underlying	Currency	Nominal	Market Value (expressed in EUR)
19-03-21	Index Swap	Hang Seng China Ente NR	EUR	334 508 154	335 214 647
19-03-21	Index Swap	Basket of securities	EUR	-	(335 283 475)
					(68 828)

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

6.2 MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF

Maturity Date	Contract	Underlying	Currency	Nominal	Market Value (expressed in EUR)
18-06-21	Index swap	MSCI AC Daily TR Net Asia Ex Japan	EUR	695 442 864	721 286 399
18-06-21	Index swap	Basket of securities	EUR	-	(724 567 968)
					(3 281 569)

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

Data on reuse of collateral

Non-cash collateral received by the Company may not be sold, re-invested or pledged.

7 - Exchange rates

The following exchange rates have been used for the preparation of these financial statements:

As at December 31, 2020:

1 EUR =	1.58560	AUD	1 EUR =	1.55880	CAD
1 EUR =	1.08155	CHF	1 EUR =	26.26200	CZK
1 EUR =	7.44345	DKK	1 EUR =	0.89510	GBP
1 EUR =	9.48725	HKD	1 EUR =	3.92860	ILS
1 EUR =	126.32545	JPY	1 EUR =	24.37985	MXN
1 EUR =	10.47600	NOK	1 EUR =	1.69940	NZD
1 EUR =	4.55895	PLN	1 EUR =	10.04850	SEK
1 EUR =	1.61710	SGD	1 EUR =	1.22355	USD

Notes to the financial statements (continued)

8 - Operating and management expenses (TER)

These expenses cover all the fees charged directly to the Fund. The expenses rates for the period as from January 1, 2020 to December 31, 2020 are the following:

Sub-Fund	Share Class	Rate p.a.
MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	Class Acc	0.65%
	Class USD	0.65%
MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF	Class Acc	0.60%
	Class Dist	0.60%

9 - COVID-19

During the period, the world has experienced a global pandemic of Covid-19 affecting all continents without distinction. Managers have adapted their working organisation to this new environment to maintain an efficient operating, trading and investment process. The board of directors and the manager continue to monitor central banks measures, local financial regulators actions on financial markets and governments' efforts to contain the spread of the virus and their impacts on the economy and the securities held in the portfolio.

10 - Non-audit services

For the period from 01 January 2020 to 31 December 2020, the following non-audit services have been provided by the external Auditor:

- issuance of reports on the criteria and methods included in the merger proposals and on the exchange ratios in the context of mergers;

11 - Subsequent events

BREXIT:

Third-country status of the United Kingdom as of 1 January 2021:

The transition period resulting from the agreement concluded between the United Kingdom and the European Union on 31 January 2020 ends on 31 December 2020. During this transition period, the United Kingdom, although it is now a third country, has continued to apply EU law and all references to Member States in EU law have been understood as including the United Kingdom. This will no longer be the case as from 1 January 2021 when the United Kingdom's status as a third country will take full effect.

EU Domiciled investment funds are currently gaining market access into the UK and marketed to UK investors through the EU passporting regime. Following the UK's departure from the EU, the passporting regime has ceased at the end of the transition period. The Government has introduced a temporary regime to allow EU funds to continue marketing in the UK in a similar way for a limited time after the end of the Transition Period, after which the funds will have to gain permanent market access into the UK.

In the meantime, the UK Government has consulting on proposals to simplify the process for allowing investment funds set up overseas to be marketed in the UK. Consultation has concluded.

Project of a new overseas funds regime (OFR) aiming to deliver on the government's commitment to introduce a more streamlined regime for overseas investment funds to market to UK retail investors.

The Board of Directors of the Company and the Management Company are continuously monitoring and watching for new development on this new OFR.

Notes to the financial statements (continued)

After the Brexit transition period, UK administrators included in the “ESMA register of administrators and third-country benchmarks” (ESMA register) have been deleted from the ESMA register as the Benchmark Regulation (BMR) is no longer applicable to UK benchmark administrators.

Therefore UK administrators that were originally included in the ESMA register as EU administrators, now qualify as third country administrators (for which the BMR foresees different regimes to be included in the ESMA register, being equivalence, recognition or endorsement).

However, during the BMR transitional period until 31 December 2021, as defined in BMR Article 51(5) this change of the ESMA register would not have an effect on the ability of EU supervised entities to use the benchmarks provided by those third country UK administrators.

To the best of our knowledge no change has been made to the listing conditions for share classes already listed. Special attention will be paid in the coming months to any new listing obligations implemented by LSE post-brexit.

Global risk exposure (Unaudited information)

In terms of risk management, the commitment approach is used in order to determine the global risk for all the Sub-Funds of the Fund.

The level of leverage using the commitment approach is determined in accordance with CSSF circular 11-512 which is further clarified in ESMA Guidelines 10-788.

COMPENSATION OF THE STAFF OF LYXOR INTERNATIONAL ASSET MANAGEMENT (2020 ACCOUNTING YEAR)**1.1 COMPENSATION POLICY AND PRACTICES**

The compensation awarded by Lyxor International Asset Management to its employees consists of fixed compensation and may, if economic conditions permit, include a variable component in the form of a discretionary bonus. These bonuses are not related to the performance of the managed vehicles (no profit-sharing in the capital gains).

Lyxor International Asset Management applies the Société Générale Group compensation policy. This Group policy takes into consideration the remuneration provisions of directives 2011/61/EU of the European Parliament and of the Council of 8 June 2011 (“AIFM Directive”) and 2014/91/EU of the European Parliament and of the Council of 23 July 2014 (“UCITS V Directive”), which apply to the investment fund management sector.

In this framework, Lyxor International Asset Management notably implements, for all of the employees receiving deferred variable compensation, an indexing mechanism for a part of this variable compensation composed of multiple investment funds representing the activity of the Lyxor group, such as to ensure that the interests of the employees align with those of investors.

The Lyxor International Asset Management compensation policy insures notably the appropriate management of the risks and the compliance by its staff of the Rules and regulations.

The details of the compensation policy are available at the following website:
<https://www.lyxor.com/en/policies-and-regulatory-notice>

1.2 BREAKDOWN OF FIXED AND VARIABLE COMPENSATION

Lyxor International Asset Management	Staff	Full Time Equivalent	Fixed Compensation (EUR)	Variable Compensation (EUR)	Total (EUR)
Lyxor International Asset Management personnel	146	136,69	12 288 307	5 856 504	18 144 811

Lyxor International Asset Management	Staff	Full Time Equivalent	Total Compensation (Fixed and Variable) (EUR)
Identified Population*	43	39,66	6 780 917
Of which Portfolio Management team	37	35,56	5 049 717
Of which other personnel identified	6	4,10	1 731 200

(*) Staff the professional activity of which may have a significant impact on the risk profile of Lyxor International Asset Management, or the AIF or UCITS managed by Lyxor International Asset Management, within the meaning of article L533-22-2 of the *Code monétaire et financier* (the French Financial Code).

