UBS

UBS (CH) Strategy Fund

Investment fund under Swiss law established under the category "Securities funds with multiple sub-funds" (umbrella fund) (Category Securities Funds)

Prospectus with integrated fund contract, December 2023

Part I Prospectus

This prospectus with integrated fund contract, the key information document, and the most recent annual or semi-annual report (if published after the latest annual report) serve as the basis for all subscriptions of units of the umbrella fund/sub-funds.

Only the information contained in the prospectus, in the key information document or in the fund contract shall be deemed to be valid.

1 Information on the umbrella fund and sub-funds

1.1 Establishment of the umbrella fund and its sub-funds in Switzerland

The UBS (CH) Strategy Fund is an investment fund under Swiss law of the "securities fund" type in accordance with the Swiss Federal Act on Collective Investment Schemes of 23 June 2006. The fund contract was drawn up by UBS Fund Management (Switzerland) AG as fund management company and submitted to the Swiss Financial Market Supervisory Authority FINMA with the consent of UBS Switzerland AG as custodian bank. The fund contract was first approved by FINMA in 2008.

1.2 Tax regulations relevant to the investment fund

The umbrella fund and sub-funds have no legal personality in Switzerland. They are not subject to tax on either income or capital.

The Swiss federal withholding tax deducted from the sub-funds' domestic income can be reclaimed in full for the sub-funds by the fund management company.

Income and capital gains realised outside Switzerland may be subject to the relevant withholding tax deductions imposed by the country of investment. Insofar as is possible, these taxes will be reclaimed by the Fund Management Company on behalf of investors domiciled in Switzerland under the terms of double taxation treaties or other such agreements.

Distributions of income made by the sub-funds to investors domiciled in Switzerland are subject to Swiss federal withholding tax (source tax) at 35%. Separately recorded capital gains are not subject to withholding tax.

Investors domiciled in Switzerland[1] may reclaim the deducted withholding tax via their tax returns or by submitting a separate application for a refund.

Distributions of income to investors domiciled outside Switzerland are made free of Swiss withholding tax, provided at least 80% of the sub-funds' income originates from foreign sources. This is subject to presentation of confirmation from a bank stating that the units in question are held at the bank in the custody account of an Investor domiciled outside Switzerland, and that the distributions of income are credited to this Investor's account (declaration of domicile / affidavit). No guarantee can be given that at least 80% of the sub-funds' income originates from foreign sources.

If withholding tax is charged to an Investor domiciled outside Switzerland owing to a failure to present a declaration of domicile, under Swiss law they may submit a refund application directly to the Swiss Federal Tax Administration in Berne.

The tax information stated above is based on the current legal situation and practice. It is expressly subject to changes in legislation, the decisions of the courts and the decrees and practices of the tax authorities.

Taxation and other tax implications for investors who hold, buy or sell fund units are defined by the tax laws and regulations in the investor's country of domicile. For information in this regard, investors should contact their tax advisors.

The investment fund has the following tax status:
The international automatic exchange of information on tax matters (automatic exchange of information)

[1] For ease of reading, gender-specific distinctions are avoided. Terms generally apply equally to both genders.

For the purposes of the automatic exchange of information in accordance with the Common Standard on Reporting and Due Diligence for Financial Account Information (CRS) of the Organisation for Economic Co-Operation and Development (OECD), this investment fund qualifies as a non-reporting financial institution.

FATCA
The fund is registered with the US tax authorities as a Registered Deemed-Compliant Financial Institution under a Model 2 IGA pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, "FATCA").

Partial tax exemption under the German Investment Tax Act 2018
All sub-funds count as "other funds" for the purposes of the German Investment Tax Act (InvStG), hence partial exemption under § 20 InvStG is not possible.

1.3 Accounting year
The accounting year runs from 1 February to 31 January.

1.4 Audit firm
The auditors are Ernst & Young Ltd., Basel.

1.5 Units
The units are issued only in the form of bearer units. Units do not take the form of actual certificates, but exist purely as book entries.

