

Salm

S a l e s P r o s p e c t u s

including
Management Regulations
August 2024 edition



An investment fund of the Grand Duchy of Luxembourg

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Management and administration

Management Company and central administrator:

Universal-Investment-Luxembourg S.A.
15, rue de Flaxweiler
L-6776 Grevenmacher
Grand Duchy of Luxembourg

Equity: EUR 28,085,891.00
(as at: 30 September 2023*)

Members of the Management Board of the Management Company:

Martin Groos

Matthias Müller

Bernhard Heinz

All business resident at the address of the Management Company.

Members of the Supervisory Board of the Management Company:

Johannes Franz Elsner (Chairman of the Supervisory Board)

Markus Neubauer

Katja Müller

All business resident at Theodor-Heuss-Allee 70, 60486 Frankfurt am Main, Germany.

Depository and paying agent in the Grand Duchy of Luxembourg:

UBS Europe SE, Luxembourg Branch
33A, Avenue John F. Kennedy
L-2010 Luxembourg
Grand Duchy of Luxembourg

Portfolio Manager:

Salm-Salm & Partner GmbH
Schlossstr. 3
D-55595 Wallhausen
Germany

Registrar and Transfer Agent in the Grand Duchy of Luxembourg:

UI efa S.A.
2, rue d'Alsace
L-1017 Luxembourg
Grand Duchy of Luxembourg

Distributor:

Salm-Salm & Partner GmbH
Schlossstr. 3
D-55595 Wallhausen
Germany

Auditor:

KPMG Audit S.à r.l.
39, Avenue John F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg,

*Up-to-date information on the equity of the Management Company and Depository as well as the composition of the committees is contained in the latest annual and semi-annual reports.

Purchases of units based on information or statements not contained in this Sales Prospectus are made entirely at the purchaser's risk. The following Management Regulations including the table entitled "The sub-funds – an overview" form an integral element of this Prospectus.

This Sales Prospectus applies to all unit classes of the "Salm" fund with Salm – SARA Global Convertibles and Salm - SARA Global Equities Focus" and is available from the Management Company, the Depository and the Paying Agents as well as on the Management Company's website at www.universal-investment.com free of charge.

Some jurisdictions may impose restrictions on the distribution of this Sales Prospectus and the offer of fund units. Furthermore, this Sales Prospectus does not constitute an offer to sell or an invitation to purchase in a jurisdiction in which such an offer or such an invitation to purchase is not permitted, or if the offer is made to anyone within a jurisdiction to whom it is unlawful to make such an offer or invitation.

U.S. persons, Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standard (CRS)

The Fund is neither registered in accordance with the United States Investment Company Act of 1940 in its amended form nor similar or corresponding legal provisions in another country with the exception of the provisions in this Sales Prospectus. The fund units were neither registered in accordance with the United States Securities Act of 1933 in their amended form nor similar or corresponding legal provisions in another country with the exception of the provisions in this Sales Prospectus. With the exception of transactions which do not breach the applicable law, the units may not be offered for sale, sold, transferred or delivered in the United States of America or in one of its territories or possessions or to a "US Person".

A US Person is an individual who:

- (i) is a United States Person as defined in Paragraph 7701(a)(30) of the US Internal Revenue Code of 1986 as amended, and the Treasury Regulations enacted under it;
- (ii) is a US Person as defined in Regulation S of the US Securities Act of 1933 (17 CFR § 230.902(k));
- (iii) is not a Non-United States Person as defined in Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));
- (iv) resides in the United States of America as defined in Rule 202(a)(30)-1 of the US Investment Advisers Act of 1940 as amended; or
- (v) is a trust, a legal entity or another structure established for the purpose of allowing US Persons to invest in the Company.

The following persons are also deemed to be US Persons:

- (i) an “Employee Benefit Plan” as defined in Section 3(3) of the US Employee Retirement Income Security Act of 1974 as amended (“ERISA”), which is subject to Title I of the ERISA,
- (ii) a “Plan” as defined in Section 4975(e)(1) of the US Internal Revenue Code of 1986 as amended (“IRC”),
- (iii) a unit whose underlying assets contain “Plan Assets” in accordance with Title I of the ERISA or Section 4975 of the IRC, or
- (iv) a government scheme or other type of Plan (or a unit in whose assets the assets of such a government or other Plan are included), which is subject to a law, a regulation or a restriction similar to Section 406 of the ERISA or Section 4975 of the IRC.

No documents relating to the Fund may be circulated within the United States of America.

On 28 March 2014, the Grand Duchy of Luxembourg concluded an Intergovernmental Agreement with the United States of America (IGA; hereinafter referred to as: IGA Luxembourg-USA) to Improve International Tax Compliance and to Implement FATCA (Foreign Account Tax Compliance Act, FATCA). The provisions of the Luxembourg-USA IGA were implemented in the Luxembourg Law of 24 July 2015 relating to the Foreign Account Tax Compliance Act (FATCA). Within the framework of the FATCA provisions, Luxembourg financial institutions are required to periodically report information about financial accounts held directly or indirectly by certain U.S. persons to the competent authorities.

According to the current Luxembourg FATCA provisions, the Fund qualifies as a “restricted fund” pursuant to Annex II, Section IV(E)(5) of the Luxembourg-USA IGA, and it is therefore deemed to be a “non-reporting Luxembourg financial institution” as well as a “deemed-compliant foreign financial institution” under FATCA. As a result, the following types of investor are not permitted and therefore cannot invest in the Fund:

- Specified U.S. persons pursuant to Article 1, Section 1 (et seq.) of the Luxembourg-USA IGA,
- Non-participating Financial Institutions pursuant to Article 1, Section 1(r) of the Luxembourg-US IGA, and
- Passive Non-Financial Foreign Entities (NFFEs) with one or more substantial U.S. owners within the meaning of the relevant implementing regulations issued by Department of the Treasury of the United States of America.

The Common Reporting Standard (CRS) pursuant to Directive 2014/107/EU was implemented in the Luxembourg Law of 18 December 2015 on the automatic exchange of information on financial accounts in tax matters (hereinafter: CRS law). Pursuant to the current Luxembourg CRS provisions, the Fund qualifies as a Luxembourg financial institution (investment entity) and is required to collect information on the financial accounts of investors and report them to the competent Luxembourg authorities if necessary which, in turn, pass on the information to the appropriate foreign authorities.

All investors declare that they are prepared to make voluntary disclosures, and to forward further relevant documents (such as W-8 tax forms) where necessary, to the Management Company of the Fund for FATCA and CRS purposes. If there is a change in the information, the investor must inform the Management Company of the Fund immediately (i.e. within 30 days) by transferring the relevant updated form.

If the Fund were to become subject to withholding tax or to reporting requirements or suffer other damages due to the absence of FATCA or CRS compliance by an investor, the Management Company of the Fund reserves the right, notwithstanding other rights, to enforce damages claims against the respective investor.

For any questions concerning CRS and FATCA, investors and prospective investors are advised to contact their tax and/or legal adviser.

For initial information on the Fund, please refer to the tabular overview “The sub-funds – an overview”.

The Fund

The **Salm** Investment Fund is an undertaking for collective investment in transferable securities (“UCITS”) in the form of a special fund (fonds commun de placement, “FCP”) pursuant to Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment (Law of 2010) (the “Fund”).

The Fund is managed by Universal-Investment-Luxembourg S.A. (the “Management Company”), a public limited company under the law of the Grand Duchy of Luxembourg with its registered office in Grevenmacher, in its name for the collective account of the unitholders.

The Fund offers investors one or more sub-funds within one and the same investment fund (umbrella structure).

The sub-funds as a whole make up the Fund. Each investor holds a stake in the Fund through investing in a sub-fund. The Management Company may launch one or more new sub-funds, merge two or more sub-funds and wind up one or more existing sub-funds at any time.

Each sub-fund represents an investment fund which is subdivided among the unitholders of the sub-fund entailing equal rights and equivalent to the ratio of the number of units they hold in the sub-fund.

The Fund qualifies as a UCITS pursuant to Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (“UCITS Directive”), as amended, and may therefore be offered for sale subject to registration in each EU Member State.

If the Fund or sub-fund assets are invested in target funds, a double cost may be incurred for the performance of the Fund or sub-fund, especially as both the target fund and the Salm fund or sub-funds are subject to costs and expenses as defined in Article 11 of the Management Regulations.

If the Salm fund or sub-funds purchase units in other UCITS and/or other UCIs which are managed directly or indirectly by the same Management Company or another company with which the Management Company is affiliated via shared management or control or by a considerable direct or indirect investment, then the Management Company or other company may not charge any fees for subscription or repurchase of units in other UCITS and/or other UCIs by the Salm fund in the form of front-end loads or redemption fees. If a sub-fund purchases units in another sub-fund of this Fund as target fund, the Management Company is not entitled to charge fees for subscription or

repurchase of units in the target sub-fund by the sub-fund nor may it charge a management fee at the level of the acquiring sub-fund or of the target sub-fund.

The investment principles, objectives and limits of the Fund are presented in the section "Special remarks" of this Prospectus, in the table entitled "The sub-funds – an overview" in conjunction with Article 4 of the Management Regulations.

The **Salm** fund was established in 2012 and currently consists of the following two sub-funds:

- "SARA Global Convertibles" (Name until July 2024 "Salm Nachhaltige Wandelanleihen Global", name until the end of [*November*] 2021 "*Salm Sustainability Convertible*"; as of December 2021, the previously existing sub-fund "Salm Balanced Convertible" was merged into it, with the "Salm Balanced Convertible", which ceased to exist on the occasion of this merger);
- "SARA Global Equities Focus" (Name until July 2024 "*Salm Nachhaltige Aktien Global – klimaoptimiert*", name until the end of [*December*] 2021 "*Salm Nachhaltige Aktienstrategie*", name previously until 8 November 2019 "*Salm Sustainability Equity*" and previously until 30 September 2018 "*Salm Climate Leaders Equity*");

The term SARA combines two important concepts of income from fund management, which are taken into account in the Fund's investment process and reflect our self-image:

Selection alpha and risk alpha. These concepts represent our aspiration to select the best individual stocks and optimally manage portfolio risk

Two or more unit classes may be provided within a sub-fund. If unit classes are formed for the particular sub-funds, this is mentioned in the table entitled "The sub-funds – an overview" with details of the specific features or rights involved. Currency-hedged unit classes may also be introduced. These are designed to hedge the foreign currency exposure of the investment fund against the currency of the unit class in question.

If unit classes denominated in currencies other than the reference currency are formed, the risk of currency fluctuations can be in part reduced through the use of instruments and other techniques. The objective to reduce currency fluctuations defined in the annex for each sub-fund should, if applied, be pursued with a hedging ratio of between 95% and 105%. However, there is no guarantee that this investment objective will be achieved.

The net asset value per unit is stated in the currency of the sub-fund unit class as described in the table entitled "The sub-funds – an overview". The reference currency and therefore the consolidated currency of the particular sub-fund are also described in the table "The sub-funds – an overview".

All unit classes are intended for private investors.

The initial issue prices are provided in the table "The sub-funds – an overview". The front-end load can be found in the table "The sub-funds – an overview" and refers to the net asset value per unit.

The current version of the Management Regulations has been filed at the Luxembourg Trade and Companies Register. A notice of its filing in the Trade and Companies Register was published on in the Recueil électronique des sociétés et associations, the electronic platform of the Grand Duchy of Luxembourg ("RESA").

All sub-fund units bear equal entitlement to participate in the yields, price gains and liquidation

proceeds pertaining to their unit class from the date they are issued. A detailed description of the sub-funds and unit classes can be found in the table entitled “The sub-funds – an overview”.

The Fund was established for an indefinite period.

The accounting year of the sub-funds generally runs from 1 October of a calendar year to 30 September of the following calendar year.

The investment principles, objectives and limits are set out in “Special remarks” in conjunction with Article 4 of the Management Regulations.

The expenses and costs of the Fund are set out in Article 11 of the Management Regulations.

The costs incurred for the management of the sub-funds during the reporting period are charged to the sub-funds (excluding transaction costs) and disclosed in the annual report, being stated as a ratio of the average fund volume (“total expense ratio”, TER).

In addition, the portfolio turnover ratio (TOR) is calculated each year using the following formula and is published in the Fund's annual report: $TOR = [(Total1 - Total2) / M] \times 100$, where:

Total1 = total transactions during the reference period = x + y

x = value of purchased assets during the reference period

y = value of sold assets during the reference period

Total2 = total transactions in units during the reference period = s + t

s = value of subscriptions during the reference period

t = value of repurchases during the reference period

M = average net fund assets during the reference period.

The Management Company

Universal-Investment-Luxembourg S.A., a public limited company under the law of the Grand Duchy of Luxembourg, was founded on 17 March 2000 in Luxembourg for an indefinite period. Its registered office is at 15, rue de Flaxweiler, L-6776 Grevenmacher.

The Articles of Association of the Management Company were published for the first time in Mémorial C, Recueil des Sociétés et Associations (“Mémorial”) (replaced by the RESA) (Recueil électronique des sociétés et associations on 3 June 2000 and filed with the Trade and Companies Register of the District Court in Luxembourg.

The last amendment to the Articles of Association was published by the RESA and deposited with the Luxembourg Trade and Companies Register.

The Management Company has three Supervisory Board members who form the Supervisory Board. In addition, the Management Company has a Management Board consisting of three members appointed by the Supervisory Board who, in accordance with the provisions of the Law of 2013 and within the limits of the powers granted by the Articles of Association, are entrusted with the day-to-day management and represent the Management Company vis-à-vis third parties (the “Management Board”). The Management Board ensures that the Management Company and all service providers perform their duties in accordance with the relevant laws and guidelines and this Sales Prospectus. The Board will report to the Supervisory Board on a regular basis or, if necessary, when a situation requires it to do so. The Supervisory Board exercises ongoing oversight over the Management Board's management of the Management Company, without itself being authorised

to manage the business day-to-day; nor does it represent the Management Company in dealings with third parties.

The Management Company's objective is to launch and/or manage undertakings for collective investment in transferable securities ("UCITS") and/or undertakings for collective investment ("UCIs") in accordance with the latest versions of the Law of 17 December 2010 and/or the Law of 13 February 2007, and to carry out all activities connected with the launch and management of these UCITS and/or UCIs.

The purpose of the Management Company is also the launching and/or management of Luxembourg and/or foreign Alternative Investment Funds ("AIFs") that are authorised in accordance with Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers ("AIFM Directive"). The management of AIFs involves at least the investment management functions for AIFs that are specified in point 1(a) and/or (b) of Annex I to the AIFM Directive, and, insofar as this is possible, the other duties that are specified in point 2 of Annex I to the AIFM Directive.

The Management Company may also undertake the administration of companies in accordance with the Law of 15 June 2004 (the SICAR Law), and of financial holding undertakings [sociétés de participation financière] which qualify as wholly owned investments of the UCIs and AIFs which are managed in line with paragraphs 1 and 2.

The Management Company may engage in any other business and take any measures which promote its interests or which otherwise serve or may be useful in achieving its objectives, in accordance with Chapter 15 of the Law of 17 December 2010, the Law of 13 February 2007 and/or the Law of 12 July 2013.

The Management Company may also engage in administrative activities for a securitisation company as defined in the Law of 22 March 2004.

The names and sales documents of all the funds managed by the Management Company are available from the Company's registered office.

The monies accruing to the respective sub-funds are used for purchasing securities and other legally permissible assets according to the investment policy set out in the Management Regulations and in this Sales Prospectus.

The Management Company may also be assigned an investment committee to provide support and advice in respect of the management of the Fund.

The investment committee observes the securities markets, analyses the composition of the securities portfolios and other investments of the Fund's assets and provides recommendations for the Management Company on the investment of the Fund's assets, paying due attention to the principles of the investment policy and limits established for the sub-fund or sub-funds in question.

In addition, the Management Company may take advice from one or more investment advisers at its own cost or with the costs of this being borne by the Fund or sub-funds concerned.

For the management of one or more sub-funds in order to implement the investment objectives the Management Company may commission one or more professional external fund management companies at the cost of the Fund or sub-fund or sub-funds to take the investment decisions necessary for this within the framework of the investment policy and limits established for the particular sub-fund or sub-funds, although control and responsibility still rest with the Management Company. The fund management companies ("portfolio managers") and/or investment advisers

commissioned for individual sub-funds can be seen from the table entitled “The sub-funds – an overview”.

The Portfolio Manager may also consult an investment adviser. The costs for investment counselling are paid from the Fund Manager fee.

The Management Company or the Fund Manager mandated to take investment decisions may only enter into what is known as a “soft commission” agreement on its behalf (agreements concerning commission discounts) in cases where this is demonstrably to the benefit of unitholders, and in which those involved are convinced that the transactions giving rise to soft commission are undertaken in good faith, under strict adherence to the applicable supervisory provisions and in the best interests of the Fund and its unitholders. Reductions in commission must not result in benefits to individuals. The Management Company or appointed Fund Manager must conclude all such agreements at conditions normal for the market.

These portfolio managers supply their extensive knowledge of the investment markets relevant to the sub-funds and make the investment decisions necessary for the proper implementation of the particular investment policy.

Universal-Investment-Luxembourg S.A. is subject to the applicable regulatory provisions governing the establishment of remuneration systems in accordance with Chapter 15 of the Law of 2010. The details of the system's structure have been specified by the Management Company in remuneration guidelines. Its structure is compatible with and facilitates the risk management procedures laid down by the Management Company, and it neither encourages the taking of risks that are incompatible with the risk profiles and the Management Regulations or Articles of Association of the funds that are managed by it, nor does it prevent the Management Company from acting according to its duty in the best interests of the Fund. The remuneration policy accords with the business strategy, objectives, values and interests of the Management Company and of the UCITS managed by it and of the investors in such UCITS, and it includes measures to prevent conflicts of interest.

At least once a year, the Universal-Investment Group's remuneration committee checks the appropriateness of the Management Company's remuneration system as well as its compliance with all the legal rules. It includes fixed and variable remuneration elements.

Payment of remuneration based on performance appraisals is spread over several years in order to ensure that paying out of the remuneration is in line with the longer-term performance of the administered investment assets taking account of the associated investment risks. Setting ranges for overall remuneration ensures that there is no significant dependence on the receipt of variable remuneration and that the relationship between the fixed and variable remuneration is appropriate. In addition to the aforementioned remuneration elements, employees of the Management Company can obtain voluntary employer benefits-in-kind as well as material and retirement benefits.

Further details of the Management Company's current remuneration policy have been published online at www.universal-investment.com/de/Verguetungssystem-Luxemburg. They include a description of the valuation methods for remunerations and payments to certain employee groups, as well as details of the persons responsible for allocation, including the composition of the remuneration committee. On request, the Management Company will provide the information in hard copy form without charge.

The Depositary

The Fund's assets are held in safekeeping by the Depositary.

The role and responsibility of the Depositary are governed by the Law of 2010, the Depositary Agreement made between the Management Company and Depositary and the rights and obligations as set out in Article 3 of the Management Regulations.

The Management Company has appointed UBS Europe SE, Luxembourg Branch, whose registered office is in Luxembourg, as Depositary.

The Registrar and Transfer Agent

The Transfer Agent and Registrar for the Fund is European Fund Administration S.A., which has its registered office at 2, rue d'Alsace, L-1017. The Registrar and Transfer Agent is a public limited company (société anonyme). The duties of the Registrar and Transfer Agent comprise executing applications and orders for the subscription, conversion, redemption and transfer of units as well as managing the register of units.

Special information

(a) Investment policy and investment limits

The investment policy and investment limits of the respective sub-funds are set out in the following Management Regulations in conjunction with the table entitled “The sub-funds – an overview”. The objectives of the investment policy are pursued while abiding by the principle of risk diversification. Particular note must be taken of Article 4 “General guidelines for investment policy and investment limits” of the Management Regulations, in which the other legally permissible assets and investment forms entailing increased risks are described. The latter comprise in particular transactions involving options and financial futures. In general, it should be pointed out that the performance of the fund units is largely determined by the changes in stock prices each market day for the assets held in the sub-funds and the earnings. To achieve the investment objectives, it is also intended to use derivative financial instruments (“derivatives”). When using derivatives, the sub-funds shall not deviate from the investment objectives stated in the Sales Prospectus and Management Regulations. In general, it should be pointed out that the performance of the fund units is largely determined by the changes in stock prices on each market day for the assets held in the Fund and the earnings.

The Management Company is authorised, while paying due attention to the principle of risk diversification, to invest up to 100% of the Fund's assets in securities from different issues which are issued or guaranteed by an EU Member State or its regional public authorities, by a non-EU OECD member country or by international public organisations to which one or more EU Member States belong. These securities must have been issued as part of at least six different issues, with securities from one and the same issue not making up more than 30% of the net fund assets.

(b) Notes on techniques for efficient portfolio management

Pursuant to the amended CSSF Circular 08/356, the CSSF Circular 13/559, supplemented by the CSSF Circular 14/592 and the ESMA Guidelines ESMA/2014/937 (the “ESMA Guidelines”), efficient portfolio management techniques may be used for the Fund. Of these, the Fund currently only uses derivative transactions that can be concluded in any form. Securities financing transactions are currently not used.

All income resulting from techniques for efficient portfolio management, less direct and indirect operational costs, is paid to the UCITS (Fund) and forms part of the UCITS' net asset value.

The Fund's annual report will contain information on income from efficient portfolio management techniques for the sub-funds' entire reporting period, together with details of the sub-funds' direct (e.g. transaction fees for securities, etc.) and indirect (e.g. general costs incurred for legal advice) operational costs and fees, insofar as they are associated with the management of the corresponding Fund/sub-fund.

The Fund's annual report will provide details on the identity of any companies affiliated with Universal-Investment-Luxembourg S.A. or the Depositary of the Fund that receive direct and indirect operational costs and fees.

All income arising from the use of techniques and instruments for efficient portfolio management, less direct and indirect operational costs, accrue to the Fund in order to be reinvested in line with the Fund's investment policy. The counterparties to the agreements on the use of techniques and instruments for efficient portfolio management are selected according to the Management Company's principles for executing orders for financial instruments (the "best execution policy"). These counterparties will essentially comprise recipients of the direct and indirect costs and fees that are incurred in this connection. The costs and fees to be paid to the respective counterparty or other third party will be negotiated on market terms.

In principle, the counterparties are not affiliated companies of the Management Company.

The use of derivatives must not, under any circumstances, cause the Fund to deviate from its investment policy as described in this Sales Prospectus, or expose the Fund to additional significant risks that are not outlined herein.

The Fund may reinvest cash which it receives as collateral in connection with the use of techniques and instruments for efficient portfolio management, pursuant to the provisions of the applicable laws and regulations, including CSSF Circular 08/356, as amended by CSSF Circular 11/512, and the ESMA Guidelines.

(c) Notes on risks

The special risks of each sub-fund based on their investment policies can be found in the table entitled "The sub-funds – an overview".

aa) Risks associated with fund units

Investing in fund units is a form of investment that is characterised by the principle of risk diversification. However, the risks associated with investing in fund units – particularly as a result of the Fund's investment policy, the assets held in the Fund and the transactions in the units – cannot be excluded. With regard to their risks and rewards, fund units are comparable to securities, and possibly in combination with the instruments and techniques employed.