Remuneration policy (Unaudited information)

Figures set forth in the tables above correspond to the amounts, before deduction of any tax and social costs, awarded to the staff in the context of the Annual Compensation Review occurred in the relevant accounting year, on the basis of the number of employees as at 31 December of the preceding accounting year. Please note that variable remuneration set out in table above are those awarded to the staff, and take into account amounts partially differed to following years, and do not take into account the amount actually paid during this accounting year by virtue of a differed remuneration awarded in a previous year. No carried interest was paid during the relevant accounting year.

SFT Regulation (Unaudited information)

Total return swaps

Following the Regulation 2015/2365 of the European Parliament and of the Council of November 25, 2015 on transparency of securities financing transactions, please find below details about total return swaps for the period ending December 31, 2020:

	MULTI UNITS LUXEMBOURG - Lyxor China Enterprise (HSCEI) UCITS ETF	MULTI UNITS LUXEMBOURG - Lyxor MSCI AC Asia Pacific Ex Japan UCITS ETF
Amount of Total Return Swaps expressed in absolute amount (in the currency of the sub-fund) *	335 033 333	720 932 363
Proportion of AUM	100%	100%
Maturity tenor of the Performance Swaps broken down in the following maturity buckets		
Less than one day	-	-
One day to one week	-	-
One week to one month	-	-
One month to three months	335 033 333	-
Three months to one year	-	720 932 363
Above one year	-	-
Open maturity	-	-
Total	335 033 333	720 932 363
Counterparty		
Name of counterparty	see note 6	see note 6
Country of domicile of the counterparty	see note 6	see note 6
Gross volume of outstanding transactions	see note 6	see note 6
Data on Collateral **		
<i>Type of collateral</i>		
Cash	-	-
Securities	-	-
<i>Quality of collateral</i>		
Rating	-	-
Maturity tenor of the collateral broken down in the following maturity buckets (in sub-fund's currency)		
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	-	-
Total	-	-
Safekeeping of collateral received by the fund as part of total return swap		
Name of custodian	-	-
Cash	-	-
Securities	-	-
Proportion of collateral granted	-	-

The settlement and clearing of all swaps transactions are bilateral.

Returns and costs incurred from total return swaps transactions during the year ended December 31, 2020 are included in the valuation of the swaps.

* The amount of assets engaged in total return swaps is equal to the market value of the basket of securities engaged in total return swaps at the closing date, increased by the marked-to-market value of the TRS at the closing date.

** As At December 31, 2020, no collateral was received or granted by the Fund as part of Total Return Swaps.

Pursuant to articles L533 22-1 and D533-16-1 of the Monetary and Financial Code.

1. Description of Environmental, Social, and Governance (ESG) criteria (reference II-2°)

Lyxor is a signatory to the United Nations Principles for Responsible Investment (UN PRI) and has adopted a responsible investment policy that sets out the values and practices established by our organization to integrate environmental, social and governance ("ESG") in its investment solutions. Lyxor's SRI Policy is available under the website Lyxor.com and is revised each year.

For this fund the SRI Policy includes the following key areas:

a) Description of the nature of the main criteria considered for ESG issues and the reasons for choosing them (reference III-1°-a)

The fund applies on fund holdings an exclusion of the firms that are to be excluded in application of the Defense Sector Policy, due to their involvement in activities linked to prohibited or controversial weapons (anti-personnel mines, cluster bombs or their key components, depleted uranium munitions, as well as biological, chemical, nuclear or radiological weapons).

The fund applies on fund holdings an exclusion of firms, in application of the LYXOR Climate Policy related to the thermal coal.

LYXOR excludes companies whose turnover from activities related to the extraction of thermal coal is greater than 10% or companies that belong to the energy sector and from which more than 30% of the electricity production (mixed energy) comes from coal.

b) Description of the general information used for the analysis of issuers on criteria relating to compliance with ESG issues (reference III-2°)

The explicit inclusion of ESG risks and opportunities into traditional financial analysis and investment decisions must be based on a systematic process and appropriate research sources.

The integration process focuses on the potential impact of ESG issues on company financials (positive and negative), which in turn may affect the investment decision.

Lyxor is using a variety of external information sources, including the following extra-financial rating agencies:

- Lyxor uses the services of a proxy voting advisor (ISS) for corporate governance research (as part of LYXOR's voting policy).
- Lyxor uses the services of Sustainalytics to support LYXOR in its thematic engagement campaigns
- Lyxor uses ESG research from MSCI as an ESG database in order to integrate these stakes and to assess its funds.
- Lyxor uses ESG research from Trucost as an Environmental & Climate database in order to integrate these stakes and to assess its funds.
- Lyxor uses the services of Vigeo Eiris in order to develop its ESG analysis and assessment methodology applied to unlisted SMIDs assets.
- In the global context of the Societe Generale Group Environmental and Social Policies, Lyxor used the Defense List produced by the Group, based on ISS-Ethical data to identify companies considered in violation of its Defense policy,
- In the global context of the Societe Generale Group Environmental and Social Policies, Lyxor used the Global Compact List produced by the Group, based on Sustainalytics data to identify companies that are associated with serious and repeated breaches of criteria, standards and/or mandatory requirements relating to controversial sectors and products,

Each partnership has been put in place following a rigorous selection based on request for proposals and due diligence processes addressing specific topics.

c) Description of the methodology of the ESG analysis and the results (reference III-3°a)

Specific controls are performed (pre & post trade) within the Risk department, in total independence of operational teams. All breaches are notified to Funds Managers for immediate resolution. The post trade control is on NAV frequency basis.

d) Description of how the results of the analysis on ESG issues are integrated in investment policies (Reference II-2°-d)

The detailed results of our shareholder engagement are available in the Lyxor annual report on voting rights and engagement published on the Website Lyxor.com.

This year, as part of its engagement policy, Lyxor conducted 118 discussions with 78 companies. These discussions are in line with the engagement campaigns defined by LYXOR: corporate governance and general meeting, Climate Action 100+, plastic and circular economy, localized water management, responsible cleantech.

The exclusion described above is applied to the fund holdings.

2. Description of integration of climate risks and the contribution to the energy transition (Reference II-2°)

Lyxor extends gradually an ESG & Carbon rating capacity with a proprietary approach for its vehicles.

In addition to carbon footprint, in regard with the communication on how climate risk are taken into account and the contribution of a portfolio to the energy and ecological transition and its alignment with the international goal of limiting global warming to 2 degrees by 2100, we have decided to report whenever it is possible the following metrics calculated at portfolio level:

- Portfolio carbon footprint:

•Measuring the GHG emissions of its investments provides investors with an indication of their current financed emissions. For the sake of transparency, in these reports, Lyxor states that the main data on GHG emissions are based solely on scopes 1 & 2 due to the lack of availability of certain data, particularly those related to scope 3. For the total of carbon footprints, LYXOR indicates the percentage of the declarative data and estimates.