Each sub-fund is currently subdivided into the following unit classes:

UBS (CH) Strategy Fund – Yield Sustainable (CHF)

Unit class	Accounting currency	Initial subscription price	Launch period/date[1]*	Minimum subscription	Smallest tradable lot	Commission p.a.	Form of custody	Appropriation of income
P	CHF	100	30.12.2008	–	0.001	1.440%[2] (1.15%)	Bearer	Distributing
K-1	CHF	5 000 000	Not yet known	n/a[11]	0.001	0.900%[2] (0.72%)	Bearer	Distributing
Q	CHF	100	09.11.2015	–	0.001	0.850%[3] (0.68%)	Bearer	Distributing
F	CHF	100	Not yet known	–	0.001	0.760%[4] (0.608%)	Registered[7]	Distributing
I-A1[8]	CHF	100	Not yet known	–	0.001	0.850%[2] (0.68%)	Registered[7]	Distributing
I-A2	CHF	100	Not yet known	10 000 000[9]	0.001	0.800%[2] (0.64%)	Registered[7]	Distributing
I-A3	CHF	100	Not yet known	30 000 000[10]	0.001	0.760%[2] (0.608%)	Registered[7]	Distributing
I-B[8]	CHF	100	Not yet known	–	0.001	0.055%[5]	Registered[7]	Distributing
I-X[8]	CHF	100	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing
U-X	CHF	10 000	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing

UBS (CH) Strategy Fund – Yield Sustainable (EUR)

Unit class	Accounting currency	Initial subscription price	Launch period/date[1]*	Minimum subscription	Smallest tradable lot	Commission p.a.	Form of custody	Appropriation of income
P	EUR	100	30.12.2008	–	0.001	1.440%[2] (1.15%)	Bearer	Distributing
K-1	EUR	3 000 000	Not yet known	n/a[11]	0.001	0.900%[2] (0.72%)	Bearer	Distributing

Q	EUR	100	05.11.2015	–	0.001	0.850%[3] (0.68%)	Bearer	Distributing
F	EUR	100	Not yet known	–	0.001	0.760%[4] (0.608%)	Registered[7]	Distributing
I-A1[8]	EUR	100	Not yet known	–	0.001	0.850%[2] (0.68%)	Registered[7]	Distributing
I-A2	EUR	100	Not yet known	5 000 000[9]	0.001	0.800%[2] (0.64%)	Registered[7]	Distributing
I-A3	EUR	100	Not yet known	20 000 000[10]	0.001	0.760%[2] (0.608%)	Registered[7]	Distributing
I-B[8]	EUR	100	Not yet known	–	0.001	0.055%[5]	Registered[7]	Distributing
I-X[8]	EUR	100	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing
U-X	EUR	10 000	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing

UBS (CH) Strategy Fund – Yield Sustainable (USD)

Unit class	Accounting currency	Initial subscription price	Launch period/date[1]*	Minimum subscription	Smallest tradable lot	Commission p.a.	Form of custody	Appropriation of income
P	USD	100	30.12.2008	–	0.001	1.440%[2] (1.15%)	Bearer	Distributing
K-1	USD	5 000 000	Not yet known	n/a[11]	0.001	0.900%[2] (0.72%)	Bearer	Distributing
Q	USD	100	05.11.2015	–	0.001	0.850%[3] (0.68%)	Bearer	Distributing
F	USD	100	Not yet known	–	0.001	0.760%[4] (0.608%)	Registered[7]	Distributing
I-A1[8]	USD	100	Not yet known	–	0.001	0.850%[2] (0,68%)	Registered[7]	Distributing
I-A2	USD	100	Not yet known	10 000 000[9]	0.001	0.800%[2] (0.64%)	Registered[7]	Distributing
I-A3	USD	100	Not yet known	30 000 000[10]	0.001	0.760%[2] (0.608%)	Registered[7]	Distributing
I-B[8]	USD	100	Not yet known	–	0.001	0.055%[5]	Registered[7]	Distributing
I-X[8]	USD	100	Not yet known	–	0.001	0,.000%[6]	Registered[7]	Distributing
U-X	USD	10 000	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing

