



# Key Investor Information Document

This document provides you with key investor information about this Fund. It is not marketing material. The information in this document is prescribed by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

## Investing for Development SICAV - Luxembourg Microfinance and Development Fund (the “Fund”)

### Share Class C Accumulation - ISIN LU0456967404

#### Objectives and investment policy

##### Objectives

- LMDF aims to contribute to the alleviation of poverty by supporting organisations that empower people and stimulate entrepreneurship, with a particular focus on the most excluded. The Fund facilitates access to responsible finance by building sustainable links between investors, microfinance institutions and ultimate beneficiaries. As a result of these aims, the Fund is classified as an article 9 fund Regulation (EU) 2019/2088 (a Fund with sustainable investment as its objective).
- The Fund targets returns above the ECB targeted inflation rate (2% p.a.) in order to safeguard the real value of the shares.

##### Policy

- The Fund focuses on investing in emerging microfinance institutions (“MFIs”), defined as institutions with a balance sheet between 5 and 50 million in assets, a sustainable business model and a high degree of transparency. The Fund can also finance to a limited extent smaller MFIs which have the potential to grow, larger MFIs and MFIs using new technology and distribution models.
- The Fund concentrates on MFIs which have a strong social vision and mission focused on positive impact for the ultimate client.
- The Fund invests in developing countries in Africa, Asia and Latin America. Due to its social vision, it invests in countries which may be considered high risk.
- The Fund invests principally in debt instruments issued by MFIs. The debt may be secured but will often be unsecured. The Fund may hold equity, guarantees or hybrid instruments, combining features of both debt and equity, to a limited extent. The Fund may not invest more than 10% of net assets on equity instruments. The Fund must hold at least 10% of its net assets in

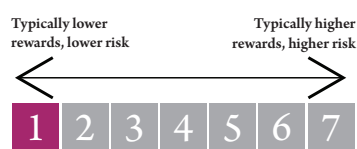
liquid instruments (cash and cash equivalents).

- Selection of an investment is based on detailed qualitative and quantitative, social and financial analysis.
- The Fund normally provides medium term debt instruments (2-5 years) to MFIs both in Dollars and local currencies.
- Recommendation: This Fund may not be appropriate for investors who plan to withdraw their money within 2 years.
- The Fund avoids exposure to currencies other than the Euro (the Fund currency) and normally fully hedges its currency risk with derivative instruments. The Fund may also hedge its interest rate risk exposure.

##### Further information

- The Fund reinvests its proceeds and does not distribute dividends.
- Redemptions are accepted by the Fund on a quarterly basis. Redemption requests must be submitted to the Fund 45 calendar days prior to the end of each quarter. The Fund may in very exceptional circumstances suspend redemptions (in cases where net asset value calculations are suspended, or the Fund receives requests for redemptions amounting to more than 5% of net assets).
- Subscriptions are also on a quarterly basis and an application needs to be received no later than 6pm (Luxembourg time) on the 5<sup>th</sup> business day preceding the quarter end. The Fund reserves the right to suspend subscription in Class C shares if the threshold of 20% risk coverage through Class A shares and Class A<sub>bis</sub> shares is breached.

#### Risk and reward profile



The synthetic risk/reward indicator shown above highlights the relationship between risk and reward.

The Fund belongs to category 1. This means that the Fund is characterised by low returns and a low volatility of returns. The lowest category, category 1, does not mean that the investment is risk free. This analysis is based on 5 years of quarterly return data since the Fund does not calculate a weekly or monthly net asset value. It has been annualised according to the methodology established by the

Committee of European Securities Regulators. However, owing to quarterly redemptions, the data may not be fully comparable to that published by other Funds. Since the Fund invests in assets which are not admitted to an official stock exchange listing nor dealt on another regulated market, assets are valued according to our in-house valuation methodology. Such a method may lead to lower fluctuations of prices.

Historical data, such as is used in calculating the synthetic indicator, may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and the categorisation of the Fund may shift over time.

## Risk and Reward Profile - continued

### Other risks and risk mitigation

Investors in Class C shares benefit from a microfinance impairment risk cover provided by Class A and Class A<sub>bis</sub> shares. In case of a loss or an impairment arising from a microfinance related investment, Class A and Class A<sub>bis</sub> shares cover losses of Class C shares until they are depleted. As the Fund invests in debt it is exposed to credit risk. Given the nature of the investments made, the Fund is exposed

to liquidity risk. The Fund is also exposed to other risks including counterparty risk, currency risk, country risk, operational risk, and valuation risk. For more information on the Fund's risk exposure, please consult the prospectus.

## Charges

### One-off charges taken before or after you invest

|              |    |
|--------------|----|
| Entry charge | 2% |
| Exit charge  | 0% |

The entry charge is the maximum that might be taken out of your money before it is invested.

### Charges taken from the Fund over a year

|                |      |
|----------------|------|
| Ongoing charge | 2.6% |
|----------------|------|

### Charges taken from the Fund under certain specific conditions

|                 |      |
|-----------------|------|
| Performance fee | none |
|-----------------|------|

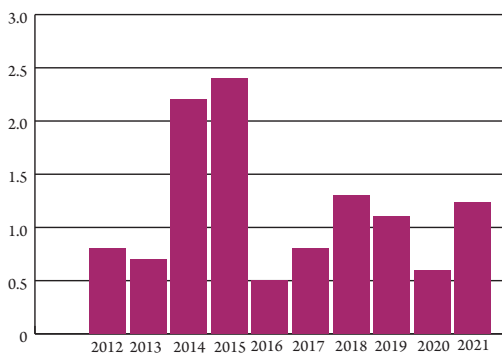
These charges reduce the potential growth of the investment.

The entry and exit charges shown are maximum figures; in some cases, the investor might pay less. The entry charge is levied by the individual distributor, not by the Fund. The investor can find out the actual entry and exit charges from their financial adviser or distributor. There are no performance related fees for this share class.

The ongoing charge figure is based on the last year's expenses and may vary from year to year. The ongoing charge figure is as at 31/12/2021.

The charges an investor pays are used to pay the costs of running the Fund, including the costs of marketing, and distributing the Fund.

## Past Performance



Past performance is not a guide to future performance. Ongoing charges have been factored into performance calculation, entry and exit charges are excluded.

|                              |              |
|------------------------------|--------------|
| <b>Share Class Currency:</b> | Euro         |
| <b>Fund Launch Date:</b>     | October 2009 |
| <b>Share Class Launch:</b>   | March 2010   |

## Practical Information

This document is based on the Class C share class. Other share classes besides the Class C exist. Further details can be found in the prospectus.

Further information about the Fund can be found in the English version of the prospectus and the latest semi-annual and annual reports which are available free of charge from [www.lmdf.lu](http://www.lmdf.lu) or from our registered office at 39 rue Glesener, L-1631 Luxembourg.

Other practical information, including share prices, can be found on the company website [www.lmdf.lu](http://www.lmdf.lu).

Banque et Caisse d'Epargne de l'Etat (Luxembourg) is the depository bank.

This Fund is authorised in Luxembourg and regulated by the CSSF.

The tax legislation in Luxembourg may have an impact on your own personal tax position.

The LMDF may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

*This Key Investor Information is accurate as at 31/12/2021*