- In view of the Transition Risk and more specifically the stranded assets, Lyxor has chosen to present:

- The share of reserves (thermal coal, gas, oil) of which an investor would be responsible according to his investment in the portfolio (/ \$ M invested),
- Potential emissions from these same known reserves of fossil fuels (expressed in tCO_{2e} / \$ M invested),
- A focus is presented on potential emissions from high-impact fossil fuel reserves (thermal coal, oil sands, oil and shale gas).

- With regard to carbon risk management:

- Lyxor presents at the portfolio level a classification of issuers based on their efforts on energy initiatives (use of cleaner energy sources, management of energy consumption and efficiency operational, carbon reduction targets).

- In regards with the portfolio's exposure to issuers offering environmental solutions :

- Lyxor presents the revenue exposure for environmental solutions that contribute to the Sustainable Development Goals (SDGs).

-In the view of the physical risk, and more specifically the biodiversity and land use, Lyxor has chosen to present :

For Government issuers in portfolio, several indicators weighted by the weight of sovereign issuers in the portfolio including :

- the Germanwatch climate performance index score
- the environment performance score
- the Environmental Vulnerability index

For corporate issuer in portfolio, based on MSCI ESG research raw data, the assessment of the risk exposure for a corporate may be comprised two different areas of analysis, depending on the Key Issue:

ESG Criteria (Unaudited information)

MULTI UNITS LUXEMBOURG

- Business Segment Risk Exposure – analyzes the breakdown of a company's business in terms of revenues, assets, or operations
- Geographic Segment Risk Exposure – analyzes the breakdown of a company's geographic segments in terms of revenues, assets, or operations

-In regards with the measurement of its portfolio's alignment with the climate objectives of the Paris Agreement, the methodology chosen by LYXOR applies to Equity and Corporate Bond funds. It aims to calculate the temperature of a fund, based on emission intensity indicators from the issuers making up the fund.

Portfolio ESG Rating as of December 2020

ESG score	Environmental	Social	Governance
4.1	4.2	4.6	3.5

Portfolio rated 98%
Nb Securities rated 50

Pillars	Corporate			Government		
	Themes	Score	Weight	Themes	Score	Weight
Environment		4.2	16.7%		0.0	0.0%
	Climat Change	4.6	7.8%	Environmental Externalities	0.0	0.0%
	Environmental Opportunities	4.4	3.6%	Natural Resource	0.0	0.0%
	Natural Capital	3.4	3.1%			
	Pollution & Waste	3.5	2.1%			
Social		4.6	46.5%		0.0	0.0%
	Human Capital	4.4	18.8%	Human Capital	0.0	0.0%
	Product Liability	4.7	21.6%	Economic Environment	0.0	0.0%
	Social Opportunities	5.0	4.7%			
	Stakeholder Opposition	5.1	1.4%			
Governance		3.5	36.9%		0.0	0.0%
				Financial Governance	0.0	0.0%
				Political Governance	0.0	0.0%

Breakdown of companies according to their ESG rating

Sector	AAA	AA	A	BBB	BB	B	CCC	Not Rated
Communication Services				10.3%	3.8%	1.1%		
Consumer Discretionary			5.0%	3.8%	7.9%	0.9%		
Consumer Staples				1.2%	3.5%		0.5%	
Energy						1.2%	2.5%	
Financials			16.9%	5.0%	11.0%			
Health Care				1.9%	2.2%			
Industrials					1.5%			
Information Technology				1.7%	1.2%	6.3%		
Materials							0.8%	
Real Estate					3.9%	1.0%	1.5%	
Utilities				2.3%	1.2%			

Leaders (AAA,AA) 0%
Average (A, BBB, BB) 84%
Laggards (B, CCC) 16%

For each issuer (Corporate & Government), ESG Industry sector is provided by MSCI ESG Ratings. To be noticed, Government issuers are classified as belonging to "Financials" Industry Sector.

ESG Measurement methodology (Corporate & Government issuers)

The underlying notes of the environmental, social and governance pillars aim to establish the risk Companies. They assess the financial risks associated with exposure to ESG factors and their management.

The risk scale ranges from 0 (high risk) to 10 (low risk).

Security scores at the Theme and ESG Pillar level are absolute and comparable across all industries. For Sectors and Themes, the portfolio-level score is based only on the subset of securities that have relevant scores. Security weights of the subset are rebalanced to equal 100%.

The weightings of the three criteria, Environmental, Social, and Governance, take into account the specific issues of each sector.

For Corporate: Metrics exposure and management of Key ESG issues cover the following themes:

- Environment: Climate Change, Natural Capital, Pollution & Waste, Env Opportunities
- Social: Human Capital, Product Liability, Stakeholder Opposition, Soc Opportunities
- Governance: Corporate Governance, Stakeholder Opposition, Soc Opportunities

For Government: Metrics exposure and management of Key ESG issues cover the following themes:

- Environment: Env Externalities, Natural Resources
- Social: Human Capital, Economic Environment
- Governance: Financial Governance, Political Governance

Source : The Company carbon footprint data are provided by the MSCI agency.

All ESG metrics are calculated on benchmark index.

Portfolio Exposure to ESG Controversies

Shows the percentage of portfolio securities with Red, Orange, Yellow and Green flagged ESG controversies.

Red Flag 0%
Orange Flag 1%
Yellow Flag 21%
Green Flag 77%

The severity of the assessment through color-coded alerts :

- Red: Indicates that a company is involved in one or more very severe controversies;
- Orange: Indicates that a company has been involved in one or more recent severe structural controversies that are ongoing;
- Yellow: Indicates that the company is involved in severe-to-moderate level controversies;
- Green: Indicates that the company is not involved in any major controversies.
- None: Sovereign and/or Company not covered

Climate Risks & Energy Transition

Portfolio Carbon Footprint as of December 2020

Carbon Emissions tons CO2e/\$M invested	Carbon Intensity tons CO2e/\$M sales	Weighted Average Carbon Intensity tons CO2e/\$M sales	Portfolio rated by weight	98%
60	166	114	Scope 1 reported (vs estimated)	34%
			Scope2 reported (vs estimated)	81%
			Scope 1 & 2 estimations are based on MSCI methodology	

Carbon Measurement methodology

The GHG Protocol, developed by the world Resources Institute (WRI) and the World Business Council on Sustainable Development (WBSCD) sets the global standard for how to measure, manage and report greenhouse gas emissions.

This will provide investors some insight of their current financed emissions

LYXOR has developed a proprietary methodology to carry out the carbon footprint measurement of its portfolios.