UBS (CH) Strategy Fund – Balanced Sustainable (CHF)

Unit class	Accounting currency	Initial subscription price	Launch period/date[1]*	Minimum subscription	Smallest tradable lot	Commission p.a.	Form of custody	Appropriation of income
P	CHF	100	30.12.2008	–	0.001	1.620%[2] (1.30%)	Bearer	Distributing
K-1	CHF	5 000 000	Not yet known	n/a[11]	0.001	1.000%[2] (0,80%)	Bearer	Distributing
Q	CHF	100	03.11.2015	–	0.001	0.950%[3] (0.76%)	Bearer	Distributing
F	CHF	100	Not yet known	–	0.001	0.850%[4] (0.68%)	Registered[7]	Distributing

I-A1[8]	CHF	100	Not yet known	–	0.001	0.950%[2] (0.76%)	Registered[7]	Distributing
I-A2	CHF	100	Not yet known	10 000 000[9]	0.001	0.900%[2] (0.72%)	Registered[7]	Distributing
I-A3	CHF	100	Not yet known	30 000 000[10]	0.001	0.850%[2] (0.68%)	Registered[7]	Distributing
I-B[8]	CHF	100	Not yet known	–	0.001	0.055%[5]	Registered[7]	Distributing
I-X[8]	CHF	100	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing
U-X	CHF	10 000	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing

UBS (CH) Strategy Fund – Balanced Sustainable (EUR)

Unit class	Accounting currency	Initial subscription price	Launch period/date[1]*	Minimum subscription	Smallest tradable lot	Commission p.a.	Form of custody	Appropriation of income
P	EUR	100	30.12.2008	–	0.001	1.620%[2] (1.30%)	Bearer	Distributing
K-1	EUR	3 000 000	Not yet known	n/a[11]	0.001	1.000%[2] (0.80%)	Bearer	Distributing
Q	EUR	100	10.11.2015	–	0.001	0.950%[3] (0.76%)	Bearer	Distributing
F	EUR	100	Not yet known	–	0.001	0.850%[4] (0.68%)	Registered[7]	Distributing
I-A1[8]	EUR	100	Not yet known	–	0.001	0.950%[2] (0.76%)	Registered[7]	Distributing
I-A2	EUR	100	Not yet known	5 000 000[9]	0.001	0.900%[2] (0.72%)	Registered[7]	Distributing
I-A3	EUR	100	Not yet known	20 000 000[10]	0.001	0.850%[2] (0.68%)	Registered[7]	Distributing
I-B[8]	EUR	100	Not yet known	–	0.001	0.055%[5]	Registered[7]	Distributing
I-X[8]	EUR	100	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing
U-X	EUR	10 000	Not yet known	–	0.001	0,.000%[6]	Registered[7]	Distributing

UBS (CH) Strategy Fund – Balanced Sustainable (USD)

Unit class	Accounting currency	Initial subscription price	Launch period/date[1]*	Minimum subscription	Smallest tradable lot	Commission p.a.	Form of custody	Appropriation of income
P	USD	100	30.12.2008	–	0.001	1.620%[2] (1.30%)	Bearer	Distributing
K-1	USD	5 000 000	Not yet known	n/a[11]	0.001	1.000%[2] (0.80%)	Bearer	Distributing
Q	USD	100	05.11.2015	–	0.001	0.950%[3] (0.76%)	Bearer	Distributing
F	USD	100	Not yet known	–	0.001	0.850%[4] (0.68%)	Registered[7]	Distributing
I-A1[8]	USD	100	Not yet known	–	0.001	0.950%[2] (0.76%)	Registered[7]	Distributing
I-A2	USD	100	Not yet known	10 000 000[9]	0.001	0.900%[2] (0.72%)	Registered[7]	Distributing
I-A3	USD	100	Not yet known	30 000 000[10]	0.001	0.850%[2] (0.68%)	Registered[7]	Distributing
I-B[8]	USD	100	Not yet known	–	0.001	0.055%[5]	Registered[7]	Distributing
I-X[8]	USD	100	Not yet known	–	0.001	0.000%[6]	Registered[7]	Distributing
U-X	USD	10 000	Not yet known	–	0.001	0,000%[6]	Registered[7]	Distributing

[1] In the above table, the note "not yet known" refers to those unit classes which were not yet launched on the date this prospectus was published, or for which a launch date has not yet been set. Investors should contact their investment advisor for further details.