In the case of units denominated in a foreign currency, the exchange rates entail risks and rewards. It must also be considered that such units are exposed to what is referred to as "transfer risk". The purchaser of the units only makes a profit on selling his units if the increase in value exceeds the front-end load paid at the time of purchase, taking into account the redemption fee. In the case of just a brief duration of the particular investment the front-end load may reduce the performance for the investor or even result in losses.

There is a risk of loss in the case of assets held abroad in particular which can result from insolvency, failures in the duty of care or abusive conduct by the depositary or a sub-custodian (**depository risks**).

The Fund may fall victim to fraud or other criminal acts. It may suffer losses as a result of misunderstandings or errors on the part of employees of the Management Company or external parties or due to external events such as natural disasters (**operational risks**).

bb) Risks entailed by the Fund's investments

General risks inherent in securities

When choosing investments, the expected performance of the assets takes priority. It should be noted that, in addition to the opportunities for price gains and income, securities are exposed to the risk that their price will fall below the original price paid at the time of purchase.

Risks entailed by shares

Experience tells us that the prices of shares and share-like securities (e.g. index certificates) are subject to major fluctuations. They therefore offer opportunities for considerable gains in price although there are also corresponding risks to be considered. The factors influencing the price of shares are in particular the profit development of individual enterprises and sectors as well as general economic developments and political perspectives which determine expectations on the stock markets and ultimately the pricing.

Risk in the case of fixed-rate and variable-rate securities and zero-coupon bonds

Factors which influence changes in the prices of interest-bearing securities are above all the development of interest rates on the capital markets which are in turn affected by general economic factors. With rising capital market interest rates, interest-bearing securities may suffer falls in price, whilst they may rise when interest rates on the capital markets fall. The changes in price also depend on the term or remaining term of the interest-bearing securities. As a rule, interest-bearing securities with shorter terms are exposed to lower price risks than interest-bearing securities with longer terms. However, this generally means that lower yields have to be tolerated as well as higher reinvestment costs because of the more frequent (shorter) maturities of the securities held.

Variable-rate securities are less exposed to interest rate risk than fixed-rate securities since in this case interest rate risk results from uncertain expectations of the future level of the market interest rate.

Duration management is a possible means of controlling interest rate risk. The duration is the weighted lock-in period for the capital employed. The longer the duration of a security, the more strongly the security will react to changes in interest rates.

Because of their comparatively longer term to maturity and the lack of regular interest payments, securities without regular interest payments and zero-coupon bonds react to a higher degree than fixed-rate securities to changes in the interest rates. During periods of rising capital market interest rates the marketability of such debt securities may be restricted.

Legal and tax risk

Changes to tax regulations and tax assessment of circumstances in the various countries in which the respective sub-fund holds assets, the unitholders' country of domicile, and to the respective sub-

fund's country of domicile may have adverse effects on the tax situation of the respective sub-fund or its unitholders.

The treatment of funds for legal and tax purposes can change in unpredictable ways that cannot be influenced.

From 1 January 2018, certain income generated in Germany (in particular income from dividends, rent and gains from the sale of property) will have to be taxed at fund level. Exemptions to this fund-level taxation are only possible if the fund units are held by certain tax-privileged investors or held under old-age provision or basic pension agreements (Riester/Rürup pension plans).

In particular, from 2018, investors will not be exempt from paying tax on gains from the sale of shares, and withholding taxes levied on income earned by the Fund will not be deducted at investor level.

To compensate for prior tax charges, investors may, subject to certain conditions, be entitled to receive part of the income earned by the Fund as a tax-free lump sum (referred to as "partial relief"). However, since the partial relief is provided as a flat-rate, this mechanism cannot be relied upon to fully compensate for said charges in all cases. If the applicable partial exemption regime changes, or the requirements relating thereto cease to apply, then the investment unit shall be regarded as sold.

Furthermore, a different assessment of the partial exemption requirements by the financial authorities may also lead to a partial exemption being denied in principle.

ATAD

The European Union has adopted Directive 2016/1164 to combat tax avoidance practices ("ATAD 1"). The Directive implements recommendations for action from the OECD's BEPS project. These include regulations on the taxation of hybrid mismatches, interest deduction restrictions, regulations on the taxation of additions and a general tax abuse regulation. Luxembourg has transposed ATAD 1 into national law and has applied these rules since 1 January 2019. ATAD 1 was supplemented by the amending directive of 29 May 2017 ("ATAD 2") in relation to hybrid arrangements with third countries. While ATAD 1 provided rules for certain hybrid mismatches between Member States, ATAD 2 extends the scope of the Directive to various other mismatches between Member States and to mismatches between Member States and third countries. The requirements of ATAD 2 have also been transposed into national law in Luxembourg and will be applied from 1 January 2020. An exception to this are the rules on "reverse hybrid mismatches", which Member States will only have to apply in national law from 1 January 2022. The impact of the BEPS Action Plan and of ATAD 1 and ATAD 2 may result in additional tax charges at the level of the Fund, target funds, alternative investment vehicles, holding companies or portfolio companies, which may reduce the value of the Fund's investment without the Management Company being able to legally influence this.

DAC6

In 2017, the European Commission proposed new transparency obligations for intermediaries such as tax advisers, auditors, banks and lawyers who design and market tax arrangements for their customers. On 13 March 2018, EU member states reached a political agreement on new transparency rules for such intermediaries. As a result, the EU Directive on administrative cooperation in the field of taxation (2011/16/EU) was amended by EU Directive 2018/822. Accordingly, users and intermediaries will have to report information on cross-border tax arrangements to their competent tax authority under new reporting obligations ("DAC6"). This information is subject to an automatic exchange of information among EU member states. These rules require affected intermediaries and subsidiary users to report the details of relevant arrangements made after 25 June 2018.

There is a possibility that the new disclosure requirements will impact transparency, disclosure

and/or reporting with respect to the Fund and its investments, as well as investor participation in the Fund.

Risks associated with FATCA and CRS

The Luxembourg FATCA and CRS regulations impose extensive compliance and reporting obligations on the Fund and its sub-funds. In order to comply with these obligations, each investor agrees to provide the AIFM with the relevant voluntary disclosures and provide further documents where necessary (e.g. IRS Form W-8). If there is a change to the information that has been provided, the investor must inform the AIFM without delay (i.e. within thirty (30) days) by transferring the relevant updated form. If an investor fails to comply with this requirement, or does not do so in the specified form and/or at the specified time, and the sub-fund is consequently unable to meet its compliance and reporting obligations, there is a risk of an increased withholding tax retention on payments of investment income from US sources to the sub-funds. Additional potential risks in the event of non-compliance with compliance and reporting obligations include, for example, the imposition of fines of up to EUR 250,000 or the imposition of fines of up to 0.5 percent of the reportable amount (but at least EUR 1,500) by the local authorities. Any tax payments and/or penalties that are imposed on the sub-funds for non-compliance with obligations under the FATCA provisions or penalties for non-compliance with obligations under the CRS provisions may materially affect the value of the shares.

Risks in the case of participation certificates

Under their terms of issue participation certificates mainly have the character of bonds or of shares. The risks entailed by them are similar to those posed by bonds or shares.

Creditworthiness risk

Even with a cautious selection of the securities that are to be acquired, creditworthiness risk, i.e. the risk of loss due to the insolvency of issuers (issuer risk), cannot be excluded.

Credit risk

The Fund may invest part of its assets in government or corporate bonds. The issuers of such bonds may become insolvent, meaning that some or all of the value of the bonds could be lost.

Commodity risk

Commodities are defined as physical goods that are or can be traded on a secondary market, e.g. industrial metals and oil.

In the case of commodities, the price risk is often more complex and volatile than with currencies and interest rates. The markets for commodities can also be less liquid so that changes in supply and demand may impact on prices and volatility. These features of the market can impede price transparency and the effective hedging of commodity risk. No instruments are used in the funds which lead to the physical delivery of the commodities.

Sector risk

Sector risk is the dependence on the performance of corporate profits in a single sector or in related

sectors. It includes risk factors within the business environment over which a company has minimal or no influence.

Counterparty risk

For non-traded transactions there may be a counterparty risk in that the contracting party is either unable to meet his obligations to pay or settles them partially or with a delay. The contract parties are first-rate financial institutions which specialise in such business.

Concentration risk

Risks may arise if the investment is concentrated on certain assets or markets. The Fund is then particularly dependent on the performance of these assets or markets. If the Fund focuses its investment activities on particular countries or regions, its level of risk diversification will be also reduced. As a consequence, the Fund is particularly dependent on the development of individual countries/regions or countries/regions with close ties and the companies domiciled and/or operating in them. Economic or political instability in countries where the Fund invests may lead to the non-payment or partial payment of funds it is owed despite the issuer of the respective security or other asset being solvent. Reasons for this may include currency or transfer restrictions or other legislative changes.

Country risk

If the Fund focuses its investment activities on particular countries, its level of risk diversification will be reduced. As a consequence, the Fund is particularly dependent on the development of individual or related countries and the companies domiciled or operating in them. Investments in emerging markets offer the chance of above-average earnings because of the fast economic growth of such upwardly aspiring markets. However, because of the higher volatility of the market and exchange rates and other default risks, this may entail greater risks.

Liquidity risk

The liquidity of a financial market product is viewed as the ease and speed with which it can be resold at a fair price. For example, it is more difficult to sell a security with low market depth and a low issue volume than the share of a DAX-listed company.

Risks in the case of certificates

Certificates grant the issuer a claim to be paid a redemption amount which is calculated according to a formula set in the particular terms of the certificate and depends on the price of the security underlying the certificate.

Leverage provides above-average risk-reward ratios for various types of certificate. Leverage (also: leverage effect) has the impact of a multiplier; it is brought about when only a fraction of the capital investment is paid in for financial instruments, although the investor has full participation in any price changes of the underlying security. By this means a particular price movement is simplified in relation to the capital employed and may lead to disproportionate profits or losses.

Risk in the case of financial futures

Financial futures (derivatives) can be concluded as traded contracts or as over-the-counter contracts. Exchange-traded contracts are usually more highly standardised, and they have high liquidity and a lower counterparty default risk. In the case of OTC transactions, these characteristics are not always so obvious (see counterparty risk and liquidity risk, among others).

Financial futures can be subdivided into those with a symmetrical risk profile, e.g. futures, forwards, forward exchange rate contracts, swaps, etc. and those with an asymmetrical risk profile, e.g. options, warrants, and derivatives based on option rights, e.g. caps, floors, etc.

Financial futures are associated with considerable opportunities, but also entail risks because only a fraction of the contract volume (margin) has to be paid immediately. If the Management Company's expectations are not fulfilled, the difference between the price used as basis on closing the deal and the market price at the latest at the time the transaction is due must be paid by the Fund. The amount of loss exposure is therefore unknown at the outset and may even exceed any collateral that is provided.

This may render temporary rights acquired through financial futures worthless or reduce their value.

Transactions through which it is intended to restrict or even exclude the risks arising through financial futures transactions may possibly not occur or may entail a loss-making market price.

The risk of loss increases when credit is used to satisfy obligations arising through financial futures or the commitment from such transactions or the consideration claimable for this is denominated in a foreign currency or unit of account. Listed options and futures also involve a market risk as a consequence of the change in exchange rates, interest rates, etc. or the corresponding underlying securities, e.g. rises and falls in share prices.

Financial futures can be used for investment purposes but also for hedging. Hedging transactions serve to reduce downside risks. Since these hedging transactions can only serve to protect the fund assets or stock prices to a limited extent, it is not impossible for changes in stock prices to have an adverse impact on the development of the fund assets.

Credit default swaps (CDS)

Credit default swaps are credit derivatives that enable the collateral taker to transfer the default risk of the reference debtor of the CDS to the collateral provider. In return for assuming the credit default risk, the collateral taker pays a premium to the collateral provider and in return receives compensation in the event of default by the reference debtor. In principle, the Fund may act both as a collateral taker and as a collateral provider.

Currency risks

When investing in foreign currencies or entering into transactions in such currencies there are risks and opportunities for changes in the exchange rates. It must also be considered that such investments in foreign currencies are exposed to what is referred to as “transfer risk”.

Note concerning borrowing by the Fund

The interest incurred by borrowing will reduce the Fund's performance. However, such charges may enable the Fund's income to be increased by taking up credit.

Potential conflicts of interest

The Management Company maintains appropriate and effective organisational and administrative arrangements for taking any appropriate measures to identify, prevent, resolve and monitor conflicts of interest in order to prevent them from adversely affecting the interests of the Fund and its unitholders.

The Management Company, its employees, agents and/or affiliates may act as a director, investment adviser, portfolio manager, central administration agent or registrar and transfer agent, or otherwise act as service provider to the Fund or sub-fund. The function of the Depositary, or of sub-custodians that are entrusted with custody functions, may also be performed by an affiliated company of the Management Company. The Management Company is aware that conflicts of interest may arise as a result of the various activities it carries out with respect to the management of the Fund/sub-fund. In accordance with the Law of 17 December 2010 and the applicable administrative provisions of the CSSF, the Management Company has put in place adequate and appropriate organisational structures and control mechanisms. In particular, it acts in the best interest of the Fund or sub-funds and ensures that conflicts of interest are avoided. Any conflicts of interest which may arise from the delegation of tasks are described in the “Principles for dealing with conflicts of interest”, which is published on the Management Company's website (www.universal-investment.com). Where investors' interests are affected by the occurrence of a conflict of interest, the Management Company will disclose the nature or sources of the existing conflict of interest on its homepage. When outsourcing tasks to third parties, the Management Company ensures that the third parties have taken the necessary measures to comply with all the organisational and conflict of interest requirements as specified in the applicable Luxembourg laws and regulations, and that they monitor compliance with these requirements.

Inflation risk

Inflation risk means the danger of financial losses as a result of the devaluation of currency. Inflation can lead to the reduction of the Fund's earnings and the value of its investments with regard to purchasing power. Individual currencies are subject to varying degrees of inflation risk.

Risks associated with real estate investment trusts (REITs)

The Fund invests in shares of REITs (Real Estate Investment Trusts) which are traded on a regulated market, or in companies that qualify as such, as well as in shares of other listed real estate companies.

Investments in REITs, securities comparable to REITs, or listed property shares may involve very large fluctuations in value. REITs, companies which qualify as REITs, and other stock exchange-listed property companies comprise publicly traded assets which are organised – in particular under foreign law – in the legal form of a trust, or as a corporation, or in a similar way based on the

investment policy described in this Issuing Document, and in which the invested funds are combined and primarily invested in commercial property.

These companies may invest in a wide range of properties or they may specialise in a specific type of property, such as office and commercial properties, shopping centres, hotels, residential properties, public buildings etc. When purchasing REITs, companies which are comparable to REITs and shares in real estate companies, account must be taken of risks resulting from the type of company, risks connected with the potential departure of shareholders, and the risks of changes in the framework conditions relating to taxation legislation and social legislation. This applies in particular if the issuers of the investment securities have their registered address abroad. It must also be considered that if shares are acquired in property companies they may be subject to obligations and risks which are difficult to identify.

Finally, if it is intended to sell the securities there may not be sufficient liquidity on the respective stock exchange despite the stock exchange listing. The value of property may fluctuate, for example as a result of the general or local economic conditions, an excessive level of building activity and increased competition, rising land taxes and operating costs, changes to building regulations, losses due to property damage or compulsory purchases, government/local authority restrictions on rent levels, changes in the value of a residential district, changes in the assessment of the attractiveness of properties from the viewpoint of the tenants, and rising interest rates. In addition to changes in the value of the properties on which they are based, the value of REITs and other companies may also be adversely affected by the failure of borrowers, tenants or lessees to fulfil payment obligations.

Notes on risks in relation to contingent convertibles

In contrast to convertible bonds and bonds-cum-warrants, contingent convertible bonds must generally be converted into shares or else the capital must be completely or partially depreciated if the issuer fails to achieve the minimum equity ratio. Contingent convertible bonds are mostly issued by financial intermediaries, which entails specific risks.

Investments in contingent convertible bonds may present the following risks inter alia:

Risk of maturity extension:

Some contingent convertible bonds are issued as instruments with unlimited duration that can only be terminated at pre-set levels with the consent of the competent authority.

Capital structure-inversion risk:

Contrary to classic capital hierarchy, investors in contingent convertible bonds may suffer a loss of capital when equity holders do not.

Conversion risk:

It can be difficult for the portfolio manager and/or the co-portfolio manager of the relevant fund to evaluate how the securities will behave during conversion. In the case of conversion into equity capital, the portfolio manager and/or co-portfolio manager may be forced to sell these new equity holdings, because under the investment strategy of the relevant fund no equity capital is allowed in the portfolio. This forced sale may in turn lead to liquidity problems with these holdings.

Cancellation of coupon payments:

With many contingent convertibles bonds, coupon payments can be cancelled by the issuers at any time and for arbitrarily long periods.

Industry concentration risk:

Investments in contingent convertible bonds may lead to an increased industry concentration risk because this type of security is issued by a limited number of banks.

Threshold value risks:

Threshold values are set in different ways; depending on the difference between equity capital and the threshold value, they determine the extent of the conversion risk. It can be difficult for the portfolio manager of the relevant fund to anticipate the event that triggers the conversion of debts into capital.

Unknown risks:

The structure of the instrument is innovative and has not yet been tested.

Valuation and depreciation risks:

The value of contingent convertible bonds may have to be reduced to the relevant approved markets due to the higher risk of overvaluation of this type of unit class. Therefore, a fund may lose the entire investment or be forced to accept cash or securities with a value below that of the original investment.

Yield/valuation risk:

The often attractive yields of contingent convertible bonds attract investors, but this can also be regarded as a complexity premium.

Compliance with the statutory data protection provisions

The General Data Protection Regulation (GDPR) came into force on 25 May 2018 and it replaces the data protection laws which applied previously within the European Union. The aim of the GDPR is to unify national data protection laws throughout the European Union and simultaneously to modernise the law so as to adapt it to new technological developments. The GDPR is automatically binding on companies which process personal data (data controller or processor) in all EU Member States without national implementation being required. The GDPR has, in particular, a greater extra-territorial scope, and it will have significant effects on any data controller or processor which is domiciled in the European Union and which offers goods or services for data subjects in the European Union or which monitors the behaviour of data subjects within the European Union. The new regulation imposes more onerous operational requirements on data controllers and data processors, and for non-compliance with the GDPR it introduces significant penalties and monetary fines of up to 4% of total annual worldwide turnover or EUR 20 million (whichever amount is greater) depending on the type and seriousness of the breach.

Further developments on legislation relating to privacy can be anticipated. The currently applicable ordinance relating to privacy and electronic communication (the Privacy and Electronic Communications Directive) is being superseded by the Regulation on Privacy and Electronic Communications (the "ePrivacy Regulation") which aims to strengthen trust and security within the digital single market by updating the legal framework of ePrivacy. The "ePrivacy Regulation" is currently being finalised, and it should come into force in the near future.

Compliance with the current and future privacy, data protection and information security legislation could have a considerable effect on existing and planned data protection and information security practices. This includes the gathering, use, passing on, storage and protection of personal data as well as some of the current and planned business activities of the Fund. Non-compliance with these laws may lead to monetary fines, sanctions or other penalties which may have a significant adverse effect on the operating result and the overall business as well as the company's reputation.

(d) Risk management procedure

The Management Company has set up a risk management procedure to describe all framework conditions, processes, measures, activities and structures required in order to efficiently and effectively implement and develop the risk management and risk reporting system. In accordance with the Act of 17 December 2010 and the applicable supervisory authority documents from the CSSF (CSSF Circular 11/512 of 30 May 2011 and ESMA Guidelines 10-788 of 28 July 2010), the Management Company shall report regularly to the CSSF on the risk management procedure applied. The CSSF supervisory authority documents set out the code of conduct to be observed by undertakings for collective investment in transferable securities with regard to the application of a risk management procedure and the use of derivative financial instruments. In the CSSF supervisory authority documents, funds subject to Part 1 of the Law of 17 December 2010 shall be provided with additional information on the use of a risk management procedure within the meaning of Article 42(1) of the Law of 2010 as well as on the use of derivative financial instruments within the meaning of Article 41(1)(g) of this law.

The risk management principles set out in the supervisory authority documents must enable, for example, measurement of the market risk (including the overall risk) which is of potential significance for the funds with regard to their investment objectives and strategies, the management styles or methods used to manage the funds and the valuation processes, and which therefore could also have a direct impact on the interests of the unitholders of the managed funds.

To this end, the Management Company makes use of the following methods as provided for by law:

Commitment approach:

With the commitment approach, the positions from derivative financial instruments are converted into their corresponding underlying instrument equivalents using the Delta approach (for options). Any netting and hedging effects between derivative financial instruments and their underlying instruments are taken into account. The total of these equivalent positions in the underlying instruments must not exceed the total net value of the Fund portfolio.

Value-at-Risk (VaR) approach:

The VaR figure is a mathematical/statistical concept which is used as a standard risk measure in the financial sector. The VaR indicates the level of losses during a specific period (the "holding period") that will not be exceeded with a specific level of probability (the "confidence level").

Relative VaR approach:

In the relative VaR approach, the VaR (99% confidence level, 1-day holding period, 1-year period under consideration) of the Fund may not exceed the VaR of a derivative-free reference asset by more than a specific proportion (the VaR limit ratio). The reference assets are basically an approximate representation of the Fund's investment policy.

Absolute VaR approach:

In the absolute VaR approach, the VaR (99% confidence level, 1-day holding period, 1-year period under consideration) of the Fund may not exceed a specific proportion of the Fund's assets.

Leverage:

The leverage of derivatives may result in a greater impact – both positive and negative – on the value of the respective sub-fund assets than would be the case with the direct acquisition of securities and other assets. In this respect, their use is associated with special risks.

The point is made that regardless of the maximum limit of market risk prescribed by law which arises from the relative VaR calculation, the leverage effect may be higher because its calculation is based

on the total notional values (sum of the notionals) of the derivatives held by the Fund. Any effects from reinvestment arising from collateral are also taken into account. The actual leverage effect is subject to fluctuations on the securities markets over time and may therefore also in the end be greater due to extraordinary market conditions.

Due to the leverage calculation method used in accordance with the total notional values method, the calculated leverage can be considerable and is not necessarily in line with investors' expectations with regard to the direct leverage effect. The expected leverage should therefore not be perceived as a target value, but rather as the expected value of the leverage applied. Accordingly, the actual leverage may differ from the expected value given. As a consequence, the information on the expected leverage should not be perceived as a form of investment limit that, if exceeded, requires payment of compensation.

(e) Issue, redemption and conversion of units

Units are purchased and sold on the basis of this Sales Prospectus and the Management Regulations, each in the latest applicable version, as well as the Key Investor Information document. This Prospectus is valid only in conjunction with the latest respective annual report, and also the latest semi-annual report, should the annual report be older than eight months. It is not permissible to give information or explanations which deviate from the Sales Prospectus.

If the data given in the Sales Prospectus changes, the current information must be taken from the annual and semi-annual report. This Sales Prospectus together with the Management Regulations in the latest valid version, the latest annual report and additionally the latest semi-annual report, should the annual report be older than eight months, and the Key Investor Information document shall be provided to unitholders free of charge from the registered office of the Management Company, the Depositary and any Paying Agent.

In connection with the legal provisions concerning anti-money-laundering and counter-terrorism measures and to prevent the use of the financial sector for the purposes of money-laundering and financing terrorism, it is pointed out that the purchaser of units must provide identification to the Management Company itself, the Registrar and Transfer Agent or another agency which receives the customer's purchase agreement. The Paying Agents take receipt of money from customers.