LYXOR relies on issuer's carbon and environmental metrics (companies and governments) provided by MSCI. These metrics are partly based on declarative data and / or are estimated.

The GHG Protocol has set the global standard for GHG reporting, notably the three scopes of reporting information:

- Scope 1: Direct GHG Emissions from operations.
- Scope 2: Electricity indirect GHG Emissions. (the companies' indirect emissions from electricity, heating, or steam consumption).
- Scope 3: Other indirect GHG emissions.

The carbon footprint part of the report aims to account for the greenhouse gas emissions produced by the companies held in portfolio. The emissions are expressed in terms of carbon dioxide equivalents (CO2e).

LYXOR reports on all its funds, three Carbon intensities when transparency is allowed:

- Carbon emissions financed (tons CO2 e / \$M invested): they represent the carbon footprint of the standardized portfolio by \$M invested
- Carbon intensity (tons CO2e / \$M Sales): shows the carbon efficiency of the portfolio in terms of emissions per \$M of sales
- Weighted Average Carbon Intensity (tons CO2e / \$M Sales): a measure of the portfolio's exposure to the most carbon-intensive companies, reflected by the average carbon intensity of the companies (CO2 emissions normalized by revenue). The carbon intensity of the portfolio is calculated as the weighted average of the carbon intensities of underlying issuers.

These measures do not take into account all emissions induced by the company particularly those related to the use of products or upstream by suppliers (scope 3).

Methodology change

LYXOR has decided to change its ownership-based approach considering both the equity and the debt components of the company owned by the investor.

Until now, to measure its portfolio carbon emissions, LYXOR used the market capitalization as a way to measure this ownership by multiplying the amount invested by a factor in tCO2/\$ mkt cap. This ownership-based approach for carbon footprint analysis was only possible for equity portfolios.

As of 31st of July, Lyxor has reviewed its methodology and the allocation rule for the carbon emissions & fossil fuel reserves induced by its investments. Lyxor has decided to use the Enterprise Value as we consider creditors and shareholders equally responsible for the emissions of a company since creditors also represent a source of financing for carbon-emitting tangible assets. With this review, the new ratio used is tCO2/\$ of enterprise value, with the definition of Enterprise Value as the most recent available fiscal year-end enterprise value including cash (USD) *. Moreover only the use of the Enterprise Value enables the analysis of a portfolio with both equity and bonds.

* EVIC = Market capitalization at fiscal year-end date + preferred stock + minority interest + total debt

All Carbon & Climate metrics are calculated on benchmark index.

Portfolio exposure to transition risk

The data represents portfolio exposure to issuers with fossil fuel reserves (in terms of the weight of the portfolio), which may be stranded in the context of a low carbon transition. Thermal coal reserves are the most carbon intensive and therefore the most at risk.

The brown area is defined as the percentage of MWh generated from fossil fuels or Share of fossil fuel energies or share of the portfolio invested in fossil fuel extraction (to reflect products and services exposed to fossil fuels).

These metrics include only corporate issuers rated in Carbon.

Weight of the portfolio rated in Carbon	
Fossil Fuel Reserves	5%
Thermal Coal	1%
Natural Gaz	5%
Oil	4%

Stranded Assets: Fossil Fuel Reserves

The table shows the reserves for which an investor would be responsible based on comparable dollar investments in the portfolio.

MMBOE stands for Million Barrels of Oil Equivalents.

These metrics include only corporate issuers rated in Carbon.

Based on investment of : \$1,000,000	
Thermal Coal (Tons)	0
Gas (MMBOE)	0.0007
Oil (MMBOE)	0.0010

Stranded Assets: Potential Emissions from Fossil Fuel Reserves

Different fuels have different carbon content and different net calorific value. To make reserves of these fuels comparable in terms of contribution to greenhouse gas emissions, we calculate the potential emissions of the fuels and express these as tons of CO2 using the Potsdam Institute methodology.

In that the total potential emissions of existing known fossil fuel reserves vastly exceed the limit of emissions that scientific consensus indicates must be met in order to manage climate change, many of these reserves may not be usable. If this is the case, the market values of companies holding reserves may be overstated because they are based in part on the present value of these reserves assuming that they can be fully utilized.

These metrics include only corporate issuers rated in Carbon.

tCO2e/\$M invested	
Metallurgical Coal	0.0
Thermal Coal	0.0
Oil	435.7
Gas	204.6
Total	646.3

Stranded Assets: High Impact Fossil Fuel Reserves

Certain fuels such as coal, oil sands, shale oil and shale gas are arguably more exposed to stranded assets risk as they have a higher carbon content than other types of oil and gas. Coal is by far the most carbon intensive fuel type, emitting roughly twice as much carbon emissions per kilowatt hour (kwh) than natural gas. In addition to higher carbon intensity, the extraction of unconventional sources of oil and gas can be costly because of various geological, technical and environmental challenges – this is the case with oil sands, which have been targeted as being particularly climate-unfriendly.

With regards to coal, the carbon stranded assets debate has focused on thermal coal, which is mainly used in power generation. While both thermal and metallurgical coal have a high carbon content, metallurgical, or coking coal is primarily used in steel making and has few substitutes, so many investors believe that while thermal coal is particularly vulnerable to stranding, there will still be a future for metallurgical coal.

These metrics include only corporate issuers rated in Carbon.

tCO2e/\$M Invested	
Thermal Coal	0.0
Oil Sands	105.0
Shale Oil or Shale Gas	5.9
Sum High Impact Reserves	110.9
Other	535.4

Carbon Risk Management: Energy Initiatives

Companies have a variety of strategies to reduce emissions, including setting targets for reductions, using cleaner energy sources and managing energy consumption. While these efforts vary considerably across companies, we categorize them as No Efforts, Limited Efforts, Some Efforts, and Aggressive Efforts to make them more comparable. This information is presented for the portfolio.

These metrics include only corporate issuers rated in Carbon.

	Use of Cleaner Energy Sources	Energy Consumption Management & Operation Efficiency	Target Effort
Aggressive efforts	0.0%	0.8%	0.7%
Some efforts	49.0%	94.0%	15.4%
Limited efforts/Information	9.6%	4.5%	0.0%
No effort/No evidence	41.4%	0.6%	83.8%

Low Carbon Transition Score

The Low Carbon Transition Score(1) uses the issuers' carbon intensity to assign to each a score of exposure to transition risks, while considering their capacity to manage those risks. This 0 to 10 grade classifies issuers in five main categories:

- Asset stranding: risk of holding assets which may become stranded
- Operational Transition: risk of increase in operational costs
- Product Transition: risk of a decrease in demand for high-carbon products and services
- Neutral: low exposure to transition risks
- Solutions: issuers well-positioned to capture opportunities associated to the growth in demand for low-carbon products.