[2] Flat fee charged by the fund management company. This is used for management purposes, asset management and distribution of the sub-funds, and all tasks of the custodian bank. The amount in brackets indicates the level of the management fee, which accounts for 80% of the flat fee.

[3] Flat fee charged by the fund management company. This is used for management purposes and the asset management of the investment fund, and all tasks of the custodian bank. The amount in brackets indicates the level of the management fee, which accounts for 80% of the flat fee.

[4] Flat fee charged by the fund management company. This is used for management purposes and the asset management of the funds, and all tasks of the custodian bank. An additional fee is charged as stated in the written asset management mandate which the investor has concluded with group companies of UBS Group AG (cf. § 6 prov. 4). The amount in brackets indicates the level of the management fee, which accounts for 80% of the flat fee.

[5] Commission charged by the fund management company. The costs incurred in fund administration (including fund management company, administrator and custodian bank) are charged directly to the sub-fund's assets. The costs for asset management are charged to the investor under a separate agreement with UBS Asset Management Switzerland AG or an authorised contractual partner (cf. § 6 prov. 4).

[6] Commission charged by the fund management company. Costs arising in connection with the services provided for class "I-X" and "U-X" units are covered by payments due to UBS Asset Management Switzerland AG under a separate agreement with the investor (cf. § 6 prov. 4).

[7] The registered units must be booked and held in custody at UBS Switzerland AG.

[8] The allocation to a unit class shall take place in consultation with the investor based on their mandate relationship with UBS Asset Management Switzerland AG or one of its authorised contracting partners.

[9] For a subscription, the following criteria must be met:

(i) A minimum subscription must be carried out in accordance with the table (or the corresponding currency equivalent) or

(ii) It must be based on a written agreement between the qualified investor and UBS Asset Management Switzerland AG or one of its authorised contracting partners; its total assets held with UBS or its subscribed minimum holdings in UBS collective investment schemes must amount to more than CHF 30,000,000 (or the corresponding currency equivalent).

[10] For a subscription, the following criteria must be met:

(i) A minimum subscription must be carried out in accordance with the table (or the corresponding currency equivalent) or

(ii) It must be based on a written agreement between the qualified investor and UBS Asset Management Switzerland AG or one of its authorised contracting partners; its total assets held with UBS or its subscribed minimum holdings in UBS collective investment schemes must amount to more than CHF 100,000,000 (or the corresponding currency equivalent).

[11] Investors who wish to invest in this unit class must subscribe to units for an amount equal to the initial subscription price. For further subscriptions, they must subscribe at least the difference between the value of the units they already hold and the initial subscription price. If an investor holds units of the unit class in the value of the mentioned initial issue price, any subsequent subscription shall be accepted.

Detailed information on the unit classes is contained in the fund contract (cf. Part II, § 6 prov. 4).

The umbrella fund currently has the following sub-funds:

- **Balanced Sustainable (CHF)**
- **Balanced Sustainable (EUR)**
- **Balanced Sustainable (USD)**
- **Yield Sustainable (CHF)**
- **Yield Sustainable (EUR)**

– Yield Sustainable (USD)

The unit classes are not segmented assets. Accordingly, the possibility that a unit class may be liable for the liabilities of another unit class cannot be ruled out, even though costs as a rule may only be charged to the specific unit class benefiting from a specific service.

1.6 Listing and trading

The fund units are issued and redeemed daily.