The Management Company is empowered to issue new fund units on a continuous basis. It does, however, reserve the right to stop issuing fund units, either on a temporary or permanent basis. Payments that have already been made shall be refunded immediately in such event.

If Universal-Investment-Luxembourg S.A. resumes issuing units, the Management Company shall notify unitholders and those who wish to become unitholders by means of publication on the Management Company's website (www.universal-investment.com) and shall include this in the Sales Prospectus accordingly (if necessary).

Units in the Fund may be acquired at the issue price on any valuation day in accordance with Article 5 of the Management Regulations from the Management Company, the Depositary and from the Paying Agents of the Fund. Should the Management Company decide at a particular time to cease issuing new units either temporarily or permanently, units may only be acquired by way of purchase from an existing investor. The Management Company may issue fractions of up to 0.001 of a unit. Unitholders are informed that units held by Clearstream are registered in the name of the respective Depositary (Clearstream).

The net asset value is not known at the time the units are issued or redeemed. Purchase and sales orders for units of the sub-fund which are received by 1 p.m. (Luxembourg time) on a valuation day

on which the Registrar and Transfer Agent has received the order shall be settled on the basis of the issue and redemption prices for this valuation day. Purchase and sale orders received by the Registrar and Transfer Agent after 1 p.m. (Luxembourg time) shall be settled on the basis of the issue and redemption prices for the following valuation day. The valuation days for each sub-fund are shown in the table entitled "The sub-funds – an overview".

Furthermore, swap orders are accepted at the above-mentioned paying agents. Fund units may be redeemed at the Management Company, Depositary or a Paying Agent on any valuation day in accordance with the acceptance deadlines applicable to the sub-fund concerned and less any redemption fee payable in favour of the Management Company.

In compliance with CSSF Circular 04/146, the Management Company prohibits all practices associated with market timing/late trading. The Management Company is entitled to reject applications for subscription and/or conversion from an investor if it suspects that the investor is applying such practices. In this case, the Management Company reserves the right to take all necessary measures in order to protect the remaining unitholders.

Information on the issue and the redemption prices is available from the registered offices of the Management Company, Depositary and Paying Agents of the Fund, and is published in accordance with the legal provisions of each country in which the units are authorised for public distribution, as well as on the Management Company's website (www.universal-investment.com).

Units in a unit class may be converted into units of another unit class of the same or a different sub-fund using the method shown in the table entitled "The sub-funds – an overview".

If it appears to the Management Company that a person who is or shall be excluded from holding units in the Fund, acting either individually or with another person, is a beneficial or registered owner of units, it may compulsorily seize these units.

In addition, the Management Company or an authorised representative must register the Fund's ultimate beneficial owners in the Luxembourg register of beneficial owners in accordance with the provisions of the Luxembourg Law of 13 January 2019 on the register of beneficial owners (registre des bénéficiaires effectifs) ("RBE Law"). As a result, certain beneficial owners who satisfy the conditions of the RBE Law are entered in this register, which is also available to the public. The Management Company or its authorised representative will contact the beneficial owners concerned prior to their registration in the register.

(f) Repayment of collected management fees to certain investors, and commission sharing agreements

At its sole discretion, the Management Company may agree with individual investors to partially return the management fee already received to such investors. This applies especially if institutional investors invest large amounts directly and on a long-term basis.

The Management Company generally passes on portions of its management fee to intermediaries. This is done as remuneration for sales services on the basis of brokered stocks. This may account for a considerable proportion of said fee. The Management Company does not receive any refunds from the remuneration and reimbursement of expenses that is to be paid from the Fund assets to the Depositary and third parties. Non-cash benefits which are offered by brokers and dealers and used by the Management Company in the interests of investors remain unaffected. The Management Company may enter into agreements with selected brokers pertaining to the provision of research or analysis services for the Management Company, under which the respective broker transfers to third parties, either immediately or subsequently, portions of the payments it receives

pursuant to the relevant agreement from the Management Company for the purchase or sale of assets to brokers. The Management Company will use these broker services for the purposes of managing the investment fund (“commission sharing agreement”).

(g) Annual and semi-annual reports

After the close of each accounting year, the Management Company shall prepare an audited annual report for the Fund. This annual report shall provide information on the Fund's assets, its management and financial results. After the close of the first half of the accounting year, the Management Company shall prepare a semi-annual report for the Fund, which shall provide information on the fund assets and its administration during the corresponding half year. These reports are available free of charge to unitholders from the registered office of the Management Company, Depositary and any Paying Agent.

(h) Use of income

The net income of the Fund resulting from dividends, interest and capital gains, as well as proceeds from the sale of subscription rights and other non-recurring income, can be capitalised and reinvested in the Fund or distributed to the unitholders. The Management Company will make a decision on this. Information about the use of income of the Fund and its unit classes decided on by the Management Company can be found in the annex (“Fund overview”) to the Sales Prospectus.

It is also at the Management Company's discretion whether to distribute capital gains, as well as proceeds from the sale of subscription rights and other income for the Fund in whole or in part.

The associated income equalisation is taken into account.

An income distribution may not exceed the minimum volume of a Fund as prescribed pursuant to the Law of 2010.

(i) Taxation of fund assets and income

The Fund is not subject to any taxes in the Grand Duchy of Luxembourg apart from the “taxe d'abonnement” pursuant to Articles 174 to 176 of the Law of 2010. However, income and profits of the Fund may be subject to withholding tax and other such taxes in countries in which the assets of the Fund are invested. Neither the Management Company nor the Depositary will obtain individual or collective receipts for such taxes.

As a matter of principle, the Fund is subject to a “taxe d'abonnement” amounting to 0.05% p.a., payable quarterly on a pro rata basis on the net assets reported at the end of each quarter. The “taxe d'abonnement” rate falls to 0.01% p.a. if the investment in sub-funds or share classes is restricted to “institutional investors”. An exemption from the “taxe d'abonnement” applies to the value of the units held by the Company in other UCIs insofar as they have already been subject to the “taxe d'abonnement”.

The Fund's dividend distributions are not subject to any Luxembourg withholding tax and are not taxed in Luxembourg in the case of shareholders who do not have their tax domicile in Luxembourg.

Purchasers of fund units are recommended to obtain advice on the laws and regulations (e.g. those concerning the tax system and foreign exchange controls) applicable to the purchase, holding and sale of units as well as the receipt of income in their place of origin, permanent or temporary

residence.

j) Data protection / Privacy statement

Certain personal data of investors (especially the name, address and investment amount of each investor) may be collected and/or processed and used by the Fund and the Fund Manager.

The Fund and the Fund Manager are obliged to safeguard the privacy and integrity of any personal data contained in a document that is provided by the investor as well as any other personal data that is gathered in the course of the relationship with the Fund. The Fund – and/or the Management Company on its behalf – processes personal data in accordance with the applicable data protection laws, including but not limited to Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the “GDPR”).

The investor confirms that he has read and understood the Fund's privacy statement which is available at <https://www.universal-investment.com/de/datenschutz-anleger-ubos>. This data protection declaration may be amended from time to time, and the current version of it is available via the aforementioned link.

(k) Prevention of money laundering

In accordance with the current version of the Luxembourg Law of 12 November 2004 on the fight against money laundering and terrorist financing, the Grand-Ducal Regulation of 1 February 2010, Regulation 12-02 of 14 December 2012 and the relevant circulars and regulations of the Luxembourg Financial Services Supervisory Authority (hereinafter, the “CSSF”), traders according to Article 2 of the Law of 2004 and all the people and companies working in the financial sector are made subject to obligations to fight money laundering and terrorist financing in order to prevent undertakings for collective investment being used for money laundering purposes. This also includes the obligation to identify and verify the identity of investors and investments. **Investors' depositary institutions are required to implement identification and identity verification processes.**

In accordance with these provisions, these identification processes are implemented and, if necessary, detailed verification is carried out by the Management Company or the Registrar and Transfer Agent of the Fund.

Investors must enclose with the subscription documents the legally prescribed documents proving the investors' identity. These documents vary depending on the type or corporate form of the investor. **Investors' depositary institutions are required to implement identification and identity verification processes.**

The Fund and the Registrar and Transfer Agent retain the right to demand appropriate (additional) information which is required in order to verify the identity of an applicant. In the event of a delay or a failure by the applicant to provide the information required for verification purposes, the Management Company or the Registrar and Transfer Agent can refuse the application, and it is not liable for any interest, costs or compensation.

The Management Company reserves the right to refuse an application in full or in part for any reason. The monies paid as part of an application or the corresponding balances are in this case immediately returned to the applicant either into the account that he/she has specified or by post at the applicant's own risk, provided that the identity of the applicant can be reliably established in accordance with the Luxembourg money laundering requirements. In this case, the Fund or the Management Company shall not be liable for any interest, costs or compensation.

The recording of information which is to be provided in this connection together with the investment in the Fund is undertaken exclusively in order to comply with the provisions concerning the prevention of money laundering. All the documents retained in this connection are retained for five years after the ending of the business relationship.

In relation to the undertaking of investments and divestments by the Company, in accordance with and as required by applicable law, the Management Company will exercise sufficient due diligence with regard to the Fund's assets. The Management Company shall also implement increased due diligence obligations in accordance with Article 3 of CSSF Regulation 12-02 if units are subscribed to through an intermediary which acts on behalf of its customers. This is done for the purpose of fulfilling all KYC obligations and obligations to combat money laundering and terrorist financing in accordance with the applicable provisions of the AML/CFT law so that the statutory provisions and regulations applicable to the Fund and the Management Company are fulfilled.

(l) Governing law and contract language

The Fund is subject to the law of the Grand Duchy of Luxembourg. The same applies to the legal relationship between the unitholders and the Management Company.

The German versions of the Sales Prospectus, Management Regulations and other documents and publications are binding.

(m) Investor information

Investors may submit complaints free of charge. Complaints may be sent by post or e-mail to the Management Company. Investors will find free information on the processing of complaints on the Management Company's website (www.universal-investment.com).

Information on contributions that the Management Company receives from third parties or pays to third parties, as well as the method for calculating these contributions, may be found free of charge on www.universal-investment.com. Upon request of the investor, further details on contributions may be given.

Investors may find a brief description of the strategies regarding the use of voting rights by the Management Company free of charge on the website www.universal-investment.com.

In addition, the Best Execution Principles may also be found on the website www.universal-investment.com.

In cases where disputed claims are asserted for the Fund in or out of court, the Management Company may charge a fee of up to 5% of the amounts collected for the Fund, after deducting and offsetting the expenses incurred by the Fund as a result of these proceedings.

The Management Company shall inform investors of the fact that an investor may only assert investor rights in their entirety directly against the UCITS if the investor has been entered into the register of unitholders of the UCITS in its own name. In cases where an investor has invested in a UCI or UCITS via an intermediary agent, which makes the investment in its own name but on behalf of the investor, the investor may not necessarily be able to assert all the investor rights directly against the UCI or UCITS. Investors are advised to be aware of their rights.

Annex – The sub-funds – an overview

I. Salm – SARA Global Convertibles

Sub-fund name	SARA Global Convertibles
Full title of the sub-fund	Salm – SARA Global Convertibles
Currency of the sub-fund	EUR
Investment objective	<p>Taking into consideration the investment risk, the objective of the sub-fund's investment policy is to achieve reasonable growth whilst taking sustainability criteria into account. The sub-fund predominantly invests (at least 51%) globally in convertible bonds, exchangeable bonds and bonds with warrants on securities from domestic and foreign issuers and in certificates. The securities for the sub-fund are examined by the Fund Manager in terms of sustainability. For this purpose, issuers are analysed according to environmental, social and governance (ESG) criteria and sustainability risks are included in the investment process and taken into account. The Fund Manager also applies exclusion criteria.</p> <p>No assurance can be given that the objectives of the investment policy will be achieved.</p>
Investment principles	<p>The sub-fund investment policy is based on growth.</p> <p>To achieve the investment objectives, the assets of the sub-fund are largely (at least 51%) invested globally in convertible bonds, exchangeable bonds and bonds with warrants on securities from domestic and foreign issuers and in certificates.</p> <p>As well as a fixed rate of interest, convertible bonds in a different form evidence the right to switch them for shares in the relevant company. Instead of physical shares, exchangeable bonds may also include a full or partial cash settlement in the amount of the calculated conversion value. With warrant-linked bonds, the claim to a coupon and redemption as well as the right to acquire shares may co-exist – in other words, the shares can be acquired by exercising the option in addition to the bond.</p> <p>Depending on the market situation, shares for the sub-fund may be acquired by exercising conversion rights or may be purchased directly.</p> <p>In accordance with Article 41(1)(e) of the Law of 17 December 2010, a maximum of 10% of the sub-fund's net assets may be invested in target funds (UCITS and other UCIs).</p> <p>A maximum of 10% of the net sub-fund assets may be invested in 1:1 certificates on (shares, indices, commodities or currencies). 1:1 certificates are exchange-traded investment instruments which are classified as securities under Article 41(1)(a)–(d) of the Law of 2010 and which do not contain any embedded derivatives. 1:1 certificates on precious metals and commodities may not provide for physical delivery or grant the issuer the right to make a physical delivery of the relevant underlying. Investments in certificates with embedded derivatives are not made.</p> <p>Up to 10% of the Fund's assets may be invested in closed-ended real estate investment trusts (REITs), provided these qualify as eligible securities.</p> <p>Financial derivative instruments (FDIs) may be used for investment and hedging purposes. Credit default swaps (CDS) in particular can be used.</p> <p>No direct or indirect investments shall be made in asset-backed securities (ABS) or mortgage-backed securities (MBS).</p> <p>The Fund may hold a maximum of 20% of the NAV in the form of sight deposits.</p> <p>Note: Of the possible techniques for efficient portfolio management, the sub-fund currently only uses derivative transactions, which can be concluded in any form. At present, the sub-fund does not currently use any securities financing transactions or total return swaps in accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. If the Management Company intends to use other</p>

	<p>techniques for efficient portfolio management or securities financing transactions for the sub-fund, this Sales Prospectus shall be amended accordingly.</p> <p>The principal adverse impacts (PAIs) on sustainability factors are not considered in the investment process at the level of the Management Company because the Management Company does not pursue a general strategy across funds for the consideration of PAI.</p> <p>Even though the PAIs are not considered at entity level, the adverse impacts on sustainability factors are part of the investment strategy of the fund and are therefore considered in a binding way.</p> <p>Further pre-contractual disclosure for sustainable investments and taking into account principal adverse impacts on sustainability factors is provided in the annex "Pre-contractual disclosure Article 8 Disclosure Regulation".</p>			
Investor profile	The Fund is designed for investors who are able to assess the risks and the value of the investment. The investor must be prepared and able to deal with significant fluctuations in the value of the units, and potentially a considerable capital loss. The Fund is suitable for investors with a medium-term or long-term investment horizon.			
Management Company	Universal-Investment-Luxembourg S.A., Luxembourg			
Depository	UBS Europe SE, Luxembourg Branch			
Registrar and Transfer Agent	European Fund Administration S.A.			
Paying Agent in Luxembourg	UBS Europe SE, Luxembourg Branch			
Portfolio manager	Salm-Salm & Partner GmbH			
Valuation day pursuant to Article 5 of the Management Regulations	Whole banking days which are trading days in both Luxembourg and Frankfurt am Main, except 24 and 31 December.			
Payment of issue and redemption price	Two banking days after the relevant valuation day.			
Cut-off time for subscription/redemption	13:00 (Luxembourg time)			
Financial year	1 October to 30 September			
Fund term	Indefinite			
Publication in the RESA and deposit with the Register of Trade and Companies	Notice of deposit of the Management Regulations for the first time on 10 August 2012 and most recently on 29 June 2022.			
Unit classes	UC V	UC I	UC R	UC N
Currency	EUR	EUR	EUR	EUR
Securities ID number	A0KE9P	A1C322	A1J2PW	tbc
ISIN code	LU0264979492	LU0535037997	LU0815454565	tbc

Initial issue price (excluding front-end load)	As of 1 October 2012 the assets of the FG&W Fund – Salm Global Convertible Progressive were transferred to this Fund.		EUR 100	EUR 100
Minimum investment amount	EUR 50			EUR 10,000,000.00
Savings plans for registered units held in the unit register, monthly/quarterly from:	EUR 50 / EUR 50			No
Type of unit issued	The units are issued as bearer units and as registered units.			
Currently valid front-end load	Up to 4.50%			0%
Currently valid redemption fee	None at present			
Launch date / Activation date	Merger 1 October 2012	Merger 1 October 2012	3 October 2012	tbc
Use of earnings	Distribution			
Taxe d'abonnement	0.05%			0.01% ¹
Portfolio Manager fee	Up to 1.10%	Up to 0.80%	Up to 1.30% ²	Up to 0.40%
Unit classes	UC USD		UC P	
Currency	USD		EUR	
Unit classes hedging	Yes, ratio: 95%-105%		No	
Securities ID number	A2N4VN		A2PQNS	
ISIN code	LU1860403507		LU2044937584	
Initial issue price (excluding front-end load)	USD 100		EUR 100	
Minimum investment amount	USD 50		EUR 25 million	
Savings plans for registered units held in the unit register, monthly/quarterly from:	None			
Type of unit issued	Units are issued as bearer units and as registered units.			

¹ Unit class reserved for institutional investors.

² A sales agent fee of up to 0.75% p.a. is deducted from the Portfolio Manager fee of unit class R.

Currently valid front-end load	Up to 4.50%	
Currently valid redemption fee	None at present	
Launch date / activation date and place of launch	26 January 2021	26 July 2021
Use of earnings	Distribution	
Taxe d'abonnement	0.05%	0.01% ³
Portfolio Manager fee	Up to 0.80%	0.40%
Performance fee (exclusively UC R)	<p>In addition, the Portfolio Manager for unit class R may receive a performance fee per unit issued of up to 10% of the amount by which the unit value at the end of an accounting period exceeds the unit value at the beginning of the accounting period by 5% ("hurdle rate").</p> <p>However, the amount of the performance fee charged may not exceed a total of 2.5% of the average net asset value of the Fund in the accounting period, calculated from the values at the end of each valuation day ("maximum performance fee").</p> <p>Sentence 1 shall also apply to each unit class in the event that unit classes are formed. If the unit value at the beginning of the accounting period is lower than the peak unit value of the sub-fund or of the unit class in question achieved at the end of the five preceding accounting periods (hereinafter, "high-water mark"), the high-water mark is used instead of the unit value at the beginning of the accounting period in order to calculate the unit value performance in accordance with sentence 1. If there are fewer than five preceding accounting periods for the sub-fund or the unit class in question, all the preceding accounting periods are taken into account when calculating the fee entitlement.</p> <p>The accounting period begins on 1 October and ends on 30 September of a calendar year. The first accounting period begins with the launch of the sub-fund or the respective unit class in question and ends – if the launch does not take place on 1 October – on the second 30 September following the launch.</p> <p>The unit value performance is to be calculated according to the BVI method⁴.</p> <p>Before the performance fee is withdrawn, all costs that can be charged to the sub-fund must be deducted (net of cost).</p> <p>Any performance fee incurred by the sub-fund will be deducted in accordance with the result of a daily calculation for each issued unit, or a provision that has already been booked will be accordingly reversed. Reversed provisions accrue to the sub-fund. A performance fee may only be withdrawn if corresponding provisions have been formed.</p> <p>The portfolio manager may charge a reduced performance fee, or not charge one at all, for the sub-fund or one or more unit classes. The Management Company specifies the performance fee charged for each unit class in the annual and semi-annual report.</p>	

³ Unit class reserved for institutional investors.

⁴ An explanation of the BVI (Bundesverband Investment und Asset Management e.V.) method is available on the BVI homepage (www.bvi.de).

The calculation method as well as the performance fee model, as described above, are based on the formula shown below.

Formula and example for calculating the performance fee “Salm – SARA Global Convertibles”

$$HWM_t = \text{MAX}(AW_{t-1}; AW_{t-2}; AW_{t-3}; AW_{t-4}; AW_{t-5})$$

$$PERF_FEE_t = \text{MIN}(\text{PART} * \text{MAX}(\text{PERF}_{\text{FUND(HWM)}}_t - \text{PERF}_{\text{HURDLE}}_t; 0); \text{CAP}) * \text{NAV}_{\text{DIVIDED BY } t}$$

:

- **PERF_FEE:** Performance fee in the currency of the unit class at the end of period t
- **PART:** Participation
- **CAP:** CAP – Maximum share of the performance fee in the average net asset value for the period
- **PERF_{FUND(HWM)}:** Performance of the Fund in period t at the current high-water mark (HWM t)
- **PERF_{HURDLE}:** Hurdle rate performance in period t
- **NAV_{DIVIDED BY}** average net asset value of the unit class in period t
- **AW_{t-1;2;3;4;5}:** Unit value at the end of period t-1, t-2, t-3, t-4, t-5

Explanation of terms and sample calculations:

- **Performance (Perf.) of the Fund:** The performance of the Fund is always considered over a one-year period (accounting period), beginning on 01 October and ending on 30 September of each year. The first accounting period begins with the launch of the Fund and ends if the launch
- **High-water mark (HWM):** The HWM is the highest value of the unit values at the end of the last five accounting periods
- **Performance (Perf.) of the Fund at HWM:** The performance of the Fund at HWM is calculated in accordance with the performance of the Fund, whereby the starting unit value for calculating the performance always corresponds to the current HWM.
- **Hurdle rate performance:** Performance of the hurdle rate during the accounting period.
- **Outperformance to HWM:** Difference between the performance of the Fund (at HWM) and the hurdle rate.
- **Fund assets:** Daily average fund assets in the period under review.
- **Participation:** Percentage of how much of the positive outperformance may be withdrawn from the fund as a performance fee.
- **Performance fee (Perf. fee) absolute:** Performance fee charged to the Fund as costs in the accounting period.
- **Performance fee relative:** Performance fee absolute in relation to average fund assets.
- **Cap:** Maximum percentage share of the average fund assets in the accounting period that the relative performance fee may not exceed.