(1) Metric developed by MSCI

Low carbon transition score	6.0
Low carbon transition management Score	4.0
Operational Transition	6.7%
Production Transition	6.7%
Neutral	81.0%
Solutions	MISSING DATA

Energy Mix of energy producers within the portfolio

The company's fuel mix is estimated by taking the ratio of power-generation volume by fuel type (reported or estimated) and the total power-generation volume.

The row data used are the company-reported power-generation volume (MWh) by fuel type, where available. Where companies report total power-generation volume and percentages by fuel type rather than power-generation volume by fuel type (MWh), the data provider multiplies the total by the percentage for each fuel type to calculate MWh figures.

Source : MSCI ESG Research

Share of issuers in terms of power generation in portfolio	1.1%
--	------

Power generation by fuel as maximum percentage of total (rebased at 100%)

Hydro	Liquid Fuel	Natural Gas	Nuclear	Renewables
	Thermal Coal			
	100.0%			

Portfolio exposure to issuers offering environmental solutions

The data represent the portfolio's exposure to issuers offering environmental solutions (in terms of the weight of the portfolio) and the type of solutions proposed: energy efficiency, alternative energy, sustainable water, pollution prevention or sustainable construction. These issuers are likely to benefit from a low carbon transition.

The green area is defined as the percentage of outstandings invested in companies whose activity contributes to the fight against climate change (to reflect eco-solutions / green products).

These metrics include only corporate issuers rated in Carbon.

Issuer with a revenue dedicated to environmental solutions between:	
0-19.9%	21%
20-49.9%	1%
50-100%	2%

Weight of Companies Offering Clean Technology Solutions

Alternative Energy	2.2%	Energy Efficiency	18.3%	Green Building	5.4%
Pollution Prevention	1.5%	Sustainable Water	2.1%	Sustainable Agriculture	0.0%

Revenue exposure to environmental solutions which contribute to SDGs

Revenue exposure to environmental solutions reflects the extent to which company revenue is exposed to products and services that help solve the world's major environmental challenges. It is calculated as a weighted average, using portfolio or index weights and each issuer's percent of revenue generated from sustainable environmental solutions.

These metrics include only corporate issuers rated in Carbon.

Environmental Solutions Contribution					
Alternative Energy	0.6%	Energy Efficiency	1.2%	Green Building	1.0%
Pollution Prevention	0.1%	Sustainable Water	0.1%	Sustainable Agriculture	0.0%

Physical Risk Corporate

Percentage of operations with high/moderate/low risks

Sector	Geographic Segment			Business Segment		
	Low	Moderate	High	Low	Moderate	High
Biodiversity & Land Use	0.0%	11.2%	88.8%	90.9%	5.8%	3.2%
Carbon Emissions	0.1%	98.2%	1.7%	84.3%	11.9%	3.8%
Electronic Waste	0.4%	0.1%	99.5%	94.3%	1.9%	3.8%
Opportunities in Green Building	0.1%	98.5%	1.4%	93.4%	5.5%	1.1%
Opp's in Renewable Energy	0.4%	7.5%	92.1%	99.9%		0.1%
Packaging Material & Waste	92.3%	7.3%	0.4%	91.2%		8.8%
Water Stress	2.4%	97.1%	0.5%	71.5%	20.9%	7.6%
Toxic Emissions & Waste				75.7%	16.4%	7.9%

Temperature – Alignment of the portfolio with the Paris Agreement

Measures the alignment of the fund against different climate scenarios that target different global temperature increases, including goals of the Paris Agreement (well below 2°C, and pursuing efforts to limit the increase to 1.5°C).

Alignment Degree >3°C
Coverage 81.6%

LYXOR's methodology can be applied to all sectors of a portfolio and is based on Trucost raw data. The methodology combines two approaches recommended by the Science-Based Targets initiative (SBTi):

Alignment Trajectory in % Weight

-A sectoral approach: "Sectoral Decarbonisation Approach" (SDA) for homogeneous sectors,

<1.5°C 13.4%

-An economic approach: "Greenhouse gas Emissions per unit of Value Added" (GEVA) for heterogeneous sectors.

1.5-2°C 13.4%

2-3°C 5.4%

Each approach allocates carbon budget from global to company level over a chosen time horizon.

>3°C 67.8%

Alignment is measured using a temperature indicator.

For more information on the methodology applied by LYXOR:

<https://www.lyxor.com/en/methodology-measure-lyxors-funds-temperatures>

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Pursuant to articles L533 22-1 and D533-16-1 of the Monetary and Financial Code.

1. Description of Environmental, Social, and Governance (ESG) criteria (reference II-2°)

Lyxor is a signatory to the United Nations Principles for Responsible Investment (UN PRI) and has adopted a responsible investment policy that sets out the values and practices established by our organization to integrate environmental, social and governance ("ESG") in its investment solutions. Lyxor's SRI Policy is available under the website Lyxor.com and is revised each year.

For this fund the SRI Policy includes the following key areas:

a) Description of the nature of the main criteria considered for ESG issues and the reasons for choosing them (reference III-1°-a)

The fund applies on fund holdings an exclusion of the firms that are to be excluded in application of the Defense Sector Policy, due to their involvement in activities linked to prohibited or controversial weapons (anti-personnel mines, cluster bombs or their key components, depleted uranium munitions, as well as biological, chemical, nuclear or radiological weapons).

The fund applies on fund holdings an exclusion of firms, in application of the LYXOR Climate Policy related to the thermal coal.

LYXOR excludes companies whose turnover from activities related to the extraction of thermal coal is greater than 10% or companies that belong to the energy sector and from which more than 30% of the electricity production (mixed energy) comes from coal.

b) Description of the general information used for the analysis of issuers on criteria relating to compliance with ESG issues (reference III-2°)

The explicit inclusion of ESG risks and opportunities into traditional financial analysis and investment decisions must be based on a systematic process and appropriate research sources.

The integration process focuses on the potential impact of ESG issues on company financials (positive and negative), which in turn may affect the investment decision.