1.7 Conditions for the issue and redemption of units in the sub-funds

Units of the sub-funds will be issued and redeemed on every bank working day (Monday to Friday). No issues or redemptions will take place on Swiss public holidays (Easter, Whitsun, Christmas incl. 24 December, New Year incl. 31 December , the Swiss national holiday [1 August], etc.), or on days when the stock exchanges and markets in the respective sub-fund's main investment countries are closed or on days when 50% or more of the sub-fund's investments cannot be appropriately valued, or under the exceptional circumstances defined under § 17 prov. 4 of the fund contract.

The fund management company and the custodian bank are entitled to reject applications for subscription at their own discretion.

Subscription and redemption orders received by the custodian bank by 1.00 p.m. (cut-off time) at the latest on a given bank working day (order day) will be settled on the basis of the net asset value calculated on the next bank working day (valuation day). Earlier cut-off times may apply to the submission of orders placed with distributors in Switzerland and abroad, to ensure that these can be forwarded on to the custodian bank in time. These can be obtained from the respective distributor. The net asset value taken as the basis for the settlement of the order is therefore not known when the order is placed (forward pricing). It is calculated on the valuation day on the basis of the closing prices on the order day or, if these do not reflect the appropriate market value in the fund management company's view, on the basis of the latest available prices at the time of the valuation, or in accordance with other recognised valuation models and principles. If under special circumstances valuation in accordance with the above rules is infeasible or inaccurate, the fund management company is entitled to use other generally acknowledged and verifiable valuation criteria to arrive at a reasonable valuation of net asset value.

If, on a valuation day, the sum of subscriptions and redemptions of units in the investment fund results in a net inflow or outflow, the investment fund's net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment level amounts to 2% of the net asset value. Incorporated into this are the incidental costs (bid/ask spreads, customary brokerage fees, commissions, taxes and duties, etc.), as well as the costs of reviewing and maintaining the quality standards of physical investments arising from the investment of the amount paid in or the sale of a portion of the investments corresponding to the terminated unit.
The adjustment results in an increase in the net asset value, if the net movements lead to an increase in the number of units in the investment fund. The adjustment results in a decrease in the net asset value if the net movements lead to a reduction in the number of units in the investment fund. These incidental costs are not taken into account if the fund management company permits an inflow or outflow into or out of investments instead of cash according to § 18 or when switching between unit classes within the investment fund. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value as set out in sentence 1 of this provision.

Instead of the average incidental costs mentioned above, the fund management company may also take the actual amount of the ancillary costs into account in the adjustment, provided that this appears appropriate in the fund management company's estimation, taking into account the relevant circumstances (e.g. amount, general market situation, specific market situation for the asset class concerned). In such a case, the adjustment may be higher or lower than the average incidental costs.

In the cases mentioned in § 17 prov. 4 and in other extraordinary cases, the maximum value of 2% of the net asset value may also be exceeded if the fund management is of the opinion that this is in the interests of all investors. The fund management company shall immediately inform the external auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify existing and new investors in an appropriate manner.

The redemption price corresponds to the net asset value calculated on the valuation day.

Incidental costs relating to the purchase and sale of investments (in particular, bid/ask spreads, standard brokerage fees, commissions, taxes, fees and duties) and incurred on average by the sub-fund in connection with the investment of the amount paid in or with a sale of the redeemed portion of the assets corresponding to the units redeemed will be covered by the application of swinging single pricing as outlined in § 16 prov. 7 of the fund contract.

The issue price corresponds to the net asset value calculated on the valuation day, plus the issuing commission. The amount of the issuing commission is specified in prov. 1.11.4 below.

Issue and redemption prices will be rounded to the smallest unit of the accounting currency of the respective sub-fund. Payment will be made no later than three bank working days after the order day (value date max. three days).

Units do not take the form of actual certificates, but exist purely as book entries.

1.8 Appropriation of income
In principle, net income will be distributed to investors within four months of the close of the financial year at no charge.

1.9. Investment objective and investment policy of the sub-funds
1.9.1 Investment objective

– Balanced **Sustainable** (CHF)
– Balanced **Sustainable** (EUR)
– Balanced **Sustainable** (USD)

The investment objective of these sub-funds is primarily to generate an optimum combination of interest income and capital growth in the respective reference currencies and promote ecological and/or social interests. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investment.