Period	HWM	Last unit value of the period	Perf. of the Fund	Perf. of the Fund (HWM)	Perf. of the hurdle rate	Outperformance (HWM)	Fund assets	Perf. fee (absolute)	Perf. fee (relative)**
					5% p.a.	Performance fund (HWM) minus performance hurdle rate		Positive outperformance times fund assets times participation	Performance fee (absolute) divided by fund assets
1st year	EUR 100.00	EUR 95.00	-5.00%	-5.00%	5.00%	-10.00%	EUR 50.0 million	-	0%

2nd year	EUR 100.00	EUR 115.00	21.05%	15.00%	5.00%	10.00%	EUR 60.0 million	EUR 600,000	1.00%
3rd year	EUR 115.00	EUR 123.05	7.00%	7.00%	5.00%	2.00%	EUR 70.0 million	EUR 140,000	0.002%
4th year	EUR 123.05	EUR 119.36	-3.00%	-3.00%	5.00%	-7.00%	EUR 65.0 million	-	0%
5th year	EUR 123.05	EUR 153.81	28.86%	25.00%	5.00%	20.00%	EUR 72.0 million	EUR 1,440,000	2.00%

*Participation is 10%

** CAP is 2.5%, i.e. the relative performance fee may not rise above 2.5%.

Depository fee	Up to 0.04% p.a., min. EUR 15,000 p.a.
Sales agent fee (exclusively UC R)	Up to 0.75% p.a. which is paid out of the Portfolio Manager fee of unit class R
Management fee	Up to 0.175% p.a.; up to EUR 55,000 p.a.
Registrar and Transfer Agent fee	Annual register fee: flat fee per sub-fund EUR 4,000 p.a. Plus fee per unit class of EUR 500 p.a. (from the second unit class) Plus transaction and other standard market fees
Currency risks on redemption or conversion of units	Units are denominated in EUR, CHF and USD. There is a currency risk for investors who invest in a different currency.
Countries in which units are offered for sale	Germany, France, Luxembourg, Netherlands, Austria and Switzerland
Risk management procedure	Relative VaR 99% confidence level 1-day holding period, period under consideration: 1 year, daily calculation
Derivative-free benchmark	65% MSCI World Net Return (USD) (ID: XFI000000204 BB: NDDUWI) 35% Bloomberg Global Aggregate Corporate Total Return (EUR) hedged (ID: XFI000001375 BB: BGLCTREH)
Expected leverage	The sub-fund's level of leverage, calculated as the "total of the notional values" of the derivative financial instruments used, is expected to be 100% under normal market conditions, although lower and higher values are possible.
FATCA classification	According to the current Luxembourg FATCA provisions, the sub-fund qualifies as a "restricted fund" pursuant to Annex II, Section IV(E)(5) of the Luxembourg-USA IGA and is therefore deemed to be a non-reporting Luxembourg financial institution as well as a deemed-compliant foreign financial institution. As a result, the following types of investor are not permitted and therefore cannot invest in the sub-fund: <ul style="list-style-type: none"> Specified U.S. persons pursuant to Article 1, Section 1 (et seq.) of the Luxembourg-USA IGA, Non-participating Financial Institutions pursuant to Article 1, Section 1(r) of the Luxembourg-US IGA, and Passive Non-Financial Foreign Entities (NFFEs) with one or more substantial U.S. owners within the meaning of the relevant implementing regulations issued by Department of the Treasury of the United States of America.
CRS classification	Luxembourg financial institution (Investment Entity).
Classification according to the Disclosure Regulation	The sub-fund is classified as an Article 8 sub-fund for the purposes of the Disclosure Regulation.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices. The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Salm - SARA Global Convertibles		Legal entity identifier: 529900GP8DZ3FER4T124	
Environmental and/or social characteristics			
Does this financial product have a sustainable investment objective?			
<input checked="" type="radio"/> <input type="radio"/> Yes		<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No	
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: _____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 		<input type="checkbox"/> It promotes environmental/social characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of _% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective 	
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective is: _____%		<input checked="" type="checkbox"/> Environmental/social characteristics are therefore promoted but no sustainable investments are made.	



What environmental and/or social characteristics are promoted by this financial product?

This (sub-)fund promotes environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

Environmental characteristics relating to environmental issues such as fossil fuel exploration are promoted. Social characteristics relating in particular to employee concerns are promoted.

Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The (sub-)fund applies activity-based exclusions. Companies with the following activities are excluded:

- Pornography/adult entertainment (production) > 5% turnover
- Conventional weapons (production) > 10% turnover
- Coal (production) > 5% turnover
- Gambling (production) > 5% turnover
- Companies that are active in uranium mining (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Companies that are involved in power generation based on atomic/nuclear energy (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Companies that are involved in the operation of nuclear power plants and/or the manufacture of key components for nuclear power plants (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Nuclear weapons (production, downstream activities) > 0% turnover
- Research into human embryos (production) > 0% turnover
- Tobacco (production) > 5% turnover
- Unconventional weapons (upstream activities, production, downstream activities) > 0% turnover
- Abortion (production) > 0% turnover
- Hydraulic fracking of oil and gas (unrecorded revenue from activities other than extraction) (production) > 5% turnover
- Shale sands (production) > 5% turnover

The (sub-)fund applies norms-based screening in relation to UN Global Compact.

The (sub-)fund applies exclusions for countries. The following exclusions are applied:

- Countries with serious violations of democratic rights and human rights are excluded on the basis of Freedom House's assessment.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

Not applicable

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable

● **How have the indicators of adverse impacts on sustainability factors been taken into account?**

Not applicable

● **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? More information:**

Not applicable

The EU Taxonomy sets out a “do not significantly harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria. The principle of "avoidance of significant adverse effects" applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. *Any other sustainable investments must also not significantly harm any environmental or social objectives.*



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, the following PAIs are taken into account:
- CO2 footprint (CO2 footprint of Scope 1 and 2)
 - Exposure to companies operating in the fossil fuel sector (share of investments in companies operating in the fossil fuel sector)
 - Violations of the UNGC Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (share of investments in investee companies in breach of the UNGC Principles or the OECD Guidelines for Multinational Enterprises)
 - A lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and OECD Guidelines for Multinational Enterprises (share of investments in investee companies that have not set up guidelines for monitoring compliance with the UNGC Principles and OECD Guidelines for Multinational Enterprises or procedures for handling complaints due to violations of the UNGC Principles and OECD Guidelines for Multinational Enterprises)
 - The most unmatched gender pay gap (average unadjusted pay gap for the investee companies)
 - Gender diversity in management and supervisory bodies (average ratio of women to men in the management and supervisory bodies of the investee companies, expressed as a percentage of all members of the management and supervisory bodies)
 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons) (share of investments in investee companies involved in the manufacture or sale of controversial weapons)
 - Countries in which investments are made in violation of social provisions (number of countries in which investments are made in accordance with international treaties and conventions, the principles of the United Nations or, if applicable, national law breaching social provisions)
 - Countries in which investments are made in violation of social provisions (percentage of countries in which investments are made in accordance with international treaties and conventions, the principles of the United Nations

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

or, if applicable, national law breaching social provisions)

The Fund takes into account the principal adverse impacts on sustainability factors (PAI) indirectly through exclusion criteria within the selection process, coupled with a norms-based screening, which in particular includes serious controversies and violations in the context of the UN Global Compact.

Information on PAIs is available in the (sub-)fund's annual report (annual reports from 01.01.2023).

No



What investment strategy does this financial product follow?

The **investment strategy** serves as a guide for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

Taking into consideration the investment risk, the objective of the sub-fund's investment policy is to achieve reasonable growth whilst taking sustainability criteria into account. The sub-fund predominantly invests (at least 51%) globally in convertible bonds, exchangeable bonds and bonds with warrants on securities from domestic and foreign issuers and in certificates. The securities for the sub-fund are examined by the Fund Manager in terms of sustainability. For this purpose, issuers are analysed according to environmental, social and governance criteria (ESG) and sustainability risks are included in the investment process and taken into account. The Fund Manager also applies exclusion criteria.

The asset allocation information explains what minimum environmental and/or social safeguards are applied to "Other investments".

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social objectives promoted by this financial product?**

The sustainability indicators described above to measure the achievement of the (sub-)fund's environmental and/or social characteristics are the binding elements of the (sub-)fund's investment strategy.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

Not applicable

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance

- **What is the policy to assess good governance practices of the investee companies?**

An indicator of the degree of orientation of corporate strategies towards sustainable aspects is their positioning to the UN Global Compact. Serious violations by a company of the principles of the UN Global Compact result in the company being excluded.



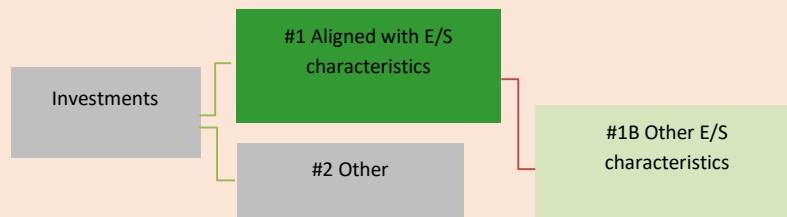
What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in certain assets.

The asset allocation of the (sub-)fund and to what extent the (sub-)fund may assume direct or indirect exposures to companies can be found in the Terms and Conditions of Investment and the investment guidelines of the Prospectus. The minimum share of investments of the (sub-)fund, which are made to fulfil the promoted environmental and/or social characteristics, is 51% of the value of the (sub-)fund's assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for the transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category #1 Aligned with environmental or social characteristics includes the following sub-categories:

The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments

● How does the use of derivatives attain the environmental or social characteristics promoted by this financial product?

Derivatives are used in accordance with the provisions of the Terms and Conditions of Investment and the investment guidelines of the Prospectus. If derivatives may be acquired, they do not explicitly serve to attain the environmental and/or social characteristics of the (sub-)fund and are included under "Other". When selecting derivatives, an environmental and/or social minimum safeguard is ensured. This means derivatives with a non-sustainable underlying asset may not constitute a significant component of the portfolio.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

With regard to the conformity of the EU Taxonomy, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

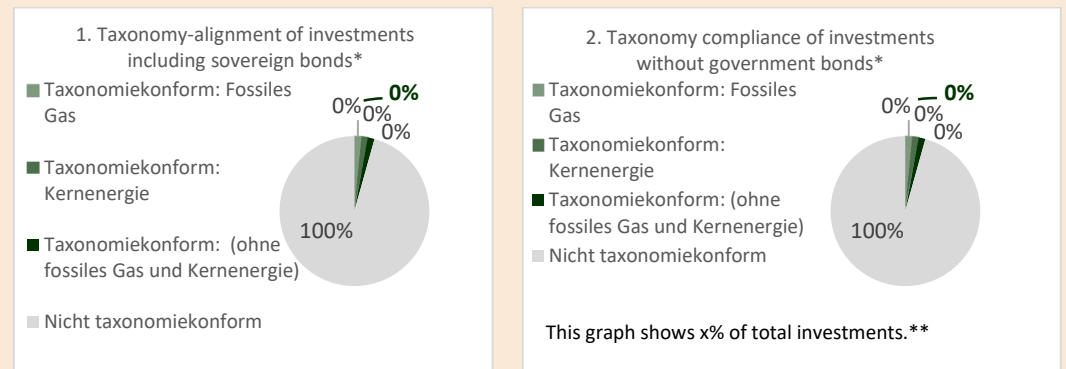
Transitional activities are activities for which low-carbon alternatives are not yet available and which, among other things, have greenhouse gas emission levels corresponding to the best performance.

The minimum level of sustainable investments with an environmental objective as defined by the EU Taxonomy is 0%.

● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy⁵?

- Yes:
- In fossil gas In nuclear power
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purposes of these graphs, "sovereign bonds" consist of all sovereign exposures.

● What is the minimum share of investments in transitional activities and enabling activities?

A minimum share of investments in transitional activities and enabling activities has not been set.

⁵ Activities in the field of fossil gas and/or nuclear energy are only aligned with the EU Taxonomy if they contribute to climate change mitigation ("climate protection") and do not significantly affect the objective of the EU Taxonomy. The full criteria for economic activities aligned with the EU Taxonomy in the field of fossil gas and nuclear energy are laid down in Commission Delegated Regulation (EU) 2022/1214.

** Since there is no Taxonomy alignment, there is no impact on the graph when sovereign bonds are excluded (i.e. the percentage of Taxonomy-aligned investments remains at 0%) and the Management Company therefore believes that it is not necessary to mention this information.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

A minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy has not been set.



What is the minimum share of socially sustainable investments?

A minimum share of socially sustainable investments has not been set.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Other investments are cash to manage liquidity. Derivatives may also be used for hedging and investment purposes.

For other investments that do not fall within the scope of the (sub-)fund's sustainability strategy, it is ensured that they are not used contrarily to the sustainability strategy. To the extent that derivatives may be acquired, it is ensured that the underlying asset complies with the sustainability strategy. If an index is used as the underlying asset, it is ensured that the index has sustainability characteristics. Due to the financial instruments available on the market, the sustainable characteristics of the underlying index may deviate from the (sub-)fund characteristics. All derivatives whose underlying asset may be classified as not in line with the sustainability strategy as well as currency holdings that do not correspond to the (sub-)fund's currency, or which are not denominated in EUR, USD, GBP, CHF or JPY, may not be included as an integral part of the (sub-)fund. It does not include the use of derivatives to offset negative market fluctuations. In addition, targeted investments can be excluded from the sustainability strategy, which are not subject to an explicit assessment of minimum environmental and/or social protection.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● **Is a specific index designated as a benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Not applicable

● **How is the reference benchmark continuously aligned with each of the environmental and social characteristics promoted by the financial product?**

Not applicable

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable

- **How does the designated index differ from a relevant broad market index?**

Not applicable

- **Where can the methodology used for the calculation of the designated index be found?**

Not applicable

Where can I find more product-specific information online?



Further product-specific information can be found at:

<https://fondsfinder.universalinvestment.com/api/v1/LU/LU1860403416/document/SRD/de>

II. Salm – SARA Global Equities Focus

Sub-fund name	SARA Global Equities Focus
Full title of the sub-fund	Salm – SARA Global Equities Focus
Currency of the sub-fund	EUR
Investment objective	<p>With the sub-fund, investors invest in a global equity fund with a flexible investment policy and a broad investment spectrum. The sub-fund invests at least 51% of its assets in global equities. The securities for the sub-fund are examined by the Fund Manager in terms of sustainability. For this purpose, issuers are analysed according to environmental, social and governance (ESG) criteria and sustainability risks are included in the investment process and taken into account. The Fund Manager also applies exclusion criteria.</p> <p>No assurance can be given that the objectives of the investment policy will be achieved.</p>
Investment principles	<p>The sub-fund investment policy is based on growth.</p> <p>In principle, the sub-fund has the possibility of investing, depending on market situation and the fund management's assessment, in shares, bonds, money market instruments, certificates, other structured products (e.g. reverse convertible bonds, warrant-linked bonds, convertible bonds), target funds and time deposits.</p> <p>This sub-fund is an equity fund. Shares make up at least 51% of net sub-fund investments.</p> <p>No more than 20% of net sub-fund assets may be invested in bonds.</p> <p>In accordance with Article 41(1)(e) of the Law of 17 December 2010, a maximum of 10% of the Fund's net assets may be invested in target funds (UCITS and other UCIs).</p> <p>A maximum of 10% of the net sub-fund assets may be invested in 1:1 certificates on (shares, indices, commodities or currencies). 1:1 certificates are exchange-traded investment instruments which are classified as securities under Article 41(1)(a)–(d) of the Law of 2010 and which do not contain any embedded derivatives. 1:1 certificates on precious metals and commodities may not provide for physical delivery or grant the issuer the right to make a physical delivery of the relevant underlying. Investments in certificates with embedded derivatives are not made.</p> <p>Up to 10% of the Fund's assets may be invested in closed-ended real estate investment trusts (REITs), provided these qualify as eligible securities.</p> <p>Financial derivative instruments (FDIs) may be used for investment and hedging purposes. Credit default swaps (CDS) in particular can be used.</p> <p>No direct or indirect investments shall be made in asset-backed securities (ABS) or mortgage-backed securities (MBS).</p> <p>The Fund may hold a maximum of 20% of the NAV in the form of sight deposits.</p> <p>In addition, the following applies for tax purposes:</p> <p>At least 51% of the value of the net sub-fund assets are invested in the following equity interests:</p> <ul style="list-style-type: none"> - units in corporations which are admitted for official trading on a stock exchange or are admitted to or included in another organised market which fulfils the conditions of a regulated market, unless they are units in investment funds. <p>Note: Of the possible techniques for efficient portfolio management, the sub-fund currently only uses derivative transactions, which can be concluded in any form. At present, the sub-fund does not currently use any securities financing transactions or total return swaps in accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012. If the Management Company intends to use other techniques for efficient portfolio management</p>

	<p>or securities financing transactions for the sub-fund, this Sales Prospectus shall be amended accordingly.</p> <p>The principal adverse impacts (PAIs) on sustainability factors are not considered in the investment process at the level of the Management Company because the Management Company does not pursue a general strategy across funds for the consideration of PAI.</p> <p>Even though the PAIs are not considered at entity level, the adverse impacts on sustainability factors are part of the investment strategy of the fund and are therefore considered in a binding way.</p> <p>Further pre-contractual disclosure for sustainable investments and taking into account principal adverse impacts on sustainability factors is provided in the annex "Pre-contractual disclosure Article 8 Disclosure Regulation".</p> <p>The sub-fund is actively managed.</p>			
Investor profile	The sub-fund is designed for investors who are able to assess the risks and the value of the investment. The investor must be prepared and able to deal with significant fluctuations in the value of the units, and potentially a considerable capital loss. The Fund is suitable for investors with a medium-term or long-term investment horizon.			
Management Company	Universal-Investment-Luxembourg S.A., Luxembourg			
Depository	UBS Europe SE, Luxembourg Branch			
Registrar and Transfer Agent	European Fund Administration S.A.			
Paying Agent in Luxembourg	UBS Europe SE, Luxembourg Branch			
Portfolio manager	Salm-Salm & Partner GmbH			
Valuation day pursuant to Article 5 of the Management Regulations	Whole banking days which are trading days in both Luxembourg and Frankfurt am Main, except 24 and 31 December.			
Payment of issue and redemption price	Two banking days after the relevant valuation day.			
Cut-off time for subscription/redemption	13:00 (Luxembourg time)			
Financial year	1 October to 30 September			
Fund term	Indefinite			
Publication in the RESA and deposit with the Register of Trade and Companies	Notice of deposit of the Management Regulations for the first time on 10 August 2012 and most recently on 29 June 2022.			
Unit classes	UC V	UC I	UC R	UC N
Currency	EUR			
Securities ID number	A2ARDF	A2ARDG	A2ARDH	Tbc
ISIN code	LU1480732103	LU1480732285	LU1480732368	tbc

Initial issue price (excluding front-end load)	EUR 50	EUR 50	EUR 50	EUR 100
Minimum investment amount	EUR 50			EUR 10,000,000
Savings plans for registered units held in the unit register, monthly/quarterly from:	EUR 50 / EUR 50			No
Type of unit issued	The units are issued as bearer units and as registered units.			
Currently valid front-end load	Up to 4.50%			0%
Currently valid redemption fee	None at present			
Launch date / activation date and place of launch	14.10.2016	14.10.2016	14.10.2016	tbc
Use of earnings	Distribution			
Taxe d'abonnement	0.05%			0.01% ⁶
Portfolio Manager fee	Up to 1.25%	Up to 0.90%	Up to 1.40% ⁷	Up to 0.40%
Unit classes	UC CHF	UC USD	UC P	
Currency	CHF	USD	EUR	
Unit classes hedging	No			
Securities ID number	A2N4VP	A2N4VQ	A3DKUB	
ISIN code	LU1860403689	LU1860403762	LU2471856406	
Initial issue price (excluding front-end load)	CHF 50	USD 50	EUR 100	
Minimum investment amount	CHF 50	USD 50	EUR 25,000,000	
Savings plans for registered units held in the unit register, monthly/quarterly from:	None			
Type of unit issued	The units are issued as bearer units and as registered units.			

⁶ Unit class reserved for institutional investors.

⁷ A sales agent fee of up to 0.75% p.a. is deducted from the Portfolio Manager fee of unit class R.

Currently valid front-end load	Up to 4.50%		
Currently valid redemption fee	None at present		
Launch date / activation date and place of launch	[*TBD*]	2 June 2020	[*TBD*]
Use of earnings	Distribution		
Taxe d'abonnement	0.05%		0.01% ⁸
Portfolio Manager fee	Up to 0.90%		Up to 0.50%
Performance fee (UC V, I, R, CHF and USD)	<p>Furthermore, the Portfolio Manager for unit classes V, I, R, CHF and USD may receive a performance fee per unit issued of up to 10% of the amount by which the unit value at the end of an accounting period exceeds the unit value at the beginning of the accounting period by 5% ("hurdle rate").</p> <p>However, the amount of the performance fee charged may not exceed a total of 2.5% of the average net asset value of the Fund in the accounting period, calculated from the values at the end of each valuation day ("maximum performance fee").</p> <p>Sentence 1 shall also apply to each unit class in the event that unit classes are formed. If the unit value at the beginning of the accounting period is lower than the peak unit value of the sub-fund or of the unit class in question achieved at the end of the five preceding accounting periods (hereinafter, "high-water mark"), the high-water mark is used instead of the unit value at the beginning of the accounting period in order to calculate the unit value performance in accordance with sentence 1. If there are fewer than five preceding accounting periods for the sub-fund or the unit class in question, all the preceding accounting periods are taken into account when calculating the fee entitlement.</p> <p>The accounting period begins on 1 October and ends on 30 September of a calendar year. The first accounting period begins with the launch of the sub-fund or the respective unit class in question and ends – if the launch does not take place on 1 October – on the second 30 September following the launch.</p> <p>The unit value performance is to be calculated according to the BVI method⁹.</p> <p>Before the performance fee is withdrawn, all costs that can be charged to the sub-fund must be deducted (net of cost).</p> <p>Any performance fee incurred by the sub-fund will be deducted in accordance with the result of a daily calculation for each issued unit, or a provision that has already been booked will be accordingly reversed. Reversed provisions accrue to the sub-fund. A performance fee may only be withdrawn if corresponding provisions have been formed.</p>		

⁸ Unit class reserved for institutional investors.

⁹ An explanation of the BVI (Bundesverband Investment und Asset Management e.V.) method is available on the BVI homepage (www.bvi.de).

The portfolio manager may charge a reduced performance fee, or not charge one at all, for the sub-fund or one or more unit classes. The Management Company specifies the performance fee charged for each unit class in the annual and semi-annual report.

The calculation method as well as the performance fee model, as described above, are based on the formula shown below.

Formula and example for calculating the performance fee “Salm – SARA Global Equities Focus”:

$$HWM_t = \text{MAX}(AW_{t-1}; AW_{t-2}; AW_{t-3}; AW_{t-4}; AW_{t-5})$$

$$PERF_FEE_t = \text{MIN}(\text{PART} * \text{MAX}(\text{PERF}_{\text{FUND(HWM)}}_t - \text{PERF}_{\text{HURDLE}_t}; 0); \text{CAP}) * \text{NAV}_{\text{DIVIDED BY}_t}$$

:

- **PERF_FEE:** Performance fee in the currency of the unit class at the end of period t
- **PART:** Participation
- **CAP:** CAP – Maximum share of the performance fee in the average net asset value for the period
- **PERF_{FUND(HWM)}:** Performance of the Fund in period t at the current high-water mark (HWM t)
- **PERF_{HURDLE}:** Hurdle rate performance in period t
- **NAV_{DIVIDED BY}:** average net asset value of the unit class in period t
- **AW_{t-1;2;3;4;5}:** Unit value at the end of period t-1, t-2, t-3, t-4, t-5

Explanation of terms and sample calculations:

- **Performance (Perf.) of the Fund:** The performance of the Fund is always considered over a one-year period (accounting period), beginning on 01 October and ending on 30 September of each year. The first accounting period begins with the launch of the Fund and ends if the launch
- **High-water mark (HWM):** The HWM is the highest value of the unit values at the end of the last five accounting periods
- **Performance (Perf.) of the Fund at HWM:** The performance of the Fund at HWM is calculated in accordance with the performance of the Fund, whereby the starting unit value for calculating the performance always corresponds to the current HWM.
- **Hurdle rate performance:** Performance of the hurdle rate during the accounting period.
- **Outperformance to HWM:** Difference between the performance of the Fund (at HWM) and the hurdle rate.
- **Fund assets:** Daily average fund assets in the period under review.
- **Participation:** Percentage of how much of the positive outperformance may be withdrawn from the fund as a performance fee.
- **Performance fee (Perf. fee) absolute:** Performance fee charged to the Fund as costs in the accounting period.
- **Performance fee relative:** Performance fee absolute in relation to average fund assets.
- **Cap:** Maximum percentage share of the average fund assets in the accounting period that the relative performance fee may not exceed.