Lyxor is using a variety of external information sources, including the following extra-financial rating agencies:

- Lyxor uses the services of a proxy voting advisor (ISS) for corporate governance research (as part of LYXOR's voting policy).
- Lyxor uses the services of Sustainalytics to support LYXOR in its thematic engagement campaigns
- Lyxor uses ESG research from MSCI as an ESG database in order to integrate these stakes and to assess its funds.
- Lyxor uses ESG research from Trucost as an Environmental & Climate database in order to integrate these stakes and to assess its funds.
- Lyxor uses the services of Vigeo Eiris in order to develop its ESG analysis and assessment methodology applied to unlisted SMIDs assets.
- In the global context of the Societe Generale Group Environmental and Social Policies, Lyxor used the Defense List produced by the Group, based on ISS-Ethical data to identify companies considered in violation of its Defense policy,
- In the global context of the Societe Generale Group Environmental and Social Policies, Lyxor used the Global Compact List produced by the Group, based on Sustainalytics data to identify companies that are associated with serious and repeated breaches of criteria, standards and/or mandatory requirements relating to controversial sectors and products,

Each partnership has been put in place following a rigorous selection based on request for proposals and due diligence processes addressing specific topics.

c) Description of the methodology of the ESG analysis and the results (reference III-3°a)

Specific controls are performed (pre & post trade) within the Risk department, in total independence of operational teams. All breaches are notified to Funds Managers for immediate resolution. The post trade control is on NAV frequency basis.

d) Description of how the results of the analysis on ESG issues are integrated in investment policies (Reference II-2°-d)

The detailed results of our shareholder engagement are available in the Lyxor annual report on voting rights and engagement published on the Website Lyxor.com.

This year, as part of its engagement policy, Lyxor conducted 118 discussions with 78 companies. These discussions are in line with the engagement campaigns defined by LYXOR: corporate governance and general meeting, Climate Action 100+, plastic and circular economy, localized water management, responsible cleantech.

The exclusion described above is applied to the fund holdings.

2. Description of integration of climate risks and the contribution to the energy transition (Reference II-2°)

Lyxor extends gradually an ESG & Carbon rating capacity with a proprietary approach for its vehicles.

In addition to carbon footprint, in regard with the communication on how climate risk are taken into account and the contribution of a portfolio to the energy and ecological transition and its alignment with the international goal of limiting global warming to 2 degrees by 2100, we have decided to report whenever it is possible the following metrics calculated at portfolio level:

- Portfolio carbon footprint:

•Measuring the GHG emissions of its investments provides investors with an indication of their current financed emissions. For the sake of transparency, in these reports, Lyxor states that the main data on GHG emissions are based solely on scopes 1 & 2 due to the lack of availability of certain data, particularly those related to scope 3. For the total of carbon footprints, LYXOR indicates the percentage of the declarative data and estimates.

- In view of the Transition Risk and more specifically the stranded assets, Lyxor has chosen to present:

- The share of reserves (thermal coal, gas, oil) of which an investor would be responsible according to his investment in the portfolio (/ \$ M invested),
- Potential emissions from these same known reserves of fossil fuels (expressed in tCO_{2e} / \$ M invested),
- A focus is presented on potential emissions from high-impact fossil fuel reserves (thermal coal, oil sands, oil and shale gas).

- With regard to carbon risk management:

- Lyxor presents at the portfolio level a classification of issuers based on their efforts on energy initiatives (use of cleaner energy sources, management of energy consumption and efficiency operational, carbon reduction targets).

- In regards with the portfolio's exposure to issuers offering environmental solutions :

- Lyxor presents the revenue exposure for environmental solutions that contribute to the Sustainable Development Goals (SDGs).

-In the view of the physical risk, and more specifically the biodiversity and land use, Lyxor has chosen to present :

For Government issuers in portfolio, several indicators weighted by the weight of sovereign issuers in the portfolio including :

- the Germanwatch climate performance index score
- the environment performance score
- the Environmental Vulnerability index

For corporate issuer in portfolio, based on MSCI ESG research raw data, the assessment of the risk exposure for a corporate may be comprised two different areas of analysis, depending on the Key Issue:

ESG Criteria (Unaudited information)

MULTI UNITS LUXEMBOURG

- Business Segment Risk Exposure – analyzes the breakdown of a company's business in terms of revenues, assets, or operations
- Geographic Segment Risk Exposure – analyzes the breakdown of a company's geographic segments in terms of revenues, assets, or operations

-In regards with the measurement of its portfolio's alignment with the climate objectives of the Paris Agreement, the methodology chosen by LYXOR applies to Equity and Corporate Bond funds. It aims to calculate the temperature of a fund, based on emission intensity indicators from the issuers making up the fund.

Portfolio ESG Rating as of December 2020

ESG score	Environmental	Social	Governance
4.6	5.3	4.9	4.0

Portfolio rated 100%
Nb Securities rated 1 256

Pillars	Corporate			Government		
	Themes	Score	Weight	Themes	Score	Weight
Environment		5.3	19.3%		0.0	0.0%
	Climat Change	6.0	6.5%	Environmental Externalities	0.0	0.0%
	Environmental Opportunities	4.7	5.0%	Natural Resource	0.0	0.0%
	Natural Capital	5.3	5.0%			
	Pollution & Waste	4.5	2.9%			
Social		4.9	42.4%		0.0	0.0%
	Human Capital	4.8	19.6%	Human Capital	0.0	0.0%
	Product Liability	4.7	17.5%	Economic Environment	0.0	0.0%
	Social Opportunities	4.4	2.9%			
	Stakeholder Opposition	6.6	2.3%			
Governance		4.0	37.3%		0.0	0.0%
				Financial Governance	0.0	0.0%
				Political Governance	0.0	0.0%

Breakdown of companies according to their ESG rating

Sector	AAA	AA	A	BBB	BB	B	CCC	Not Rated
Communication Services		0.4%	1.3%	6.4%	1.5%	0.6%	0.0%	
Consumer Discretionary	0.0%	0.6%	3.4%	2.0%	8.8%	1.9%	0.2%	
Consumer Staples		0.4%	1.8%	0.6%	1.1%	1.0%	0.1%	
Energy	0.2%	0.1%	0.5%	0.2%	1.3%	0.3%	0.3%	
Financials	0.1%	5.2%	9.0%	2.9%	2.0%	0.4%	0.1%	
Health Care	0.1%	0.5%	1.9%	0.7%	1.3%	1.1%	0.2%	
Industrials	0.8%	0.3%	0.6%	1.1%	0.8%	1.2%	0.6%	
Information Technology	5.7%	0.9%	7.5%	2.9%	1.4%	1.6%	0.2%	
Materials		0.7%	1.0%	2.1%	1.1%	0.9%	0.6%	
Real Estate	0.5%	0.6%	0.1%	1.2%	1.3%	0.3%	0.2%	
Utilities	0.1%	0.3%	0.1%	0.8%	0.5%	0.2%	0.1%	

Leaders (AAA,AA) 18%
Average (A, BBB, BB) 69%
Laggards (B, CCC) 12%

For each issuer (Corporate & Government), ESG Industry sector is provided by MSCI ESG Ratings. To be noticed, Government issuers are classified as belonging to "Financials" Industry Sector.

ESG Measurement methodology (Corporate & Government issuers)

The underlying notes of the environmental, social and governance pillars aim to establish the risk Companies. They assess the financial risks associated with exposure to ESG factors and their management.

The risk scale ranges from 0 (high risk) to 10 (low risk).