– Yield **Sustainable** (CHF)
– Yield **Sustainable** (EUR)
– Yield **Sustainable** (USD)

The investment objective of these sub-funds is primarily to generate an optimal investment return by normally having a heavier weighting in fixed income and money market investments than equities, and to promote ecological and/or social interests. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investments.

1.9.2 Investment policy

– Balanced Sustainable (CHF)
– Balanced Sustainable (EUR)
– Balanced Sustainable (USD)

These sub-funds invest their assets in bonds (including convertible bonds, convertible notes and warrant issues) and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide, in equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) of companies worldwide and other investments permitted under the fund contract.

– Yield Sustainable (CHF)
– Yield Sustainable (EUR)
– Yield Sustainable (USD)

These sub-funds invest their assets primarily in bonds (including convertible bonds, convertible notes and warrant issues) and notes as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide, further in equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) of companies worldwide and other investments permitted under the fund contract.

1.9.3 ESG-approaches
The ESG approaches listed below, or a combination thereof, may be used for sustainable investments:

ESG-Integration
The asset manager defines sustainability as the ability to leverage the environmental, social and governance (ESG) factors of business practices to generate opportunities and mitigate risks that contribute to the long-term performance of issuers ("sustainability"). The asset manager believes that by taking these factors into consideration, a more informed investment decision is made. The restrictions on the investment universe, which apply for all actively managed funds, are set down in the **Sustainability Exclusion Policy** (https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html).

ESG is integrated by including material ESG risks as part of the research process. When investing, this process uses the ESG Material Issues Framework of the asset manager, which identifies financially relevant factors that may affect investment decisions. Identifying financially relevant ESG factors means analysts can concentrate on sustainability factors that may affect the investment return. ESG integration can also identify opportunities for engagement to improve the company's ESG risk profile and thereby mitigate the potential negative impact of ESG issues on the investment's financial performance. The asset manager applies a system that uses internal and/or external data sources to identify investments with material ESG risks. The main external data sources are MSCI ESG Research, which provides ESG research and data, and Sustainalytics for general ESG data such as ESG ratings, ESG scores, business practices, greenhouse gas emissions, with special ESG data providers such as ISS Ethix for controversial armaments. Analysis of material sustainability/ESG issues can include various aspects, such as the following: carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and corporate governance.. The

asset manager takes ESG integration into account when allocating to underlying strategies, including of target funds. For strategies managed by UBS, the asset manager identifies ESG-integrated assets using the research process for ESG integration described above. Similar sustainability criteria are used for investments in strategies of external asset managers. However the data providers and sources and the precise implementation of the criteria are not specified. The asset manager assesses the strategies of external asset managers to ensure they meet the UBS sustainability standards.
If the asset manager takes the view that the strategies of the external asset manager do not yet meet the UBS sustainability standard, or do not comply with it without exception, it may nevertheless invest in such non-sustainable assets as part of the 30% limit described below.

Exclusions (negative screening): Where the sub-funds invest in actively managed UBS Asset Management Sustainability Focus funds or strategies, they use exclusion guidelines such as manufacture of controversial armaments (anti-personnel mines, cluster ammunition, biological, chemical or nuclear weapons). Data from an external consultant is used to identify such companies (ISS Ethix: https://www.issgovernance.com/esg/screening/#controversial-weapons). The external advisor provides data for a screening list of companies involved in production, sales or distribution.

The applicable exclusion criteria and thresholds are publicly available and regularly updated (UBS Asset Management Sustainability Exclusion Policy: https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html).

Best-in-class approach: Strategic or target funds classified by UBS AM as ESG Leader equities or ESG Leader bonds invest in such a way that the "asset-weighted" sustainability profile of the sub-fund, based on data and analyses by internal or recognised external data providers, is above-average compared to a traditional benchmark.

- ESG Leader equities: Equities of companies that already handle a series of critical ESG problems better and seize ESG opportunities better than their competitors.
- ESG Leader bonds: Bonds of companies that already handle a series of critical ESG problems better and seize opportunities better than their competitors.