Period	HWM	Last unit value of the period	Perf. of the Fund	Perf. of the Fund (HWM)	Perf. of the hurdle rate	Outperformance (HWM)	Fund assets	Perf. fee (absolute)	Perf. fee (relative)**
					5% p.a.	Performance fund (HWM) minus performance hurdle rate		Positive outperformance times fund assets times participation	Performance fee (absolute) divided by fund assets
1st year	EUR 100.00	EUR 95.00	-5.00%	-5.00%	5.00%	-10.00%	EUR 50.0 million	-	0%
2nd year	EUR 100.00	EUR 115.00	21.05%	15.00%	5.00%	10.00%	EUR 60.0 million	EUR 900,000	1.50%
3rd year	EUR 115.00	EUR 123.05	7.00%	7.00%	5.00%	2.00%	EUR 70.0 million	EUR 210,000	0.003%
4th year	EUR 123.05	EUR 119.36	-3.00%	-3.00%	5.00%	-7.00%	EUR 65.0 million	-	0%
5th year	EUR 123.05	EUR 153.81	28.86%	25.00%	5.00%	20.00%	EUR 72.0 million	EUR 1,800,000	2.50%

*Participation is 15%

** CAP is 2.5%, i.e. the relative performance fee may not rise above 2.5%.

Depository fee	Up to 0.04% p.a., min. EUR 15,000 p.a.
Management fee	Up to 0.175% p.a.; up to EUR 55,000 p.a.
Sales agent fee (exclusively UC R)	Up to 0.75% p.a. which is paid out of the Portfolio Manager fee of unit class R
Registrar and Transfer Agent fee	Annual register fee: flat fee per sub-fund EUR 4,000 p.a. Plus fee per unit class of EUR 500 p.a. (from the second unit class) Plus transaction and other standard market fees
Currency risks on redemption or conversion of units	Units are denominated in EUR, CHF and USD. There is a currency risk for investors who invest in a different currency.
Countries in which units are offered for sale	Germany, Luxembourg, Netherlands, Austria and Switzerland Germany, Luxembourg, Netherlands and Austria
Risk management procedure	Relative VaR 99% confidence level 1-day holding period, period under consideration: 1 year, daily calculation
Derivative-free benchmark	100% MSCI World Net Return (EUR) (ID: XFI00000202 BB: MSDEWIN)
Expected leverage	The sub-fund's level of leverage, calculated as the "total of the notional values" of the financial derivative instruments used, is expected to be 100% under normal market conditions, although lower and higher values are possible.
FATCA classification	According to the current Luxembourg FATCA provisions, the sub-fund qualifies as a "restricted fund" pursuant to Annex II, Section IV(E)(5) of the Luxembourg-USA IGA and is therefore deemed to be a non-reporting Luxembourg financial institution as well as a deemed-compliant foreign financial institution. As a result, the following types of investor are not permitted and therefore cannot invest in the sub-fund: <ul style="list-style-type: none"> Specified U.S. persons pursuant to Article 1, Section 1 (et seq.) of the Luxembourg-USA IGA, Non-participating Financial Institutions pursuant to Article 1, Section 1(r) of the Luxembourg-US IGA, and Passive Non-Financial Foreign Entities (NFFEs) with one or more substantial U.S. owners within the meaning of the relevant implementing regulations issued by Department of the Treasury of the United States of America.

CRS classification	Luxembourg financial institution (Investment Entity).
Classification according to the Disclosure Regulation	The sub-fund is classified as an Article 8 sub-fund for the purposes of the Disclosure Regulation.

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices. The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Salm – SARA Global Equities Focus		Legal entity identifier: 529900GP8DZ3FER4T124	
Environmental and/or social characteristics			
Does this financial product have a sustainable investment objective?			
<input checked="" type="radio"/> <input type="radio"/> Yes		<input checked="" type="radio"/> <input type="radio"/> No	
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: _____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 		<input type="checkbox"/> It promotes environmental/social characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of _____% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective 	
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective is: _____%		<input checked="" type="checkbox"/> Environmental/social characteristics are therefore promoted but no sustainable investments are made.	



What environmental and/or social characteristics are promoted by this financial product?

This (sub-)fund promotes environmental and social characteristics within the meaning of Article 8 of the Disclosure Regulation.

Environmental characteristics relating to environmental issues such as fossil fuel exploration are promoted. Social characteristics relating in particular to employee concerns are promoted.

Sustainability indicators

measure how the environmental or social characteristics promoted by the financial product are attained

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The (sub-)fund applies activity-based exclusions. Companies with the following activities are excluded:

- Pornography/adult entertainment (production) > 5% turnover
- Conventional weapons (production) > 10% turnover
- Coal (production) > 5% turnover
- Gambling (production) > 5% turnover
- Companies that are active in uranium mining (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Companies that are involved in power generation based on atomic/nuclear energy (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Companies that are involved in the operation of nuclear power plants and/or the manufacture of key components for nuclear power plants (exclusion if the turnover threshold of 5 percent is exceeded at issuer level)
- Nuclear weapons (production, downstream activities) > 0% turnover
- Research into human embryos (production) > 0% turnover
- Tobacco (production) > 5% turnover
- Unconventional weapons (upstream activities, production, downstream activities) > 0% turnover
- Abortion (production) > 0% turnover
- Hydraulic fracking of oil and gas (unrecorded revenue from activities other than extraction) (production) > 5% turnover
- Shale sands (production) > 5% turnover

The (sub-)fund applies norms-based screening in relation to UN Global Compact.

The (sub-)fund applies exclusions for countries. The following exclusions are applied:

- Countries with serious violations of democratic rights and human rights are excluded on the basis of Freedom House's assessment.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

Not applicable

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable

● **How have the indicators of adverse impacts on sustainability factors been taken into account?**

Not applicable

● **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? More information:**

Not applicable

The EU Taxonomy sets out a “do not significantly harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria. The principle of "avoidance of significant adverse effects" applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining part of this financial product do not take into account the EU criteria for environmentally sustainable economic activities. *Any other sustainable investments must also not significantly harm any environmental or social objectives.*



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, the following PAIs are taken into account:
- CO2 footprint (CO2 footprint of Scope 1 and 2)
 - Exposure to companies operating in the fossil fuel sector (share of investments in companies operating in the fossil fuel sector)
 - Violations of the UNGC Principles and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (share of investments in investee companies in breach of the UNGC Principles or the OECD Guidelines for Multinational Enterprises)
 - A lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and OECD Guidelines for Multinational Enterprises (share of investments in investee companies that have not set up guidelines for monitoring compliance with the UNGC Principles and OECD Guidelines for Multinational Enterprises or procedures for handling complaints due to violations of the UNGC Principles and OECD Guidelines for Multinational Enterprises)
 - The most unmatched gender pay gap (average unadjusted pay gap for the investee companies)
 - Gender diversity in management and supervisory bodies (average ratio of women to men in the management and supervisory bodies of the investee companies, expressed as a percentage of all members of the management and supervisory bodies)
 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical and biological weapons) (share of investments in investee companies involved in the manufacture or sale of controversial weapons)
 - Countries in which investments are made in violation of social provisions (number of countries in which investments are made in accordance with international treaties and conventions, the principles of the United Nations or, if applicable, national law breaching social provisions)
 - Countries in which investments are made in violation of social provisions (percentage of countries in which investments are made in accordance with international treaties and conventions, the principles of the United Nations

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

or, if applicable, national law breaching social provisions)

The Fund takes into account the principal adverse impacts on sustainability factors (PAI) indirectly through exclusion criteria within the selection process, coupled with a norms-based screening, which in particular includes serious controversies and violations in the context of the UN Global Compact.

Information on PAIs is available in the (sub-)fund's annual report (annual reports from 01.01.2023).

No



What investment strategy does this financial product follow?

The **investment strategy** serves as a guide for investment decisions, taking into account certain criteria such as investment objectives or risk tolerance.

Taking into consideration the investment risk, the objective of the sub-fund's investment policy is to achieve reasonable growth whilst taking sustainability criteria into account. The sub-fund predominantly invests (at least 51%) globally in convertible bonds, exchangeable bonds and bonds with warrants on securities from domestic and foreign issuers and in certificates. The securities for the sub-fund are examined by the Fund Manager in terms of sustainability. For this purpose, issuers are analysed according to environmental, social and governance criteria (ESG) and sustainability risks are included in the investment process and taken into account. The Fund Manager also applies exclusion criteria.

The asset allocation information explains what minimum environmental and/or social safeguards are applied to "Other investments".

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social objectives promoted by this financial product?**

The sustainability indicators described above to measure the achievement of the (sub-)fund's environmental and/or social characteristics are the binding elements of the (sub-)fund's investment strategy.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

Not applicable

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance

- **What is the policy to assess good governance practices of the investee companies?**

An indicator of the degree of orientation of corporate strategies towards sustainable aspects is their positioning to the UN Global Compact. Serious violations by a company of the principles of the UN Global Compact result in the company being excluded.



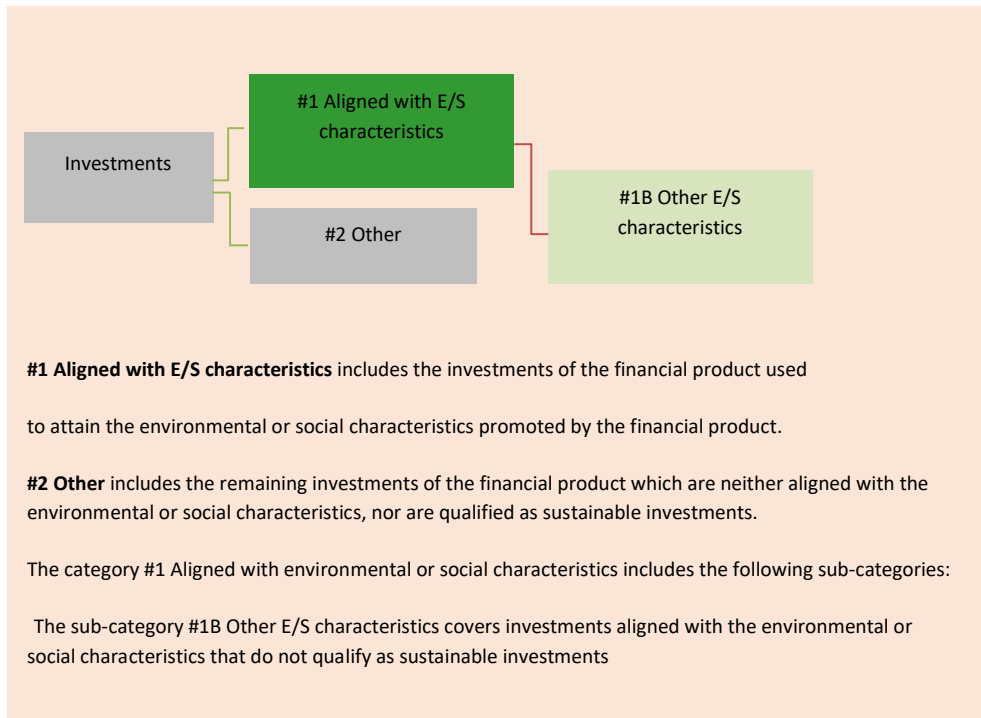
What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in certain assets.

The asset allocation of the (sub-)fund and to what extent the (sub-)fund may assume direct or indirect exposures to companies can be found in the Terms and Conditions of Investment and the investment guidelines of the Prospectus. The minimum share of investments of the (sub-)fund, which are made to fulfil the promoted environmental and/or social characteristics, is 51% of the value of the (sub-)fund's assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for the transition to a green economy
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies



● How does the use of derivatives attain the environmental or social characteristics promoted by this financial product?

Derivatives are used in accordance with the provisions of the Terms and Conditions of Investment and the investment guidelines of the Prospectus. If derivatives may be acquired, they do not explicitly serve to attain the environmental and/or social characteristics of the (sub-)fund and are included under "Other". When selecting derivatives, an environmental and/or social minimum safeguard is ensured. This means derivatives with a non-sustainable underlying asset may not constitute a significant component of the portfolio.



With regard to the conformity of the EU Taxonomy, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and which, among other things, have greenhouse gas emission levels corresponding to the best performance.

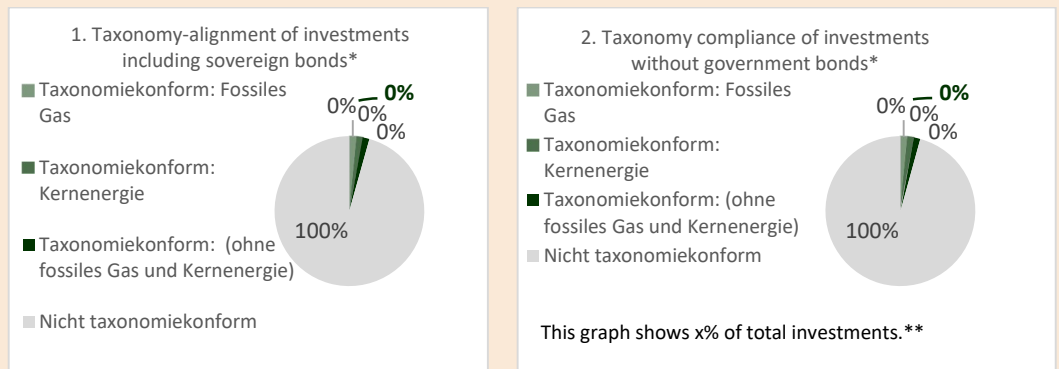
To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The minimum level of sustainable investments with an environmental objective as defined by the EU Taxonomy is 0%.

● Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹⁰?

- Yes:
- In fossil gas In nuclear power
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purposes of these graphs, "sovereign bonds" consist of all sovereign exposures.

● What is the minimum share of investments in transitional activities and enabling activities?

A minimum share of investments in transitional activities and enabling activities has not been set.

¹⁰ Activities in the field of fossil gas and/or nuclear energy are only aligned with the EU Taxonomy if they contribute to climate change mitigation ("climate protection") and do not significantly affect the objective of the EU Taxonomy. The full criteria for economic activities aligned with the EU Taxonomy in the field of fossil gas and nuclear energy are laid down in Commission Delegated Regulation (EU) 2022/1214.

** Since there is no Taxonomy alignment, there is no impact on the graph when sovereign bonds are excluded (i.e. the percentage of Taxonomy-aligned investments remains at 0%) and the Management Company therefore believes that it is not necessary to mention this information.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

A minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy has not been set.



What is the minimum share of socially sustainable investments?

A minimum share of socially sustainable investments has not been set.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

Other investments are cash to manage liquidity. Derivatives may also be used for hedging and investment purposes.

For other investments that do not fall within the scope of the (sub-)fund's sustainability strategy, it is ensured that they are not used contrarily to the sustainability strategy. To the extent that derivatives may be acquired, it is ensured that the underlying asset complies with the sustainability strategy. If an index is used as the underlying asset, it is ensured that the index has sustainability characteristics. Due to the financial instruments available on the market, the sustainable characteristics of the underlying index may deviate from the (sub-)fund characteristics. All derivatives whose underlying asset may be classified as not in line with the sustainability strategy as well as currency holdings that do not correspond to the (sub-)fund's currency, or which are not denominated in EUR, USD, GBP, CHF or JPY, may not be included as an integral part of the (sub-)fund. It does not include the use of derivatives to offset negative market fluctuations. In addition, targeted investments can be excluded from the sustainability strategy, which are not subject to an explicit assessment of minimum environmental and/or social protection.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Was a specific index designated as a benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

Not applicable

- **How is the reference benchmark continuously aligned with each of the environmental and social characteristics promoted by the financial product?**

Not applicable

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable

- **How does the designated index differ from a relevant broad market index?**

Not applicable

- **Where can the methodology used for the calculation of the designated index be found?**

Not applicable

Where can I find more product-specific information online?



Further product-specific information can be found at:

<https://fondsfinder.universalinvestment.com/api/v1/LU/LU1860403416/document/SRD/de>

Management Regulations

Article 1 – The Fund

Salm is a legally dependent investment fund (fonds commun de placement) established in accordance with Part I of the Luxembourg Law of 25 September 2006. Since 1 July 2011, the Fund has been subject to the Law of 2010. It is an investment fund (hereinafter the "Fund") held by all the unitholders, consisting of securities and other legally permitted assets (the "fund assets"), which is managed on behalf of the Management Company and for the collective account of the holders of units (hereinafter the "unitholders"), based on the principle of risk diversification, by Universal-Investment-Luxembourg S.A., a public limited company subject to the laws of the Grand Duchy of Luxembourg, whose registered office is in Grevenmacher (hereinafter the "Management Company").

The Fund qualifies as a UCITS pursuant to Article 1(2) of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS Directive"), as amended, and may therefore be offered for sale subject to registration in each EU Member State.

The Fund offers investors one or more sub-funds within one and the same investment fund (umbrella structure).

Each sub-fund is deemed to be an independent investment fund as regards the relationship among the unitholders. The rights and obligations of the unitholders of a sub-fund are separate from those of the unitholders of the other sub-funds. The assets of each sub-fund are solely liable for the sub-fund's own liabilities.

The sub-funds as a whole make up the Fund. Each investor holds a stake in the Fund through investing in a sub-fund.

The calculation of unit value is made separately for each sub-fund in accordance with the rules set for each sub-fund in Article 5 of the Management Regulations.

The investment restrictions set out in the Management Regulations are applicable to each sub-fund separately.

The Management Regulations provide for different unit classes for the sub-funds. The unit classes may differ in particular in terms of costs and expenses or the use of income or type of investor or level of applicable tax d'abonnement (pursuant to Chapter 23 of the Law of 2010) as well as regarding any other criteria as determined by the Management Company. All units bear equal entitlement to participate in yields, price gains and liquidation proceeds pertaining to their unit class from the date they are issued.

The Management Company may at any time combine two or more unit classes and close one or more unit classes, although a unit class destined for investment by retail customers may not be merged with a unit class intended for institutional customers.

The Management Company may launch one or more new sub-funds, merge two or more sub-funds or wind up one or more sub-funds at any time. Two or more sub-funds are merged on the basis of the net assets of each of the sub-funds to be combined.

The assets of the Fund which are held in safekeeping by a depositary must be kept separate from

the assets of the Management Company.

The contractual rights and obligations of the shareholders, the Management Company and the Depositary are set out in these Management Regulations, whose current version and any amendments are published in RESA, Recueil électronique des sociétés et associations, the official gazette of the Grand Duchy of Luxembourg (hereinafter referred to as "RESA") and are deposited with the commercial register of Luxembourg from which they may be obtained.

By purchasing a unit, the unitholder acknowledges the Sales Prospectus, including the Management Regulations and all approved and published amendments thereto.

Article 2 – The Management Company

Subject to the investment restrictions in Article 4 of the Management Regulations, the assets of the Fund are managed by the Management Company in its own name, but exclusively in the interests and for the collective account of the Fund's unitholders. The authority of the Management Company extends in particular, but not exclusively, to the purchase, sale, subscription, conversion and acceptance of securities and other legally permissible assets and to the exercise of any and all rights associated directly or indirectly with the assets of the Fund. The Management Company sets the investment policy of sub/funds taking account of the legal and contractual investment restrictions in Article 4 of the Management Regulations and in the table section entitled "The sub-funds – an overview".

The Management Board of the Management Company may entrust one or more of its members and/or employees with the day-to-day management of the Fund. In addition, the Management Company may bring in one or more investment advisers and one or more portfolio managers at its own cost and on its own responsibility.

The Management Company is entitled to use the remuneration charged to the fund assets as determined in the Management Regulations and in the table section entitled "The sub-funds – an overview" and Sales Prospectus.

Article 3 – The Depositary

UBS Europe SE, Luxembourg Branch was appointed Depositary for the Company (the "Depositary").

The Depositary is a Luxembourg branch of UBS Europe SE, a European Company (Societas Europaea), whose head office is in Frankfurt am Main and which is entered on the trade register at the local court of Frankfurt am Main under number HRB 58164. UBS Europe SE, Luxembourg Branch is located at 33A, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, entered on the Luxembourg Register of Trade and Companies under number B 209.123.

The Depositary was appointed for the safekeeping of the financial instruments eligible for safe custody, keeping of records and verification of ownership of other assets of the Company. It also has to ensure the effective and regular monitoring of the Company's fund flows as provided for by the Law of 17 December 2010 and the depositary agreement as amended ("depositary agreement"). Assets held in safekeeping by the Depositary must not be reused by the Depositary or any third party to which the custody duties have been delegated for their own account, unless the Law of 17 December 2010 specifically permits such reuse.

In addition the Depositary must ensure that (i) the sale, issue, repurchase, redemption and seizure of shares is effected in accordance with Luxembourg law, the Sales Prospectus and the Articles of Association, (ii) the value of the shares is calculated in accordance with Luxembourg law, (iii) the directions of the Management Company or the Company are executed, provided they do not contradict applicable Luxembourg law, the Sales Prospectus and/or the Articles of Association, (iv) in the case of transactions with assets of the Company the corresponding consideration is remitted to the Company within the normal time limits, and (v) the income of the Company is applied in accordance with Luxembourg Law, the Sales Prospectus and the Articles of Association.

In agreement with the provisions of the Depositary Agreement and the Law of 17 December 2010, the Depositary, subject to certain conditions and with the aim of fulfilling its duties effectively, may delegate part of or the entirety of its safe custody duties with regard to instruments eligible for safe custody which were entrusted to the Depositary for safekeeping, and/or part of or the entirety of its duties with regard to the keeping of records and verification of ownership of other assets of the Company to one or more sub-custodian(s) which are appointed by the Depositary at the relevant time.

Before appointing a sub-custodian and subcontractor the Depositary must regularly examine potential conflicts of interest which may arise through the delegation of its safe custody duties in accordance with the valid laws and regulations and corresponding to the principles for the handling of conflicts of interest. The Depositary is part of the UBS Group, a global organisation operating in all areas of private banking, investment banking, investment management and financial services which play a significant role on the global financial markets. Under these circumstances conflicts of interest could arise from the delegation of its safe custody duties because the Depositary and its associated entities are active in various areas of business and can have different direct or indirect interests.

Further information is available to investors free of charge following a written request to the Depositary.

Irrespective of whether a particular sub-custodian or particular subcontractor is or is not part of the UBS Group, the Depositary shall exercise the same level of requisite skill, care and diligence both with regard to the selection and appointment and also to the regular monitoring of the corresponding sub-custodian of the corresponding subcontractor. In addition, the conditions for the appointment of a sub-custodian or subcontractor which is a member of the UBS Group are negotiated at normal market conditions on an arm's length basis in order to safeguard the interests of the Company and its shareholders. If a conflict of interest arises and cannot be moderated, this conflict of interests and the decisions reached shall be disclosed to the shareholders. A description of the custody tasks delegated by the Depositary and a list of the appointees and sub-appointees can be seen on the following website:

<https://www.ubs.com/global/en/legalinfo2/luxembourg.html>.