Security scores at the Theme and ESG Pillar level are absolute and comparable across all industries. For Sectors and Themes, the portfolio-level score is based only on the subset of securities that have relevant scores. Security weights of the subset are rebalanced to equal 100%.

The weightings of the three criteria, Environmental, Social, and Governance, take into account the specific issues of each sector.

For Corporate: Metrics exposure and management of Key ESG issues cover the following themes:

- Environment: Climate Change, Natural Capital, Pollution & Waste, Env Opportunities
- Social: Human Capital, Product Liability, Stakeholder Opposition, Soc Opportunities
- Governance: Corporate Governance, Stakeholder Opposition, Soc Opportunities

For Government: Metrics exposure and management of Key ESG issues cover the following themes:

- Environment: Env Externalities, Natural Resources
- Social: Human Capital, Economic Environment
- Governance: Financial Governance, Political Governance

Source : The Company carbon footprint data are provided by the MSCI agency.

All ESG metrics are calculated on benchmark index.

Portfolio Exposure to ESG Controversies

Shows the percentage of portfolio securities with Red, Orange, Yellow and Green flagged ESG controversies.

Red Flag 1%
Orange Flag 14%
Yellow Flag 25%
Green Flag 60%

The severity of the assessment through color-coded alerts :

- Red: Indicates that a company is involved in one or more very severe controversies;
- Orange: Indicates that a company has been involved in one or more recent severe structural controversies that are ongoing;
- Yellow: Indicates that the company is involved in severe-to-moderate level controversies;
- Green: Indicates that the company is not involved in any major controversies.
- None: Sovereign and/or Company not covered

Climate Risks & Energy Transition

Portfolio Carbon Footprint as of December 2020

Carbon Emissions tons CO2e/\$M invested	Carbon Intensity tons CO2e/\$M sales	Weighted Average Carbon Intensity tons CO2e/\$M sales	Portfolio rated by weight	100%
105	271	228	Scope 1 reported (vs estimated)	64%
			Scope2 reported (vs estimated)	79%
			Scope 1 & 2 estimations are based on MSCI methodology	

Carbon Measurement methodology

The GHG Protocol, developed by the world Resources Institute (WRI) and the World Business Council on Sustainable Development (WBSCD) sets the global standard for how to measure, manage and report greenhouse gas emissions.

This will provide investors some insight of their current financed emissions

LYXOR has developed a proprietary methodology to carry out the carbon footprint measurement of its portfolios.

LYXOR relies on issuer's carbon and environmental metrics (companies and governments) provided by MSCI. These metrics are partly based on declarative data and / or are estimated.

The GHG Protocol has set the global standard for GHG reporting, notably the three scopes of reporting information:

- Scope 1: Direct GHG Emissions from operations.
- Scope 2: Electricity indirect GHG Emissions. (the companies' indirect emissions from electricity, heating, or steam consumption).
- Scope 3: Other indirect GHG emissions.

The carbon footprint part of the report aims to account for the greenhouse gas emissions produced by the companies held in portfolio. The emissions are expressed in terms of carbon dioxide equivalents (CO2e).

LYXOR reports on all its funds, three Carbon intensities when transparency is allowed:

- Carbon emissions financed (tons CO2 e / \$M invested): they represent the carbon footprint of the standardized portfolio by \$M invested
- Carbon intensity (tons CO2e / \$M Sales): shows the carbon efficiency of the portfolio in terms of emissions per \$M of sales
- Weighted Average Carbon Intensity (tons CO2e / \$M Sales): a measure of the portfolio's exposure to the most carbon-intensive companies, reflected by the average carbon intensity of the companies (CO2 emissions normalized by revenue). The carbon intensity of the portfolio is calculated as the weighted average of the carbon intensities of underlying issuers.

These measures do not take into account all emissions induced by the company particularly those related to the use of products or upstream by suppliers (scope 3).

Methodology change

LYXOR has decided to change its ownership-based approach considering both the equity and the debt components of the company owned by the investor.

Until now, to measure its portfolio carbon emissions, LYXOR used the market capitalization as a way to measure this ownership by multiplying the amount invested by a factor in tCO2/\$ mkt cap. This ownership-based approach for carbon footprint analysis was only possible for equity portfolios.

As of 31st of July, Lyxor has reviewed its methodology and the allocation rule for the carbon emissions & fossil fuel reserves induced by its investments. Lyxor has decided to use the Enterprise Value as we consider creditors and shareholders equally responsible for the emissions of a company since creditors also represent a source of financing for carbon-emitting tangible assets. With this review, the new ratio used is tCO2/\$ of enterprise value, with the definition of Enterprise Value as the most recent available fiscal year-end enterprise value including cash (USD) *. Moreover only the use of the Enterprise Value enables the analysis of a portfolio with both equity and bonds.

* EVIC = Market capitalization at fiscal year-end date + preferred stock + minority interest + total debt

All Carbon & Climate metrics are calculated on benchmark index.

Portfolio exposure to transition risk

The data represents portfolio exposure to issuers with fossil fuel reserves (in terms of the weight of the portfolio), which may be stranded in the context of a low carbon transition. Thermal coal reserves are the most carbon intensive and therefore the most at risk.

The brown area is defined as the percentage of MWh generated from fossil fuels or Share of fossil fuel energies or share of the portfolio invested in fossil fuel extraction (to reflect products and services exposed to fossil fuels).

These metrics include only corporate issuers rated in Carbon.

Weight of the portfolio rated in Carbon	
Fossil Fuel Reserves	8%
Thermal Coal	3%
Natural Gaz	6%
Oil	6%

Stranded Assets: Fossil Fuel Reserves

The table shows the reserves for which an investor would be responsible based on comparable dollar investments in the portfolio.

MMBOE stands for Million Barrels of Oil Equivalents.

These metrics include only corporate issuers rated in Carbon.

Based on investment of : \$1,000,000	
Thermal Coal (Tons)	974
Gas (MMBOE)	0.0004
Oil (MMBOE)	0.0003

Stranded Assets: Potential Emissions from Fossil Fuel Reserves

Different fuels have different carbon content and different net calorific value. To make reserves of these fuels comparable in terms of contribution to greenhouse gas emissions, we calculate the potential emissions of the fuels and express these as tons of CO2 using the Potsdam Institute methodology.

In that the total potential emissions of existing known fossil fuel reserves vastly exceed the limit of emissions that scientific consensus indicates must be met in order to manage climate change, many of these reserves may not be usable. If this is the case, the market values of companies holding reserves may be overstated because they are based in part on the present value of these reserves assuming that they can be fully utilized.