Units of collective investment schemes that use an approach that enhances the sustainability profile of the respective sub-fund compared with a benchmark without an ESG objective (broad market index/reference).

Stewardship (active ownership): As far as possible, in all strategies or target funds (at a minimum, strategies or target funds classified by UBS AM as ESG Commitment equities or ESG Commitment high-yield bonds) companies actively engage in addressing the ESG risks and opportunities identified in a focused direct dialogue.

- ESG Commitment equities: an approach where asset managers get actively involved as shareholders to persuade company management to improve their performance in terms of ESG issues and opportunities.
- ESG Commitment high-yield bond: an approach where asset managers get actively involved as holders of bonds rated lower than BBB- to persuade company management to improve their performance in terms of ESG problems and opportunities.

Voting: As far as possible, all equity-based target funds use a policy-based process to exercise voting rights. The dedicated proxy voting policy is publicly available at: https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html

Sustainable thematic investing: Strategies or target funds classified by UBS Asset Management as UBS Thematic equities or green, social and sustainability bonds or development bonds invest so as to identify assets using internal and external data sources such as analyses by the UBS Wealth Management Chief Investment Office or the EU Green Bond standard and group them in a thematic investment universe.

- ESG Thematic equities: equities of companies that sell products and services tackling a particular ecological or social challenge and/or manage individual ESG factors such as gender equality particularly well.
- Green, social and sustainability bonds: bonds that finance environmental projects, social welfare institutions or other sustainability issues. Issuers of such bonds generally include corporates, municipalities and development banks.
- Development bonds: bonds issued by multilateral development banks (MDBs). MDBs are supported by various governments with the aim of financing sustainable economic growth.

Other:

- ESG Improvement equities ("Best in Progress"): shares of companies dealing increasingly better over time with a series of critical ESG problems and improving in this regard. Strategy or target funds classified by UBS Asset Management as ESG Improvement equities invest using quantitative and qualitative criteria, especially ESG ratings and scores over time, to determine their investments. There is less emphasis on the current sustainability profile and more on companies where the sustainability profile is improving over time.

- Sustainable investing in emerging market strategies or target funds that raise money through fixed-income investments and foreign exchange transactions to finance the private sector in emerging markets and support the efforts of development finance institutions.
    - Emerging markets are at an early stage of development, which can typically entail highly volatile market prices and temporary liquidity problems. These countries may also be associated with high levels of political or economic risk.
    - These strategies or target funds aim to stabilise the volatility of currencies in emerging markets and invest in development bonds, government bonds and multilateral development bank bonds to finance projects in emerging markets. These projects support the achievement of the UN Sustainability Goals in emerging markets.
    - The less volatile a country's currency is, the better the conditions for the country's economic development. In the currency investment process, qualitative criteria are taken into account in addition to quantitative criteria (e.g. the assessment of a country's growth expectations, interest rates and the valuation of the respective currency). Fixed-income instruments are evaluated based on their yield, maturity, credit risk and liquidity factors. Investments in bonds are intended to achieve positive economic, social and environmental impacts by supporting sustainable projects in emerging markets.

In addition to the ESG approaches targeting a particular ESG priority or specially focusing on a particular aspect of sustainability, ESG integration as described in the first part of this section is used as the first step in all ESG categories, i.e. before the specific aspects of sustainability considered in the ESG approaches.

Similar sustainability criteria are used for investments in strategies of external asset managers. However, the data providers and sources and the precise implementation of the criteria are not specified.

The asset manager assesses the strategies of external asset managers to ensure they meet the UBS sustainability standards.

When evaluating these strategies, the asset manager pays particular attention to the resources the external managers have at their disposal in ESG, e.g. the quality of the research and investment teams looking at ESG issues, the experience individual employees have in sustainability, the analytical and research tools used to assess companies’ ESG risks, and the investment process for taking ESG risks into consideration in portfolio construction.