If the law in a third country prescribes that financial instruments must be held in safe custody by a local institution and there is no local institution which meets the requirements for delegation as per Article 34 to(3)(b)(i) of the Law of 17 December 2010, the Depositary may delegate its duties to the local institution to the extent legally stipulated in this third country as long as there is no local institution to meet the aforementioned requirements. To guarantee that its duties are delegated exclusively to sub-custodians offering adequate protection, the Depositary must exercise the skill, care and diligence prescribed in the Law of 17 December 2010 in choosing and appointing a sub-custodian to which it intends delegating part of its duties; it must also apply the required objectivity and care in regularly verifying and constantly monitoring a sub-custodian to which it delegates part of its duties; this also applies to all agreements of the sub-custodian with regard to the matters which have been delegated to it. In particular, a delegation is only possible if the sub-custodian at all times during the fulfilment of the duties delegated to it separates the Company's assets from the

Depository's own assets and the assets which belong to the sub-custodian under the laws on liability and assets as defined in the Law of 17 December 2010. Such delegation has no effect on the liability of the Depository unless the Law of 17 December 2010 and/or the Depository Agreement provides a different rule.

The Depository is liable to the Company or its shareholders for the loss of one of the financial instruments it holds in safe custody as defined in Article 35(1) of the Law of 17 December 2010 and Article 12 of Commission Delegated Regulation (EU) 2016/438 of 17 December 2015 supplementing the UCITS Directive with regard to obligations of depositaries ("deposited assets of the Fund") by the Depository and/or a sub-custodian ("loss of a deposited asset of the Fund").

In the case of the loss of a deposited asset of the Fund, the Depository must immediately provide the Company with a financial instrument of the same kind or for the corresponding sum. In agreement with the provisions of the Law of 17 December 2010 the Depository shall not be held liable for the loss of a deposited asset of the Fund when the loss of a deposited asset of the Fund is the outcome of an external event which is not within its reasonable control and whose consequences, despite all reasonable efforts to prevent them, would have been unavoidable.

The Depository is liable to the Company and shareholders for all other direct losses that they suffer as a result of the negligence or carelessness of the Depository or the intentional non-performance of its obligations in accordance with the applicable law, particularly in accordance with the Law of 17 December 2010 and the Depository Agreement.

The duties and functions taken on by the Depository are determined by the statutory provisions, the Depository Agreement and the provisions of the Sales Prospectus and Articles of Association. The Depository acts independently of the Management Company and solely in the interests of the shareholders.

The Company and the Depository can terminate the Depository Agreement at any time by registered letter subject to notice of three (3) months. In the event of the voluntary surrender of the mandate by the Depository or the removal of the Depository by the Company, the Depository must be replaced by a successor before the notice period expires, said successor to be transferred the Company's assets and to take on the duties and responsibility of the Depository. Until then, the previous Depository shall still carry out its duties as depositary to the extent necessary for the protection of the interests of the shareholders. If the Company does not nominate a successor as Depository within good time, the Depository may inform the Commission de Surveillance du Secteur Financier ("CSSF"), which is the Luxembourg supervisory authority with responsibility for the financial sector, of this situation.

Paying agent:

The Depository has also been appointed as Paying Agent for the Fund in Luxembourg, with the obligation to pay out any distributions as well as the redemption price for redeemed units and other payments.

Article 4 – General guidelines on investment policy and investment limits

A) The Management Company may make certain types of investment in accordance with the investment policy set out in the table section entitled "The sub-funds – an overview".

These investments of the sub-fund assets may consist solely of:

1. Securities and money market instruments:

- which are traded on a regulated market (as defined in Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments);
 - which are traded on another regulated market of a Member State of the EU which operates regularly and is recognised and open to the public;
 - which are officially listed on a stock exchange in a third country or traded on another regulated market in a third country which is recognised, open to the public and operates regularly (third countries are countries in North or South America, Australia including Oceania, Africa, Asia and/or Europe which are not EU member states);
 - new issues if the terms of issue include the obligation that admission to official listing on a stock exchange or another regulated market which operates regularly and is recognised and open to the public is applied for and the listing is obtained at the latest by one year after issue.
2. Sight deposits or other callable deposits with a maturity period of 12 months at most at qualifying credit institutions, provided the credit institution in question has its registered office in a Member State of the European Union or, if the registered office is in an OECD and GAFI Member State, that it is subject to supervisory provisions which are, in the opinion of the CSSF, equivalent to those under EU law.
3. Derivative financial instruments (“derivatives”) including equivalent instruments settled in cash which are traded on a regulated market referred to in the first, second and third indent of A(1), and/or derivatives which are not traded on a stock exchange (“OTC derivatives”), provided:
- the underlying securities are instruments as defined in section A or are financial indices, interest rates, exchange rates or currencies in which the sub-fund is permitted to invest according to its investment objectives;
 - the counterparties in transactions with OTC derivatives are first-rate institutions of the categories permitted by the CSSF and subject to supervisory oversight; and
 - the OTC derivatives are subject to a reliable and verifiable assessment on a daily basis and can, at any time, be sold, liquidated or closed out through a counter transaction at a reasonable current value.
4. Money market instruments which are not traded on a regulated market and which do not fall under the definition of Article 1 of the Law of 17 December 2010, if the issue or the issuer of those instruments is already subject to provisions concerning the protection of deposits and investors, and provided that they are:
- issued or guaranteed by a central, regional or local corporation or the central bank of a Member State, the European Union or the European Investment Bank, an OECD Member State or, in the case of a Federal state, a constituent state of the Federation, or by an international body under public law to which at least one Member State belongs;
 - issued by an undertaking whose securities are traded on the regulated markets referred to in A(1);
 - issued or guaranteed by an institution which is, in accordance with the criteria set out in EU law, subordinated to a supervisory authority, or an institute which is subject to supervisory provisions which are at least as rigorous, according to the CSSF, as those of EU law, and which complies with them;
 - issued by other issuers which belong to a category that has been admitted by the CSSF, insofar as investments in those instruments are subject to regulations for investor protection which are equivalent to those of the first, second or third indents and, insofar as this involves an issuer which is either company with equity of at least ten million euros (EUR 10 million), which provides and publishes its annual financial statements in keeping with Directive 78/660/EEC, or a legal entity which is responsible, within a group encompassing one or more companies quoted on the stock exchange, for financing that group, or else a legal entity whose task is to finance the securitisation of liabilities by making use of a credit line granted by a bank.

5. Units in target funds complying with the following definition (“target funds”): UCITS pursuant to EU Directive 2009/65 or UCIs as defined in Article 1(2)(a) and 1(2)(b) of EU Directive 2009/65, whose registered office is located in a Member State or a non-EC state, provided:
 - these UCIs were admitted in accordance with legal provisions which subject them to official supervision that the CSSF deems equivalent and there is sufficient guarantee of collaboration between the authorities; the degree of protection for the shareholders in the UCIs is equivalent to that of the shareholders in a UCITS, and particularly the provisions concerning the separate custody of special assets, borrowing, granting credit and short sales of securities and money market instruments are equivalent to the requirements of Directive 2009/65;
 - the business activities of the other UCIs are the subject of semi-annual and annual reports which allow an assessment to be made of the assets and liabilities, income and transactions in the reporting period; and
 - the UCITS or UCI whose units are to be acquired may, in accordance with its terms of contract or articles of association, invest a maximum of 10% of its assets in units of other UCITS or UCIs.
6. However, the sub-funds may invest a maximum of 10% of their net assets in other securities and money market instruments than those mentioned in A(1) to A(4).
7. The sub-funds may also hold cash and time deposits.

Following the principle of risk diversification, the assets of the sub-funds shall be invested in accordance with the investment policy described below and comply with the investment restrictions pursuant to this Article of the Management Regulations.

B) The following investment restrictions are applied to the respective sub-fund assets:

1. The sub-funds are permitted to invest up to 10% of their net assets in securities or money market instruments from a single issuer. This limit does not affect the holding of liquid assets. The sub-funds may invest up to 20% of their net assets in deposits with one and the same institution. The default risk in the case of transactions of the sub-funds in OTC derivatives is not permitted to exceed the following rates:
 - if the counterparty is a qualifying credit institution in accordance with the definition in A.2, 10%;
 - and otherwise 5% of net sub-fund assets.
2. The total value of the securities and money market instruments of issuers with which the sub-funds invest more than 5% of their net assets must not exceed 40% of the value of the net sub-fund assets. This restriction shall not apply to deposits and transactions in OTC derivatives with financial institutions which are subject to official oversight.
3. Irrespective of the single upper limits under B(1), the sub-funds are not permitted to invest more than 20% of their net assets in a combination consisting of:
 - investments in securities or money market instruments issued by that body and/or
 - deposits made with that body and/or
 - exposures arising from OTC derivative transactions undertaken with that body.
4. The upper limit set out in the first sentence of B(1) shall be raised to 35% if the securities or money market instruments are issued or guaranteed by a Member State or one of its non-central public sector entities, by an OECD Member State or by international bodies under public law to which at least one Member State belongs.
5. The limit laid down in the first sentence of B(1) is raised to 25% if the debt instruments are issued

by a credit institution that has its registered office in a Member State and is subject to particular public supervision based on legal provisions for the protection of the investors in these debt instruments. In particular, the income from the issue of these bonds must be invested in compliance with the legal provisions in assets that provide adequate cover for the resulting liabilities over the entire term of the bonds and are intended predominantly for the repayment of capital and interest should the issuer default. If the sub-fund in question invests over 5% of its net assets in bonds within the meaning of B(5) above, which are issued by a single issuer, then the total value of these investments cannot exceed 80% of the value of the net assets of the sub-fund.

6. The securities and money market instruments mentioned in B(4) and (5) shall not be taken into consideration in the application of the investment limit of 40% provided for in B(2).

The limits stated in B(1) to B(5) are not cumulative and therefore investments as per B(1) to B(5) in securities or money market instruments from a single issuer or in deposits with said issuer or in derivatives of the same are not permitted ever to exceed 35% of the net assets of the sub-fund.

Companies belonging to the same company group for the purposes of drawing up the consolidated accounts as defined in Directive 83/349/EEC or according to recognised international principles of accounting shall be regarded as a single issuer in the calculation of the investment limits provided for in B(1) to B(6). Investments of the sub-fund in securities and money market instruments of a single group of companies together are not permitted to comprise 20% of its net assets.

Without prejudice to the provisions under B(1) – B(6), the Fund may, in accordance with the principle of risk diversification, invest up to 100% of its assets in securities and money market instruments of different issues that are issued or guaranteed by a Member State or its local authorities or by an OECD member country or by public international bodies to which one or more Member States belong, provided that (i) such securities belong to at least six different issues and (ii) no more than 30% of the net fund assets are invested in securities of a single issue.

8. The Fund is permitted to acquire units in target funds provided it invests not more than 20% of its fund assets in units of a single target fund. In the event that an umbrella fund is established to ensure the separation of liability for the assets of a sub-fund in relation to third parties, this 20% applies to such sub-funds.
9. Investments in units of target funds which are not UCITS are not permitted to exceed 30% of the net fund assets. The investments of the Fund in target funds are not taken into account with regard to the upper limits set out in B(1) to B(7).
10. (a) The Management Company is not permitted to acquire shares for any of the investment funds it manages that qualify as a UCITS which are associated with a voting right which enables it to exercise a significant influence on the management of an issuer.
- (b) Furthermore, the sub-fund is permitted to acquire in total up to:
 - 10% of the non-voting shares of a single issuer;
 - 10% of the bonds of a single issuer;
 - 25% of the units of a single target fund;
 - 10% of the money market instruments of a single issuer.

The investment limits given in the second, third and fourth item in the list need not be applied when making a purchase if the gross amount of the bonds or money market instruments or

the net amount of the issued units cannot be calculated at the time of purchase.

Paragraphs (a) and (b) are not applied:

- to securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- to securities and money market instruments issued or guaranteed by an OECD Member State;
- to securities and money market instruments issued by an international organisation under public law to which one or more Member States belong;
- to equities held by the sub-funds in the capital of a company in a non-EC country which invests its assets chiefly in securities of issuers domiciled in this country if such participation for the sub-funds constitutes the only possibility on grounds of the legal provisions of this country to make investments in securities of issuers of this country. However, this exemption only applies on condition that in its investment policy the company in the non-EC state does not exceed the limits prescribed in B(1) to (6) and (8) to (10)(a) and (b). If the limits envisaged in B(1) to B(6) and B(8) to B(9) are exceeded, B(12) shall apply mutatis mutandis.

11. (a) While observing the investment limits stated in B (10) (a) and (b), points B (1) to (6) for investing in shares or debt securities of one and the same issuer is increased to a maximum of 20% if the aim of the investment policy in the UCITS' documents is to replicate a share and debt securities index recognised by the Luxembourg Supervisory Authority. The index must meet the following requirements:

- the composition of the index must be sufficiently diversified;
- the index must provide an adequate benchmark for the market to which it refers;
- the index must be published by appropriate means.

(b) The limit laid down in B(11)(a) is a maximum of 35% if this is justified due to the extraordinary market conditions, in particular on regulated markets where certain securities and money market instruments are highly dominant. Investment up to this limit is only possible with a single issuer.

12. (a) The sub-funds need not observe the investment limits stipulated here in the exercise of subscription rights associated with securities or money market instruments, which form part of its sub-fund's net assets. Irrespective of the obligation to adhere to the principle of risk diversification, the sub-fund may deviate from points B(1)–(9) and (11) during a period of six months after its authorisation and after the inclusion of another UCITS.

(b) If the limits of the sub-fund referred to in B(12)(a) become unintentional or are exceeded as a result of the exercise of subscription rights, its primary objective in its sales is to normalise this situation while taking into account the interests of unitholders.

(c) If the issuer is a legal entity with several sub-funds for which the assets of a sub-fund exclusively are liable for the claims of the investors to this sub-fund and to the creditors whose claim resulted from the formation, term or liquidation of the sub-fund, each sub-fund must be viewed as an independent entity for the purpose of applying the provisions on risk diversification, points B1. to 6, 8 to 9 and 11.

13. (a) Neither the Management Company, the Fund nor the Depositary are permitted take out loans on behalf of the Fund or sub-funds. However, the Fund or the sub-funds may acquire foreign currency by means of a back-to-back loan.

(b) In derogation of paragraph (a), the sub-funds may take up loans of up to 10% of their net

assets provided they are only temporary loans.

14. The Management Company or Depositary is not permitted to grant loans or stand surety for third parties for the account of the sub-funds, regardless of the application of section A. This does not impede the purchase by the sub-funds of not yet fully paid up securities, money market instruments, or not yet fully paid up financial instruments mentioned in A(3) to A(5).
15. The Management Company or Depositary is not permitted to enter into short sales of securities or money market instruments for the account of the sub-funds.
16. The sub-funds are permitted to hold liquid assets in the form of cash and regularly traded money market instruments up to a maximum of 49% of their net assets or to invest them as time deposits. These must in principle be of an ancillary nature.
17. Further investment restrictions are to be found in the annex specific to the particular sub-fund.

C) Further investment guidelines, techniques and instruments:

1. The sub-funds shall not invest in securities which feature unlimited liability.
2. The sub-fund assets must not be invested in real estate, precious metals, certificates or merchandise.
3. Subject to the Depositary's agreement, the Management Company may apply further investment restrictions in order to comply with the conditions in those countries where units are to be offered for sale.
4. Securities lending transactions, repurchase agreements and securities transactions with repurchase rights may not be entered into.
5. Any portfolio commission (commission on target fund portfolios held in the portfolio by the sub-funds) from target funds accrues to the respective sub-fund assets.

Efficient portfolio management techniques

In accordance with CSSF Circular 13/559, supplemented by CSSF Circular 14/592, techniques may be used for the Fund in order to efficiently manage the portfolio. Of these, the Fund currently only uses derivative transactions that can be concluded in any form. Securities financing transactions are not currently used.

Use of derivatives

Subject to a suitable risk management system, the Fund may invest in any derivatives that are derived from assets that may be acquired for the Fund, or from financial indices, interest rates, exchange rates or currencies. This includes, in particular, options, financial futures contracts and swaps, as well as combinations thereof. They may also be used as part of the investment strategy, in addition to hedging.

Trading in derivatives shall be conducted within the investment limits and provides for the efficient management of the fund assets while also regulating investment maturities and risks.

Collateral management for OTC derivatives transactions

The Fund may receive collateral for transactions with OTC derivatives in order to reduce counterparty risk.

In order to secure obligations, the Fund may accept all collateral which corresponds to the rules of CSSF circulars 08/356, 11/512 and 13/559, supplemented by CSSF Circular 14/592.

In principle, the collateral for transactions with OTC derivatives, excluding currency futures transactions, must be provided in one of the following forms:

- a. liquid assets such as cash, short-term bank deposits, money market instruments pursuant to the definition in Directive 2007/16/EC of 19 March 2007, letters of credit and guarantees payable on first demand, which are issued by first-class credit institutions not connected to the counterparty, or bonds issued by an OECD Member State or its regional bodies or by supranational institutions and authorities at community, regional or international level, or
- b. bonds which are issued or guaranteed by first-class issuers with appropriate liquidity.

Collateral which is not in the form of cash must be issued by a legal entity which is not connected to the counterparty.

If collateral is provided in the form of cash and, as a result, a credit risk arises for the Fund in connection with the administrator of said collateral, this is subject to the 20% restriction as stipulated in Article 43(1) of the Law of 17 December 2010. In addition, such cash collateral may not be held in custody by the counterparty unless said collateral is protected from the consequences of a payment default by the counterparty.

Non-cash collateral may not be held in custody by the counterparty unless it is properly separated from the counterparty's own assets.

If collateral meets a series of criteria such as the standards for liquidity, valuation, the credit rating of the issuer, correlation and diversification, it may be offset against the gross commitment of the counterparty. If collateral is offset, its value may be reduced by a percentage rate as a result of the price volatility of the collateral (a "discount") which may trigger, amongst other things, short-term fluctuations in the value of the commitment and the collateral.

The criteria for reasonable diversification with respect to the issuer concentration shall be considered to be met if the Fund receives a collateral basket for the efficient management of the portfolio or for transactions with OTC derivatives of which the maximum total value of the open positions in relation to a specific issuer does not exceed 20% of the net asset value. If the Fund has various counterparties, the various collateral baskets should be aggregated in order to calculate the 20% limit for the total value of the open positions in relation to a single issuer.

The discounts applied to collateral are influenced either by:

- the credit rating of the counterparty;
- the liquidity of the collateral;
- the collateral's price volatility;
- the credit rating of the issuer; and/or
- the country or the market on which the collateral is traded.

To adequately consider the risks associated with the relevant collateral, the Management Company will determine whether the value of the required collateral has to be increased by a surcharge or

whether a conservative surcharge (haircut) must be made on the value of the relevant collateral. The more the value of the collateral fluctuates, the higher the surcharge is likely to be.

The Board of Directors of the Management Company is going to issue an internal regulation which will set out the details of the aforementioned requirements and values, in particular regarding the permitted types of collateral, the surcharges and discounts to be applied to the respective collateral, and the investment policy for cash that has been assigned as collateral. This regulation will be assessed by the Board of Directors of the Management Company on a regular basis and amended as applicable.

At present, the following requirements and applicable premiums and haircuts for the respective collateral have been specified by the Management Company:

(a) Permitted collateral

- Cash deposits / call money with daily availability in EUR, USD, CHF, JPY and GBP or in the corresponding fund currency. The outsourcing bank must have a minimum rating of A or higher;
- government bonds, supranational bonds, state-guaranteed bonds and bonds of German federal states;
- corporate bonds;
- covered bonds in accordance with the regulations of Germany (German Pfandbriefe), Denmark, Finland, France, Italy, Luxembourg, Norway and Sweden;
- bonds in general: maximum remaining term is not restricted, but there are higher haircuts (see below);
- ordinary and preferential shares from a valid index (see Annex A of the internal regulation: list of permitted indices).

Securities must be in one of the following currencies: EUR, USD, CHF, JPY or GBP. The counterparty and issuer of the collateral may not belong to the same group.

(b) Non-permitted collateral

- Structured products (e.g. embedded options, coupons and notionals depending on a reference asset or trigger, stripped bonds, convertible bonds);
- securitisations (e.g. ABS, CDO);
- GDRs and ADRs Global Depositary Receipts (GDRs) and American Depositary Receipts (ADRs)

(c) Quality requirements

The issue rating (lowest of S&P, Moody's or Fitch) for bonds and the issuer rating for shares must be within investment grade. Stricter requirements often apply here, e.g. rating AA, potential exceptions for existing funds:

In the case of funds which have no collateral with a minimum rating of AA, a reduction of the minimum rating is possible within the range of the investment grade (at least equivalent to BBB-). In this case, higher haircuts must be used.

Collateral has to be measurable and liquid. Indicators of liquidity are:

- Bid-ask spreads;
- Existence of broker quotes;
- Trade volume;
- Quotes' time stamp/up-to-dateness.

The aforementioned indicators must be shown on freely accessible Bloomberg websites.

The issuers have to be legally independent from the counterparty.

d) Quantity requirements

(1) Concentration risks involved with existing collateral are to be avoided or reduced using the following measures/limits:

- the proportion for each sector and country (outside the EURO zone) of the Fund must be at most 30% of total collateral for each counterparty;
- the nominal amount for bonds must not exceed 10% of the issue volume for each fund and for all counterparties;
- the volume of shares must not exceed 50% of the average daily volume (measured against the last 30 days on the main stock exchange) and 1% of market capitalisation.

AAA government bonds are not subject to the aforementioned limits.

(2) Haircut

With regard to the fact that CSSF Circular 11/512 provides for the implementation of bullet points 2 and 3 of Box 26 of the ESMA 10-788 Guidelines “for the valuation of the collateral presenting a significant risk of value fluctuation, UCITS should apply prudent discount rates”, the Management Company has specified discounts for the valuation of different asset classes.

The currently defined haircuts are as follows:

- for shares: 25%.
- for cash in a foreign currency: 4%.
- For government bonds and covered bonds depending on the remaining term:

Remaining term	Haircut
0–2 years	1%
2–5 years	2%
5-10 years	3%
> 10 years	5%

- Corporate bonds 15%.

The Management Company shall regularly review the specified haircuts in order to determine whether these values are still appropriate (in light of current market conditions) or whether the values need to be adjusted.

The Management Company (or its representatives) value(s) the collateral received on behalf of the Fund. If the value of the collateral already granted appears to be insufficient in relation to the amount to be covered, the counterparty must provide additional collateral very quickly. If the value is adequate, the exchange rate or market risks associated with the assets accepted as collateral will be taken into consideration by collateral margins.

The Fund will ensure that its collateral rights can be enforced if an event requires the exercise thereof, i.e. the collateral must be available in such a form, either directly or via an intermediary of a first-class financial institution, or a wholly-owned subsidiary of said institution that allows the Fund to acquire or value assets provided as collateral if the counterparty fails to meet its obligations to return the loaned securities.

Throughout the duration of the agreement, collateral may not be disposed of, provided as collateral in another form or pledged unless the Fund has other means of coverage.

If a fund accepts collateral for at least 30% of its assets, it will check the associated risk including by way of regular stress tests, the effects of changes in the market value and the liquidity of the collateral under normal and exceptional conditions.

D) Risk management procedure:

A risk management procedure is used to allow the Management Company to monitor and measure the risk which is associated with the investment positions of the Fund and the sub-funds as well as their respective share in the overall risk profile of the net fund assets or net sub-fund assets in accordance with the CSSF Circular 11/512 (or a circular to replace this or add to it). With regard to derivatives, a procedure shall be applied here enabling a precise and independent valuation of the risk associated with derivatives.