These metrics include only corporate issuers rated in Carbon.

tCO2e/\$M invested	
Metallurgical Coal	798.7
Thermal Coal	1 779.6
Oil	118.2
Gas	109.9
Total	2 824.7

Stranded Assets: High Impact Fossil Fuel Reserves

Certain fuels such as coal, oil sands, shale oil and shale gas are arguably more exposed to stranded assets risk as they have a higher carbon content than other types of oil and gas. Coal is by far the most carbon intensive fuel type, emitting roughly twice as much carbon emissions per kilowatt hour (kwh) than natural gas. In addition to higher carbon intensity, the extraction of unconventional sources of oil and gas can be costly because of various geological, technical and environmental challenges – this is the case with oil sands, which have been targeted as being particularly climate-unfriendly.

With regards to coal, the carbon stranded assets debate has focused on thermal coal, which is mainly used in power generation. While both thermal and metallurgical coal have a high carbon content, metallurgical, or coking coal is primarily used in steel making and has few substitutes, so many investors believe that while thermal coal is particularly vulnerable to stranding, there will still be a future for metallurgical coal.

These metrics include only corporate issuers rated in Carbon.

tCO2e/\$M Invested	
Thermal Coal	1 779.6
Oil Sands	12.0
Shale Oil or Shale Gas	20.5
Sum High Impact Reserves	1 812.1
Other	1 012.6

Carbon Risk Management: Energy Initiatives

Companies have a variety of strategies to reduce emissions, including setting targets for reductions, using cleaner energy sources and managing energy consumption. While these efforts vary considerably across companies, we categorize them as No Efforts, Limited Efforts, Some Efforts, and Aggressive Efforts to make them more comparable. This information is presented for the portfolio.

These metrics include only corporate issuers rated in Carbon.

	Use of Cleaner Energy Sources	Energy Consumption Management & Operation Efficiency	Target Effort
Aggressive efforts	0.4%	2.1%	4.0%
Some efforts	63.0%	86.1%	41.0%
Limited efforts/Information	12.4%	4.9%	2.4%
No effort/No evidence	24.1%	6.6%	52.5%

Low Carbon Transition Score

The Low Carbon Transition Score(1) uses the issuers' carbon intensity to assign to each a score of exposure to transition risks, while considering their capacity to manage those risks. This 0 to 10 grade classifies issuers in five main categories:

- Asset stranding: risk of holding assets which may become stranded
- Operational Transition: risk of increase in operational costs
- Product Transition: risk of a decrease in demand for high-carbon products and services
- Neutral: low exposure to transition risks
- Solutions: issuers well-positioned to capture opportunities associated to the growth in demand for low-carbon products.

(1) Metric developed by MSCI

Low carbon transition score	5.8
Low carbon transition management Score	4.2
Operational Transition	7.5%
Production Transition	7.5%
Neutral	78.8%
Solutions	MISSING DATA

Energy Mix of energy producers within the portfolio

The company's fuel mix is estimated by taking the ratio of power-generation volume by fuel type (reported or estimated) and the total power-generation volume.

The row data used are the company-reported power-generation volume (MWh) by fuel type, where available. Where companies report total power-generation volume and percentages by fuel type rather than power-generation volume by fuel type (MWh), the data provider multiplies the total by the percentage for each fuel type to calculate MWh figures.

Source : MSCI ESG Research

Share of issuers in terms of power generation in portfolio	3.0%
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Power generation by fuel as maximum percentage of total (rebased at 100%)

Hydro	9.4%	Liquid Fuel	0.4%	Natural Gas	16.7%
Nuclear	7.5%	Renewables	7.7%	Thermal Coal	58.3%

Portfolio exposure to issuers offering environmental solutions

The data represent the portfolio's exposure to issuers offering environmental solutions (in terms of the weight of the portfolio) and the type of solutions proposed: energy efficiency, alternative energy, sustainable water, pollution prevention or sustainable construction. These issuers are likely to benefit from a low carbon transition.

The green area is defined as the percentage of outstandings invested in companies whose activity contributes to the fight against climate change (to reflect eco-solutions / green products).

These metrics include only corporate issuers rated in Carbon.

Issuer with a revenue dedicated to environmental solutions between:	
0-19.9%	34%
20-49.9%	2%
50-100%	3%

Weight of Companies Offering Clean Technology Solutions

Alternative Energy	7.1%	Energy Efficiency	35.8%	Green Building	4.3%
Pollution Prevention	3.1%	Sustainable Water	2.9%	Sustainable Agriculture	0.3%

Revenue exposure to environmental solutions which contribute to SDGs

Revenue exposure to environmental solutions reflects the extent to which company revenue is exposed to products and services that help solve the world's major environmental challenges. It is calculated as a weighted average, using portfolio or index weights and each issuer's percent of revenue generated from sustainable environmental solutions.

These metrics include only corporate issuers rated in Carbon.

Environmental Solutions Contribution

Alternative Energy	0.6%	Energy Efficiency	3.3%	Green Building	0.9%
Pollution Prevention	0.1%	Sustainable Water	0.1%	Sustainable Agriculture	0.0%

Physical Risk Corporate

Percentage of operations with high/moderate/low risks

Sector	Geographic Segment			Business Segment		
	Low	Moderate	High	Low	Moderate	High
Biodiversity & Land Use	1.7%	46.4%	51.9%	84.1%	11.2%	4.6%
Carbon Emissions	0.7%	79.8%	19.5%	73.0%	21.6%	5.5%
Electronic Waste	5.4%	20.1%	74.6%	93.7%	1.5%	4.9%
Opportunities in Green Building	4.1%	76.3%	19.6%	96.0%	2.7%	1.3%
Opp's in Renewable Energy	6.4%	40.9%	52.6%	98.6%	0.3%	1.0%
Packaging Material & Waste	58.6%	27.7%	13.7%	92.8%		7.2%
Water Stress	5.8%	76.8%	17.4%	55.8%	34.8%	9.4%
Toxic Emissions & Waste				56.1%	30.2%	13.7%

Temperature – Alignment of the portfolio with the Paris Agreement

Measures the alignment of the fund against different climate scenarios that target different global temperature increases, including goals of the Paris Agreement (well below 2°C, and pursuing efforts to limit the increase to 1.5°C).

Alignment Degree >3°C
Coverage 86.0%

LYXOR's methodology can be applied to all sectors of a portfolio and is based on Trucost raw data. The methodology combines two approaches recommended by the Science-Based Targets initiative (SBTi):

Alignment Trajectory in % Weight

- A sectoral approach: "Sectoral Decarbonisation Approach" (SDA) for homogeneous sectors,
- An economic approach: "Greenhouse gas Emissions per unit of Value Added" (GEVA) for heterogeneous sectors.

<1.5°C 13.2%
1.5-2°C 8.7%
2-3°C 12.5%
>3°C 65.6%

Each approach allocates carbon budget from global to company level over a chosen time horizon.

Alignment is measured using a temperature indicator.

For more information on the methodology applied by LYXOR:

<https://www.lyxor.com/en/methodology-measure-lyxors-funds-temperatures>

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