The Management Company shall ensure, for all sub-funds, that the overall risk associated with derivatives does not exceed the total net value of the sub-fund in question. The calculation of this risk shall take into account the market value of the underlying assets, the risk of default on the part of the counterparty, future market fluctuations and the liquidation period of the positions.

A sub-fund may invest in derivatives as part of its investment strategy within the limits set out above in B(6) of this Article to the extent that the overall risk for the underlying assets does not exceed the investment limits as per B(1) to B(6) of this Article. If a sub-fund invests in index-based derivatives, these investments shall not be considered in the investment limits as per B(1) to B(6) of this Article above. A derivative embedded in a security or money market instrument must be taken into account with regard to compliance with the provisions of this section D.

Article 5 – Calculation of net asset value per unit

The value of a unit is denominated in the currency defined in the table section entitled “The sub-funds – an overview” (hereinafter the “fund currency”). This is calculated by the Management Company each valuation day under the supervision of the Depositary. The valuation days are defined differently for each sub-fund and can be seen in the section of the spreadsheet entitled (“The sub-funds – an overview”). The calculation is done by dividing the net fund assets of the sub-fund by the number of units of the sub-fund circulating on the valuation day. To counteract the practices of late trading and market timing, the calculation is made after the end of this time limit for the acceptance of subscription and/or conversion applications, as defined in the table entitled “The sub-funds – an overview” or in the Sales Prospectus. The net fund assets (hereinafter also referred to as the “net asset value”) are calculated based on the following principles:

- (a) Securities and money market instruments listed on a stock exchange shall be valued at the latest prices paid at the time of calculating the net asset value.
- (b) Securities and money market instruments not listed on an exchange but traded on another regulated market which operates regularly and is recognised and open to the public shall be valued at a price that cannot be less than the bid price or more than the offer price at the time of valuation and which the Management Company deems to be the best possible price at which the securities and/or money market instruments can be sold.
- (c) Securities and money market instruments which are neither listed on the stock market nor traded on another regulated market shall be valued at the market value at the time of calculating the net asset value fixed by the Management Company in good faith abiding by generally recognised valuation rules that are verifiable by auditors.

- (d) Units in UCITS and/or UCIs shall be valued at their net asset value last determined and available at the time of the calculation of the net asset value, applying a redemption fee, if necessary.
- (e) The liquid funds shall be valued at their nominal value (plus interest) at the time of calculating the net asset value. Fixed-term deposits with an original maturity of more than 30 days may be valued at the relevant yield value.
- (f) All assets not denominated in the currency of the sub-fund shall be converted to the currency of the sub-fund at the most recent rate of exchange available at the time of the valuation.
- (g) Derivatives (e.g. options) shall be, in principle, valued at their most recent market or brokerage prices available at the time of valuation. If a valuation day coincides with the settlement day for a position, the valuation of the corresponding position shall be made at its settlement price. Options on indices without an average calculation shall be valued using the Black & Scholes model, and options with an average calculation (Asian style options) shall be valued with the Levy approximation. The valuation of swaps including credit default swaps shall take place in a regular and reproducible form. It should be noted that swap contracts are entered into under normal market conditions exclusively in the interests of the Fund.
- (h) The pro rata interest applicable to securities and/or money market instruments shall be included, if not expressed in the market value.

If different unit classes are established for the sub-fund pursuant to Article 1 of the Management Regulations, the following special features apply to the calculation of the unit value:

The unit value is calculated separately for each unit class according to the criteria stated in this Article.

The inflow of funds based on the issue of units increases the percentage share of the respective unit class in the total value of the net assets of the sub-fund. The outflow of funds based on the redemption of units reduces the percentage share of the respective unit class in the total value of the net assets of the sub-fund.

In the event of a distribution, the unit value of units in the corresponding unit class which carry entitlement to a distribution is lowered by the amount of the distribution. At the same time, the percentage share of the total value of the net assets of the sub-fund that is made up of the unit class carrying entitlement to a distribution is reduced, whilst the percentage share of the total net assets of the sub-fund that is made up of the unit class which does not carry entitlement to a distribution is increased.

An income equalisation procedure is calculated on the Fund's income. This means that the income which has accrued during the financial year which the purchaser of units has to pay as part of the issue price, and which the seller of unit certificates will receive as part of the redemption price, is continuously netted. The expenses incurred are taken into account correspondingly. When calculating the income equalisation, the method is used which corresponds to the applicable rules given in the German Investment Act.

If unusual circumstances arise which render a valuation in accordance with the above criteria impossible or inappropriate, the Management Company has the right to apply other valuation rules, in good faith, which are generally recognised and may be verified by auditors, in order to obtain a proper valuation of the fund assets.

The Management Company is not obliged to redeem more than 10% of the units currently in circulation at this point on a valuation day. If the Company receives redemption requests on a

valuation day for more than the stated number of units, the Management Company is entitled to postpone the redemption of units exceeding more than 10% of the units in issue at this point until the fourth valuation day afterwards. These redemption requests should be given preferential treatment over applications received later. Redemption requests submitted on the same valuation day are treated equally.

Article 6 – Issue and exchange of units

Any natural person or legal entity may acquire units through their purchase and payment of the issue price, subject to Article 7 of the Management Regulations.

All the units issued in a sub-fund or unit class have equal rights to the investment fund of the respective sub-fund or unit class, unless the Management Company decides in accordance with this Article to issue different unit classes.

The Management Company may decide, from time to time, to establish two or more unit classes within the Fund. The unit classes may differ from one another on account of their characteristics and rights, the investors that may acquire and hold units, their transferability, their use of income, fee structures or other specific characteristics and rights. From the day they are issued, all units have the same entitlement to the income, price gains and liquidation proceeds of their particular unit class. If unit classes are established for the Fund, this shall be mentioned in the corresponding annex relating to the sub-fund concerned, stating the specific characteristics or rights.

The units are issued without delay by the Registrar and Transfer Agent on behalf of the Management Company following the receipt of the issue price by the Depositary.

Subscription applications received by the Management Company on a valuation day shall be settled at the issue prices of the valuation day determined in the table section entitled “The sub-funds — an overview” or in the Sales Prospectus, whereby the Management Company ensures at all times that the investor is not aware of this net asset value per unit at any time during subscription.

The issue price is the net asset value per unit in accordance with Article 5 of the Management Regulations on the corresponding valuation day plus a sales commission in accordance with the table section entitled “The sub-funds — an overview” or the Sales Prospectus; it is due within the number of banking days mentioned therein following the corresponding valuation day. If a country's laws prescribe lower levels of sales commission, the banks involved in that country may sell units at a lower sales commission, but this must not fall below the maximum permitted sales commission that applies there. If savings plans are offered, sales commission shall be charged only on payments actually made. The issue price increases to include payments or other charges incurred in various countries in which units are sold. If distributions pursuant to Article 13 of the Management Regulations are immediately reinvested in units, a reinvestment discount set by the Management Company may be granted.

If different unit classes are created for a sub-fund in accordance with Article 1 of the Management Regulations, the unitholder may convert a part of or all of his units, against payment of a conversion fee set in the Sales Prospectus and with the attribution of any issue tax applicable, into units of a different unit class, provided this is permitted in the Prospectus for the relevant unit classes of that sub-fund. This conversion is made at the next calculated net asset values in accordance with Article 5 of the Management Regulations per unit of the sub-fund. Any residual amount resulting from the conversion of units shall be paid to the unitholder.

The Management Company may at any time at its own discretion issue additional units of the sub-fund to unitholders via the Depositary free of charge for the purpose of splitting units. When this is done, the unit split for all units issued is made using the same ratio.

Unitholders may convert all or some of their units into units of a different sub-fund. Units are converted on the basis of the next calculated unit value of the sub-fund concerned, taking account of a conversion commission where appropriate.

In compliance with CSSF Circular 04/146, the Management Company prohibits all practices associated with market timing/late trading. The Management Company is entitled to reject applications for subscription and/or conversion from an investor if it suspects that the investor is applying such practices. In this case the Management Company reserves the right to take all necessary measures in order to protect the remaining investors.

Article 7 – Restrictions on the issue of units

The Management Company must observe the laws and regulations of all countries in which units are offered for sale when issuing units.

The Management Company may reject a purchase order at any time at its choosing or may temporarily restrict, suspend or completely cease the issue of units if such a measure appears necessary in order to protect the interests of the unitholders or the sub-fund.

Moreover, at any time, and in exchange for payment of the redemption price, the Management Company may repurchase units held by unitholders excluded from purchasing or possessing units.

Incoming payments for purchase orders that have not been carried out shall be refunded immediately by the Depositary or Paying Agent without including interest.

Article 8 – Unit certificates

Certificates are not generally issued for fund units and the holding is evidenced by written confirmation of the units at the time they are issued. In this case, the units are allocated down to a thousandth of a unit and are entered in a registration account/unit register (“registered units”) held by the Registrar and Transfer Agent. There is no right to receive physical certificates.

The Management Company may further decide to offer different categories of units (“unit classes”) from time to time bearing the features and rights to be determined by the Management Company, e.g. a specific distribution or reinvestment policy, a specific fee structure or other specific features. These features shall be defined by the Management Board of the Management Company and described for each sub-fund in the table entitled “The sub-funds — an overview”.

Article 9 – Redemption of units

Unitholders are entitled to request the redemption of their units at any time. Redemption shall only take place on a valuation day pursuant to Article 5 of the Management Regulations in return for the units. The redemption price is the net asset value per unit calculated in accordance with Article 5 of the Management Regulations, where appropriate less a redemption fee in accordance with the table section entitled “The sub-funds — an overview” or the Sales Prospectus, which is charged in favour of the Fund. The redemption fee is applied uniformly to every redemption of units. The redemption price is payable in the currency of the Fund. Payment of the redemption price is made in accordance with the table section entitled “The sub-funds — an overview” or Sales Prospectus within the number

of banking days defined therein after the corresponding valuation day.

Redemption applications which are received on a valuation day shall be settled at the net asset value of the units for the relevant valuation day as defined in the table section entitled "The sub-funds – an overview" or the Sales Prospectus, whereby the Management Company shall ensure at all times that redemption applications received at the same time on a valuation day shall be settled at the same net asset value and that the investor shall not be aware of this net asset value per unit. Subject to prior approval from the Depositary, the Management Company is entitled to effect considerable redemptions only after corresponding assets in the sub-fund have been sold without delay. In this case, redemption takes place in accordance with the provisions of Article 5, last section of the Management Regulations, at the net asset value per unit then applicable.

The Management Company ensures that the assets of a sub-fund include sufficient cash to allow unit redemptions requested by unitholders to take place immediately in normal circumstances.

Investors who have requested the redemption of their units shall be notified immediately if the calculation of net asset value pursuant to Article 10 of the Management Regulations is suspended and shall be notified immediately when calculation of the net asset value resumes.

The Depositary is obliged to make a payment only insofar as no legal impediments, e.g. exchange control regulations or other circumstances which cannot be influenced by the Depositary, prevent or restrict the transfer of the redemption price to the applicant's country.

Article 10 – Suspension of the issue and redemption of units and the calculation of net asset value

The Management Company is empowered to temporarily cease calculating the net asset value and issuing and redeeming units if and as long as there are circumstances which necessitate this and if the cessation is justifiable on account of the interests of the unitholders, particularly

- (a) during the period in which the calculation of the unit value is suspended in the case of target funds in which a major proportion of the assets of the sub-fund concerned is invested, or during which a stock exchange or other regulated market is closed on which a substantial proportion of the sub-fund's securities is traded (apart from normal weekends or public holidays) or trading at such a stock exchange is halted or restricted and/or the calculation of the unit value of target funds is suspended;
- (b) in emergency situations in which the Management Company cannot access the assets or in which it is impossible to transfer the countervalue for investment purchases or sales freely, or in which the calculation of net asset value cannot be properly conducted.

Investors who have offered their units for redemption shall be notified immediately of the cessation of the calculation of unit value.

Article 11 – Fund costs and expenses

The sub-funds bear the following expenses incurred in connection with the management and distribution of the Fund:

- a. the payment for the Management Company plus statutory value added tax if applicable, which is to be charged on the daily calculated net asset value and is payable at the end of each quarter, based on the financial year of the respective sub-fund, in accordance with the

- table section entitled “The sub-funds – an overview”; the investment advisers and/or portfolio managers also receive their fee from this amount;
- b. the payment for the Depositary plus statutory value added tax if applicable, which is to be charged on the daily calculated net asset value and is payable at the end of each month, as well as its handling charges and the normal bank charges in accordance with the table section entitled “The sub-funds – an overview”;
 - c. a normal market fee for the Registrar and Transfer Agent plus statutory VAT as applicable;
 - d. a normal market fee for distributors and paying and information agents;
 - e. taxes and duties levied on the assets of the Fund, its earnings and expenses, and charged to the Fund;
 - f. taxes in connection with the management;
 - g. costs and expenses in connection with managing and distributing the Fund;
 - h. a normal market payment for the provision of services which generate additional income for the investment fund;
 - i. costs incurred for legal advice by the Management Company or the Depositary when acting in the interests of the unitholders of the sub-fund;
 - j. auditor fees;
 - k. all other costs associated with implementing new regulatory requirements;
 - l. the Management Company may make use of the services of third parties for and in the management of derivative transactions and collateral for derivative transactions. The Management Company is free to charge a fee to the Fund assets or sub-fund assets (or to one or more unit classes). These fees shall not be covered by the management fee and shall, as such, be charged to the Fund or sub-fund by the Management Company additionally;
 - m. costs of performance analyses and other special reports;
 - n. costs of obtaining analytical material or services from third parties for one or more financial instruments or other assets or concerning the (potential) issuers of financial instruments or closely related to a particular sector or market up to a level of 0.01% p.a. of the average value of the Fund’s assets, within one financial year, calculated on the basis of the values taken from each valuation day;
 - o. costs incurred in connection with the exercise of voting rights.

The Management Company, Portfolio Manager or an investment adviser may have a claim to a performance fee, as defined in the overview “The sub-funds – an overview”.

The performance fee is calculated daily after determining all the remaining fees described in this Article and is payable in favour of the Fund Manager as set out in the section “The sub-funds – an overview”, plus any statutory value added tax applicable.

The last net asset value per unit determined in the previous financial year, less any distribution made, shall be set as the benchmark on the first valuation day of each financial year of the Fund. The initial unit value shall serve as the benchmark in the first financial year.

It is specifically pointed out that the calculation of the performance fee is made on the basis of the net asset value; it includes both realised and non-realised profits and losses. A performance fee can therefore also be payable on non-realised profits which may possibly never be realised.

As the assets of a sub-fund can be invested in target funds, there may be a double cost incurred against the performance, particularly as both the target fund and the fund assets are encumbered with costs and expenses. When a sub-fund acquires units in a target fund which is managed directly or indirectly by the same management company or by a company affiliated to the management company via shared management or control or by a considerable direct or indirect participation, then the Management Company or other company may not charge any fees for subscription or repurchase of units in this target fund by the sub-fund.

If a sub-fund purchases units in another sub-fund of this Fund as target fund, the Management Company is not entitled to charge fees for subscription or repurchase of units in the target sub-fund by the sub-fund nor may it charge a management fee at the level of the acquiring sub-fund or of the target sub-fund. In the case of the management fee this can be achieved by the Management Company if it reduces its management fee for the portion representing the units in such affiliated target funds – up to their full amount – by the amount of the management fee charged by the acquired target fund. These restrictions also apply to units in investment companies which are affiliated to the Management Company or the Fund in the aforementioned way.

However, if a sub-fund invests in target funds which are launched and/or managed by other companies, the respective front-end load or possible redemption fees must be taken into account, where applicable. However, the object of fund management is to acquire target funds where possible without a front-end load and redemption fees. Costs incurred by the sub-funds from participating in subscriptions to target funds may be charged to the sub-funds. The maximum management fee of the target funds may be viewed in the investment policy of the particular sub-fund in the table entitled “The sub-funds – an overview”.

The Fund may purchase assets which have not been admitted to the official market at a stock exchange or are not incorporated into an organised market. The Fund may use the services of third parties for the administration of OTC derivative transactions and collateral for derivative transactions. Fees incurred for the use of third-party services and internal costs of the Management Company, both being in line with market standards, are charged to the Fund. The Management Company may charge the Fund or one or several unit classes a lower fee at its own discretion, or indeed may exempt the latter from being paying such costs. The fees for third-party services shall not be covered by the management fee and shall, as such, be charged to the Fund additionally. These costs and any losses from OTC derivative transactions reduce the earnings of the Fund. In the annual and semi-annual reports, the Management Company indicates the charges levied for these third parties for all unit classes.

The amounts paid as costs and payments are recorded in the annual reports.

All costs and payments are first added to the current income, then to the capital gains and finally to the assets of the Fund.

The costs and handling charges associated with the purchase or sale of assets are included in the cost price and/or subtracted from the sales proceeds.

Article 12 – Audit

The fund assets are controlled by an independent firm of auditors nominated by the Management Company.

Article 13 – Use of income

Notwithstanding any other provision in the table section entitled “The sub-funds – an overview” or the Sales Prospectus, the Management Company shall determine whether and where appropriate at which point in time and in what amount a distribution of a sub-fund is to be made or whether the net income is to be capitalised and reinvested in the sub-fund. A distribution may be effected at regular as well as irregular intervals.

The ordinary net income of the sub-fund is included in the distribution. Ordinary net income is understood to include dividends received, interest payments, income from investment funds and other income, always less the general costs.

In addition – provided this is not in conflict with the table section entitled “The sub-funds – an overview” or the Sales Prospectus – the Management Company may distribute realised capital gains and proceeds from the sale of subscription rights and other income either fully or partly in cash or in the form of bonus units in addition to the ordinary net income. Remaining fractions are payable in cash.

The associated income equalisation is taken into account.

A distribution is made to the units which are in circulation on the distribution date. In the event of the creation of unit classes entitled to receive dividends in accordance with Article 1(4) of the Management Regulations the corresponding units are entitled to receive dividends.

An income distribution may not exceed the minimum volume of the Fund as prescribed pursuant to the Law of 2010.

Article 14 – Amendments to the Management Regulations

The Management Company may fully or partially amend these Management Regulations at any time subject to prior approval by the Depositary.

Changes to the Management Regulations shall be deposited with the Luxembourg Trade and Companies Register and a notice of this deposit published in the RESA. The changes shall enter into force on the date of signing unless determined otherwise. The Management Company may instigate further publications in line with Article 15(1) of the Management Regulations.

Article 15 – Publications

Information on the issue and redemption prices of each sub-fund and/or each unit class is available at the registered office of the Management Company, Depositary and Paying Agents of the Fund abroad and is published in accordance with the legal provisions of any country in which units are authorised for sale to the public as well as on the website of the Management Company (www.universal-investment.lu). The net asset value of each sub-fund or each unit class may be requested from the registered office of the Management Company and is also published on the website of the Management Company (www.universal-investment.com).

By at the latest four months after the close of each accounting year the Management Company shall prepare an audited annual report which provides information on the Fund's assets, its management and the result. By two months at the latest after the end of the first half of each accounting year the Management Company shall prepare a semi-annual report which provides information on the Fund's assets and its management during the corresponding half year.

The Sales Prospectus together with the Management Regulations, the Key Investor Information document, the latest annual report and, should this report be older than eight months, the latest semi-annual report of the Fund are available to unitholders free of charge from the registered office of the Management Company, Depositary and each Paying Agent.

Information, in particular notices to investors, is published on the Management Company's website at www.universal-investment.com. In addition, notices will be published in Luxembourg in the RESA and in a Luxembourg daily newspaper, where required by law, and also, if required, in another daily newspaper that has sufficient circulation.

Article 16 - Term of Fund/sub-fund and unit classes, merger, liquidation or winding up and closure

Notwithstanding any other provision in the table section entitled "The sub-funds – an overview", the Fund and sub-funds were established for an indefinite period of time.

A) The sub-fund or the relevant unit classes may be liquidated, wound up and/or closed at any time by resolution of the Management Company, particularly if the net assets of a fund, sub-fund or unit class fall below an amount at which efficient and rational management no longer seems possible. This is particularly the case in situations of changed economic and/or political framework conditions affecting the Fund/sub-fund or unit class, if the products offered are rationalised or in all other cases to protect the interests of the unitholders.

Liquidation or winding up is mandatory in the following cases:

- if the appointment of the Depositary is terminated without a new appointment being made within the statutory or contractual time limits;
- if the Management Company files for bankruptcy or is wound up for any reason;
- in other cases envisaged in the Law of 2010 on undertakings for collective investment.

The liquidation or winding up of the sub-fund and/or the closure of the sub-fund(s) or individual unit classes shall be published by the Management Company according to the statutory provisions in the Grand Duchy of Luxembourg in a Luxembourg daily newspaper and in accordance with the legal provisions of each country in which the units are authorised for public sale. In the event of the liquidation, winding up and/or closure of the sub-fund, the completion of the liquidation or closure shall also be published in the RESA.

If circumstances arise leading to the liquidation or winding up of the sub-fund(s) and/or the closure of the sub-fund(s) or a unit class, the issue and redemption of units shall be suspended on the date of resolution. If equal treatment of unitholders can be ensured, units may be redeemed up to liquidation or winding up/closure. The Depositary shall distribute the liquidation proceeds less the liquidation costs and fees among the investors in proportion to their respective holdings at the instruction of the Management Company or, where applicable, the liquidators appointed by the Management Company or Depositary in agreement with the supervisory authorities. Liquidation proceeds which have not been claimed by unitholders by the conclusion of the liquidation proceedings shall be converted into EUR, insofar as this is required by law, and deposited by the Depositary with the Caisse de Consignation in Luxembourg for the account of the entitled unitholders. These amounts shall be forfeited if not claimed within the statutory time limit.

B) Neither unitholders nor their heirs or legal successors may apply for the winding up or splitting of the Fund or sub-funds, or the merging of the Fund or sub-funds with another UCITS or the inclusion of another UCITS.

The Management Company may merge the Fund or sub-funds at any time with another domestic or foreign UCITS or absorb another domestic or foreign UCITS on resolution by the Management Company in accordance with the provisions of Chapter 8 of the Law of 2010.

If the Management Company reaches a resolution to merge the Fund or sub-funds with another UCITS or to absorb another UCITS in accordance with the above paragraph, this must be

announced in RESA subject to notice of 35 days before it comes into effect, and in accordance with the statutory provisions of the countries in which the Fund is approved for public sale.

Following the publication of the notice to the investors, unitholders of the merging fund and of the absorbing fund have the right during a period of up to five (5) banking days following notification of the merger to return their units free of charge.

Article 17 – Limitation period and presentation period

Claims by unitholders against the Management Company or Depositary may no longer be asserted under the law once five years have expired since the claim arose; the arrangements contained in Article 16 of the Management Regulations are exempted from this.

The presentation period for dividend coupons is five years from the publication of the distribution announcement. Income which is not claimed within the presentation period shall be returned to the sub-fund after this time limit has expired. However, the Management Company has the option to choose whether to redeem distribution coupons at the expense of the sub-fund after the presentation period has elapsed.

Article 18 – Governing law, jurisdiction and contract language

These Management Regulations are subject to the law of the Grand Duchy of Luxembourg. The same applies to the legal relationship between the unitholders and the Management Company. The Management Regulations are deposited with the district court of Luxembourg.

Any legal dispute between unitholders, the Management Company and the Depositary shall be subject to the jurisdiction of the competent court in the judicial district of Luxembourg in the Grand Duchy of Luxembourg. The Management Company and the Depositary shall be entitled to subject themselves and the Fund to the jurisdiction and law of any country in which units in the Fund are publicly sold, provided the claims are from investors domiciled in that country and pertain to the subscription and redemption of units.

The German version of these Management Regulations is binding. The Management Company and the Depositary may, with regard to units sold to investors in the country in question, declare translations of the Management Regulations into the languages of these countries where such units are sold publicly to be binding on themselves and the Fund.

Article 19 – Entry into force

The Management Regulations shall enter into force on 29 June 2022 in amended form.

Annex – Supplementary Information for Investors in the Federal Republic of Germany

INFORMATION AGENT

in the Federal Republic of Germany

Salm-Salm & Partner GmbH
Schlossstr. 3
D-55595 Wallhausen
Germany

DISTRIBUTOR

in the Federal Republic of Germany

Salm-Salm & Partner GmbH
Schlossstr. 3
D-55595 Wallhausen
Germany

Units in the sub-funds “Salm- SARA Global Convertibles” and “Salm – SARA Global Equities Focus” of the investment fund “Salm” may be subscribed and redeemed at the Paying Agent indicated in this Sales Prospectus. Redemption proceeds, distributions and other payments to unitholders are also made through the paying agent.

The current Sales Prospectus and Management Regulations, Key Investor Information Document (PRIIPs KIID), annual and semi-annual reports and issue and redemption prices are obtainable – free of charge to unitholders and in German – in the Federal Republic of Germany from the Management Company, Depositary, Transfer Agent and Registrar and Information Agent at www.universal-investment.com.

The agreements mentioned above under “Publications” as well as the Articles of Association of the Management Company may also be viewed at the establishments referred to above.

Issue and redemption prices in the Federal Republic of Germany are published online at www.universal-investment.com. Any notices to unitholders will be published in Germany on the website www.universal-investment.com. In the cases prescribed by law in Germany (in accordance with the German Capital Investment Code (“KAGB”)), the notice to investors is also published in an electronic version of the Federal Gazette (“eBAnz”).

Right of revocation pursuant to Section 305 KAGB

If investment units are purchased via verbal negotiations outside the permanent business premises of the party who is selling the units or has arranged the sale, the buyer may within two weeks send the foreign Management Company a written revocation of its/his declaration of intent to make a purchase (right of revocation). This shall also apply if the party selling the units or arranging the sale has no permanent business premises. In case of distance contracts within the meaning of Section 312b of the German Civil Code (Bürgerliches Gesetzbuch – “BGB”), the right of withdrawal shall not apply for financial services whose price is subject to fluctuations on the financial market (Section 312g(2)(1)(8) BGB).

Sending the notice of revocation within the allotted time period is deemed sufficient for compliance with the deadline. The revocation must be notified in writing to Universal-Investment-Luxembourg S.A., 15, rue de Flaxweiler, L-6776 Grevenmacher, Grand Duchy of Luxembourg, stating the name of the individual making the declaration and including their signature, but there is no requirement to give reasons.

The revocation period shall not begin until the buyer has been given a copy of the application to conclude the contract, or has been sent a bought note advising it/him of the right of revocation.

Should there be any dispute as to when the revocation period began, the seller bears the burden of proof.

The right of revocation shall not apply if the seller can prove either that the buyer purchased the units as part of their business activities or that the seller contacted the buyer for the negotiations leading up to the sale of the units on the basis of previous orders in accordance with Section 55(1) of the German Industrial Code (Gewerbeordnung).

If the revocation has been executed and the buyer has already made payments, then the foreign Management Company shall be obliged to reimburse the buyer, in instalments if necessary, for return transfer of the units acquired, for the costs paid as well as a sum corresponding to the value of the units paid for as of the day following the receipt of the statement of revocation.

The right of revocation cannot be waived.

Investor rights

Universal-Investment-Luxembourg S.A. has established a complaints office. Complaints may be submitted to Universal-Investment-Luxembourg S.A. electronically or in written form.

Electronic complaints should be sent to the e-mail address: Beschwerdemanagement-ui-lux@universal-investment.com. Written complaints should be sent to:

Universal-Investment-Luxembourg S.A.
Complaint management
15, rue de Flaxweiler
L-6776 Grevenmacher

Complaints can be made in English or German. The handling of complaints is a free service to investors. A reply letter will be sent within one month of receipt of the complaint.

If the matter has not been resolved within one month of sending the complaint to Universal-Investment-Luxembourg S.A. or if no interim reply has been sent, it is possible to use the procedure for the out-of-court settlement of complaints of the Luxembourg financial supervisory authority, the "Commission de Surveillance du Secteur Financier" ("CSSF"). The legal basis for this is CSSF Regulation 16-07. Contact should be made by post to:

Commission de Surveillance du Secteur Financier
Department Juridique CC
283, Route d'Arlon

L-2991 Luxembourg,

by fax (+35226251601), or by e-mail (reclamation@cssf.lu).

An application for out-of-court settlement of a complaint lodged with the CSSF is no longer admissible if more than one year has elapsed between the date on which the complaint was lodged with the CSSF and the date on which it was originally lodged with Universal-Investment-Luxembourg S.A.

In order to enforce investors' rights, legal action may also be taken before the ordinary courts. The possibility of an individual action is open.

Special risks arising from new tax-related obligations in Germany

The Management Company must provide proof of the accuracy of the tax basis notified. Should errors from the past be identified, there shall be no retrospective correction; instead, it shall be taken into account as part of the notification for the current financial year.

Notes concerning the taxation of income from foreign investment funds for investors from the Federal Republic of Germany

Investment fund under Luxembourg law

The following information on taxation is not intended to provide or be a substitute for legally binding tax advice, nor does it claim to cover all relevant tax-related aspects which may be of importance in connection with the purchase, holding or sale of units in the Fund. The items listed are neither exhaustive nor do they take into account any individual circumstances of particular investors or investor groups.

General remarks

Statements concerning tax regulations apply only to investors who are subject to unlimited tax liability in Germany. We recommend that foreign investors contact their own tax advisers prior to purchasing units in the Investment Fund described in this Sales Prospectus and obtain specific clarification regarding the possible tax-related consequences in their home country arising from the purchase of units.

The Investment Fund itself is only partially subject in Germany to corporation tax of 15% plus solidarity surcharge for specific domestic income. The income subject to tax in Germany includes domestic investment income and other domestic income in accordance with the restricted income tax obligation with the exception of profits from the sale of units in stock corporations. However, corporation tax is discharged insofar as the income is subject to a tax deduction in Germany; in this case, the 15% tax deduction already includes the solidarity surcharge. In principle, the investment fund is not subject to trade tax in Germany.

The taxable income from the investment fund (investment income), i.e. Fund distributions, advance lump sums and profits from the sale of units, is subject to income tax for private investors as income from capital investments if this income, together with the investor's other capital gains, exceeds the relevant lump-sum savings allowance. Income from capital assets is generally subject to a tax deduction of 25% (plus the solidarity surcharge and church tax as applicable).

For private investors the tax deduction acts in principle as a final payment (flat-rate withholding tax), meaning that, as a rule, income from capital assets does not need to be declared in the income tax return. In principle, when deducting the tax, the institution maintaining the securities account will have already offset losses and foreign withholding taxes resulting from the direct investment. However, the tax deduction does not act as a final payment if the personal tax rate is lower than the 25% withholding tax rate. In this case, income from capital assets may be declared in the income tax return. The tax authorities then apply the lower personal rate of tax and offset the aforementioned tax deduction against the personal tax liability (favourable tax treatment).

If income from capital assets is not subject to a tax deduction in Germany (e.g. in the case of a foreign custody account), this must be included on the tax return. As part of the assessment, income from capital assets is also subject to the withholding tax rate of 25% or the personal tax rate, whichever is lower.

Despite the deduction of tax and the higher personal tax rate, information about the income from capital assets may be required if extraordinary expenses or itemised deductions (e.g. charitable donations) are claimed as part of the income tax return.

If units are held as operating assets, the investment income is considered taxable as operating income. In this case, the tax will not have the effect of a final payment; there is no offsetting of losses through the domestic custodian. The tax legislation requires a sophisticated review of the income components in order to determine the income which is taxable and/or liable for capital gains tax.

Units held as personal assets (residents for tax purposes)

Distributions

Distributions of the Fund are generally taxable. However, distributions may remain partially tax-exempt (partial exemption) if the Fund meets the German Investment Tax Act requirements for an equity fund or a mixed fund. These requirements must also arise from the investment conditions.

The taxable distributions are generally subject to a tax deduction of 25% (plus the solidarity surcharge and church tax as applicable).

If an investor keeps the units in a domestic securities account, the institution maintaining the securities account (as the Paying Agent) will not deduct tax if, before the date set for distribution, it receives an exemption order for a sufficient amount issued in accordance with the official template or a non-assessment certificate that is issued by the tax authorities for a maximum period of three years. In this case, the investor will be credited for the full amount of the distribution.

Advance lump sums

The advance lump sum is the amount which the distributions of the Fund exceed the basic income for this calendar year by within a calendar year. The basic income is calculated by multiplying the redemption price of the unit at the beginning of a calendar year at 70% of the basic interest rate, which is derived from the potential long-term return from public bonds. The basic income is limited to the surplus arising between the first and last redemption price fixed in the calendar year plus the distributions within the calendar year. The advance lump sum is reduced by one twelfth for each full month that precedes the month of the acquisition in the year the units are acquired. The advance lump sum is deemed to have been accrued on the first working day of the following calendar year.

Advance lump sums are generally taxable. However, advance lump sums may remain partially tax-exempt (partial exemption) if the Fund meets the German Investment Tax Act requirements for an equity fund or a mixed fund. These requirements must also arise from the investment conditions.

The taxable advance lump sums are generally subject to a tax deduction of 25% (plus the solidarity surcharge and church tax as applicable).

If an investor keeps the units in a domestic securities account, the institution maintaining the securities account (as the Paying Agent) will not deduct tax if, before the time of accrual, it receives an exemption order for a sufficient amount issued in accordance with the official template or a non-assessment certificate issued by the tax authorities for a maximum period of three years. No tax is levied in this case. Otherwise, the investor must provide the domestic institution maintaining the securities account with the amount of the tax to be paid. For this purpose, the institution maintaining the securities account may recover the amount of the tax to be paid from an account held by it and which is in the name of the investor without the investor's consent. Unless otherwise stipulated by the investor before the advance lump-sum amount accrues, the institution maintaining the securities account may withdraw the amount of the tax to be paid from one of the accounts in the name of the investor, unless an overdraft agreed with the investor for this account has been used. If the investor does not fulfil their obligation to provide the amount of tax to be paid to the domestic institution maintaining the securities account, this institution must notify the competent tax office to that effect. The investor must specify the advance lump sum in this case in its income tax return.

Capital gains at investor level

If units are sold to the Fund, the capital gains are in principle taxable and generally subject to a tax deduction of 25% (plus solidarity surcharge and church tax as applicable). When calculating the capital gain, the profit must be reduced by the advance lump sums employed during the ownership period.

However, capital gains may remain partially tax-exempt (partial exemption) if the Fund meets the German Investment Tax Act requirements for an equity fund or a mixed fund. These requirements must also arise from the investment conditions. Conversely, if there is a loss on the sale, the loss equal to the partial exemption that is to be applied cannot be deducted at investor level.

If the units are held in a domestic securities account, the institution maintaining the securities account will apply the tax deduction taking into account any partial exemptions. The 25% tax deduction (plus solidarity surcharge and church tax as applicable) may be waived following submission of a sufficient exemption order or a non-assessment certificate. If such units are sold by a private investor at a loss, the loss may be offset against other positive income from capital assets. If the units are held in a domestic securities account and positive income was generated from capital assets held with the same institution which maintains the securities account in the same calendar year, said institution will offset the losses.

The taxation of capital gains also applies where the units sold are “old units” (i.e. units acquired before 1 January 2018). In addition, these old units are regarded as sold as at 31 December 2017 and repurchased as at 1 January 2018. However, the gains from this notional disposal as at 31 December 2017 are only subject to taxation as at the date of actual disposal of the units. For old units, therefore, the gains to be taxed on the date of actual disposal are determined in two parts. Value changes in old units occurring between the time of purchase and 31 December 2017 are taken into consideration when determining the notional capital gains as at 31 December 2017. In contrast, value changes in old units occurring from 1 January 2018 are taken into consideration when determining the gains from the actual disposal.

Old units acquired before the introduction of the flat-rate withholding tax, i.e. before 1 January 2009 are “grandfathered old units”. For these grandfathered old units, value changes occurring up to 31 December 2017 are tax-exempt. Value changes in grandfathered old units occurring from 1 January 2018 are only taxable if the gains exceed EUR 100,000. This allowance may only be used if the gains are declared to the tax office responsible for the investor.

Changes to the applicable partial exemption regime

If the applicable partial exemption regime changes, or the requirements relating thereto cease to apply, the investment unit shall be regarded as sold and repurchased on the following day. Gains from the notional sale are regarded as accrued on the date on which the investment unit is actually sold.

Units held as business assets (residents for tax purposes)

Distributions

Distributions of the Fund are generally subject to income, corporation and trade tax. However, distributions may remain partially tax-exempt (partial exemption) if the Fund meets the German Investment Tax Act requirements for an equity fund or a mixed fund. These requirements must also arise from the investment conditions. For the purposes of trade tax, the tax-exempt amounts are halved.

The distributions are generally subject to the tax deduction of 25% (plus the solidarity surcharge).

Advance lump sums

The advance lump sum is the amount which the distributions of the Fund exceed the basic income for this calendar year by within a calendar year. The basic income is calculated by multiplying the redemption price of the unit at the beginning of a calendar year at 70% of the basic interest rate, which is derived from the potential long-term return from public bonds. The basic income is limited to the surplus arising between the first and last redemption price fixed in the calendar year plus the distributions within the calendar year. The advance lump sum is reduced by one twelfth for each full month that precedes the month of the acquisition in the year the units are acquired. The advance lump sum is deemed to have been accrued on the first working day of the following calendar year.

Advance lump sums are generally subject to income, corporation and trade tax. However, advance lump sums may remain partially tax-exempt (partial exemption) if the Fund meets the German Investment Tax Act requirements for an equity fund or a mixed fund. These requirements must also arise from the investment conditions. For the purposes of trade tax, the tax-exempt amounts are halved.

The advance lump sums are generally subject to the tax deduction of 25% (plus the solidarity surcharge).

Capital gains at investor level

Profits from the sale of units are generally subject to income or corporation tax and trade tax. When calculating the capital gain, the profit must be reduced by the advance lump sums employed during the ownership period. However, capital gains may remain partially tax-exempt (partial exemption) if the Fund meets the German Investment Tax Act requirements for an equity fund or a mixed fund. These requirements must also arise from the investment conditions. For the purposes of trade tax, the tax-exempt amounts are halved.

The profits from the sale of units are generally not subject to a capital gains tax deduction.

If there is a loss on the sale, the loss in the amount of the partial exemption to be applied at investor level cannot be deducted.

Changes to the applicable partial exemption regime

If the applicable partial exemption regime changes, or the requirements relating thereto cease to apply, the investment unit shall be regarded as sold and repurchased on the following day. Gains from the notional sale are regarded as accrued on the date on which the investment unit is actually sold.

Reimbursement of the Fund's corporation tax levied by capital gains tax deduction

Capital gains tax (corporation tax) which has been incurred at Fund level may be reimbursed to the Fund for transfer to an investor if the investor is a domestic corporation or an association of individuals or assets that are solely and directly used for charitable, benevolent or religious purposes according to the Articles of Association, the foundation business or other constitution and according to its actual form of management, or if the investor is a foundation under public law that is used solely and directly for charitable or benevolent purposes, or is a legal person under public law which is solely and directly used for religious purposes; this does not apply if the units are held in a commercial business. The same applies to comparable foreign investors with a head office and company management in a foreign country which provides administrative and recovery assistance. The prerequisite for this is that such an investor makes a corresponding application and that the capital gains tax accruing is attributable pro rata to their holding period. Furthermore, the investor must have been the legal and beneficial owner of the units for at least three months before the inflow of the Fund's income subject to corporation tax, without there being an obligation to transfer the units to another person. In terms of the capital gains tax incurred by the Fund on German dividends and income from German equity-like participation rights, the refund also essentially requires for German shares and German equity-like participation rights to have been held by the Fund as a beneficial owner continuously for 45 days within 45 days before and after the date the capital gains are due and there are continuously minimum value change risks of 70%.

Proof of the tax exemption and proof of the investment unit inventory issued by the institution maintaining the securities account must be enclosed with the application. The proof of the investment unit inventory is an official certificate showing the number/value of units held by the investor throughout the calendar year and the date and amount of purchases and sales of units during the calendar year.

Capital gains tax incurred at Fund level may also be reimbursed to the Fund in order to be refunded to an investor, provided that the units in the Fund are held on the basis of retirement or basic pension plans that are certified under the Altersvorsorgeverträge-Zertifizierungsgesetz (Pension Provision Agreements Certification Act). This presupposes that the provider of a retirement or pension plan advises the Fund within one month after its financial year-end of the dates on which units were acquired or sold, and the respective amounts involved.

The Fund or company is not obliged to reimburse the relevant capital gains tax to the investor.

It would be wise to get advice from a tax adviser due to the significant complexity of the regulation.

Settlement taxation

Distributions are only deemed as income if they include the increase in value of a calendar year during the settlement of the Fund.

Solidarity surcharge

If the relevant tax thresholds are exceeded, a solidarity surcharge of 5.5% may be imposed on the tax deduction that is to be paid on distributions, advance lump sums and profits from the sale of units. The solidarity surcharge can be offset against income tax and capital gains tax.

Church tax

If income tax is already being collected by means of tax withheld by a domestic institution maintaining a custody account (withholding agent), church tax applicable to this income will be collected as a regular surcharge to the tax deduction, calculated using the rate of church tax for the religious group to which the person subject to church tax belongs. The deductibility of church tax as an extraordinary expense is taken into account during the tax deduction.

Foreign withholding tax

Withholding tax on the Fund's foreign income is, in some cases, levied in the country of origin. This withholding tax may not be used to reduce taxes for the investors.

Implications of the merger of investment funds

A merger, in line with the provisions of the investment tax act, of one investment fund with another investment fund does not result in the disclosure of hidden reserves, neither at investor level nor at the level of the investment fund involved; in other words, this process is tax-neutral. The investment funds must be subject to the same law of a foreign state providing mutual assistance for the recovery of taxes. If the investors in the absorbed investment fund receive a cash payment, this shall be treated in the same manner as a distribution.

Automatic exchange of information on tax matters

The importance of the automatic exchange of information in relation to combating cross-border tax fraud and cross-border tax evasion has increased significantly at international level over the last few years. The OECD therefore published a global standard for the automatic exchange of information relating to financial accounts on tax matters (Common Reporting Standard, referred to hereinafter as "CRS") on behalf of the G20 in 2014. The CRS was agreed upon by more than 90 countries (participating countries) through a multilateral

agreement. It was also integrated with the Directive 2014/107/EU of the Council dated 9 December 2014 into the Directive 2011/16/EU relating to the obligation on the automatic exchange of taxation information at the end of 2014. The participating countries (all EU Member States and a number of third countries) employ the CRS from 2016 with reporting obligations from 2017. Luxembourg transposed the CRS into Luxembourg law with the Law of 18 December 2015 and has applied it since 2016.

The CRS obliges reporting financial institutions (essentially banks) to obtain specific information concerning their customers. If the customers (natural persons or legal entities) are reportable persons resident in other participating countries, their accounts and securities accounts will be classified as reportable accounts. The reporting financial institutions will then send specific information for each reportable account to their home tax authority. This authority then sends the information to the customer's home tax authority.

The information to be conveyed is essentially the personal details of the reportable customer (name; address; tax identification number; date of birth and place of birth (for natural persons); country of residence) and information on the accounts and securities accounts (e.g. account number, account balance or account value; total gross amount of income such as interest, dividends or distributions from investment funds); total gross proceeds from the sale or redemption of financial assets (including fund units)).

Reportable investors who hold an account and/or securities account with a credit institution that is resident in a participating country are specifically affected as a result. Luxembourgish credit institutions will therefore report information on investors who are resident in other participating countries to the local tax authorities (Administration des Contributions Directes), which will forward the information to the relevant tax authorities of the investors' countries of residence. Accordingly, credit institutions in other participating countries will report information on investors who are resident in Luxembourg to their respective home tax authority.

Note:

The tax information is based on the legal position at present. It is intended for persons in Germany who are subject to unrestricted income or corporation tax. There is no guarantee, however, that the tax assessment will not change as a result of legislation, court rulings or decrees issued by the financial authorities.

Annex – Supplementary Information for Investors in Switzerland

Representative

The representative in Switzerland is 1741 Fund Solutions AG, Burggraben 16, CH-9000 St. Gallen.

Paying Agent

The Paying Agent in Switzerland is Tellco Bank AG, Bahnhofstrasse 4, CH-6430 Schwyz.

How to obtain relevant documents

The Sales Prospectus including Management Regulations, the Key Investor Information Document (PRIIPs KIID) as well as the annual and semi-annual reports can be obtained free of charge from the Swiss Representative (telephone: 0041 (058) 458 48 00).

Publications

1. To the extent required by law, publications relating to foreign collective investment schemes in Switzerland are made on the electronic platform of FE fundinfo Limited (www.fefundinfo.com).
2. The issue and redemption prices or the net asset value with the note “exclusive commissions” will be published on the FE fundinfo Limited electronic platform (www.fefundinfo.com) each time units are issued and redeemed. Prices are published on each trading day.

Payment of trailer fees and discounts

The Management Company or the Fund, as well as their agents, may pay trailer fees to compensate the distribution of fund units in Switzerland. This compensation may in particular include the following services

:

- transfer of Fund units;
- service by the relevant order agent (bank, platform or equivalent).

Trailer fees are not categorised as discounts even if they are ultimately passed on to the investor.

The disclosure of the receipt of retrocessions is governed by the relevant provisions of the FIDLEG.

The Management Company or the Fund, as well as their agents, may pay rebates directly to investors upon request, for distributions within Switzerland. Rebates are used to reduce the fees or costs attributable to the investors concerned. Discounts are permissible provided that they

- are paid from fees of the Management Company and thus do not additionally burden the Fund assets;
- are granted on the basis of objective criteria;
- are granted to all investors who meet the objective criteria and request discounts, under the same time conditions, to the same extent.

The objective criteria for the Management Company to grant discounts are:

- The volume subscribed or the total volume held by the investor in the collective investment scheme or in the promoter's product range, as the case may be;
- the amount of fees generated by the investor;
- the investment behaviour practiced by the investor (e.g. expected investment duration);
- the investor's willingness to support the launch phase of a collective investment scheme.

Upon the investor's request, the Management Company shall disclose the corresponding amount of discounts free of charge.

Place of performance and jurisdiction

For units offered in Switzerland, the place of performance is at the registered office of the representative. The place of jurisdiction shall be at the registered office of the representative or domicile of the investor.

Annex - Supplementary Information for Investors in Austria

Contact and information point in Austria

Contact and information point in Austria in accordance with the provisions under EU Directive 2019/1160 Art. 92:

Erste Bank der oesterreichischen Sparkassen AG
Am Belvedere 1,
A-1100 Vienna
E-mail: foreignfunds0540@erstebank.at