The asset manager compares the ESG approaches of the external asset managers with its own ESG approaches, as appropriate, to gain an additional perspective on the external asset managers' ability to actually achieve their stated sustainability goals. As described above under ESG Integration, if the asset manager takes the view that the strategies of the external asset manager do not meet the UBS sustainability standard, in whole or in part, it may nevertheless invest in such non-sustainable assets as part of the 30% limit described above.

Sustainability Focus

UBS Asset Management categorises the following sub-funds as "Sustainability Focus" funds.

– Balanced Sustainable (CHF)
– Balanced Sustainable (EUR)
– Balanced Sustainable (USD)
– Yield Sustainable (CHF)
– Yield Sustainable (EUR)
– Yield Sustainable (USD)

Sustainability Focus funds target ESG criteria or have a specific sustainability objective set out in the investment policy.

At least 70% of the assets of each individual sub-fund (excluding cash, cash equivalents and derivatives) are invested in strategies targeting environmental (E) and/or social (S) characteristics in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector as an objective or are deemed equivalent thereto.

While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for up to 30% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures.

ESG risks

“ESG risk” is defined as an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. If a sustainability risk associated with an investment materialises, this could lead to a loss in the value of an investment.
Investments are selected in part based on external ESG research and data providers as well as internal analyst assessments of an investment's sustainability profile. This may represent an additional risk for investors, since the sustainability profiles used to identify suitable investments are partly based on subjective and/or qualitative evaluations which may differ from the actual fundamentals.
Since there is currently no accepted overall benchmark for the level of sustainability, an incorrect evaluation of it may result in an unfavourable risk/return profile of the sub-fund for the investor and/or cause reporting to deviate from the correct actual position.

Collateral strategy for securities lending or transactions with derivative financial instruments:
Counterparty risks may occur in connection with securities lending transactions and transactions in derivative financial instruments. These risks are minimised as follows:

Extent of collateralisation:
All loans under securities lending transactions must be collateralised in full, with the value of the collateral amounting to at least 105% of the market value of the lent securities. Individual items of collateral may also be valued at a discount. This discount is based on the volatility of the markets and the forecast liquidity of the collateral. The collateralisation of derivatives transactions is based on the relevant rules for settling such types of transaction. Derivatives transactions settled centrally are always collateralised. The extent and amount are based on the respective regulations of the central counterparty or clearing agent.

In the case of derivative transactions that are not settled centrally, the fund management company or its agents may conclude mutual collateral agreements with the counterparties. The value of the collateral exchanged must always be at least equivalent to the replacement value of the derivatives transactions outstanding. Individual items of collateral may also be valued at a discount. This discount is based on the volatility of the markets and the forecast liquidity of the collateral.

The following types of collateral are permitted:

– Equities traded on an exchange or other market open to the public which have a high level of liquidity and are included in a benchmark index.

– Listed ETFs in the form of securities funds, other funds for traditional investments under Swiss law or UCITS are deemed equivalent to equities if they track one of the above indices and replicate it physically. Swap-based, synthetically replicating ETFs are not permitted.

– Bonds traded on an exchange or other market open to the public where the issuer has a first-class credit rating. No rating is required for government bonds issued by the USA, Japan, the UK, Germany or Switzerland (including federal states and cantons).

– Tradable treasury bills and notes with a government guarantee are deemed equivalent to government bonds if the government or issue has a first-class rating or they are issued by the USA, Japan, the UK, Germany or Switzerland (including federal states and cantons).

– Tradable treasury bills and notes with a government guarantee are deemed equivalent to government bonds if the government or issue has a first-class rating or they are issued by the USA, Japan, the UK, Germany or Switzerland (including federal states and cantons).

– Cash collateral, provided this is in a freely convertible currency.

Collateral margins
The following minimum discounts (% deduction from market value) apply to the collateralisation of loans under securities lending transactions:

Listed equities and ETFs	8%
Government bonds (incl. treasury bills and notes) issued or guaranteed by the USA, the UK, Japan, Germany or Switzerland (incl. cantons and communes)	0%
Other sovereigns (incl. treasury bills and treasury savings notes)	2%
Corporate bonds	4%
Cash collateral, provided it is not in the fund currency	3%
Money market funds	4%

The following minimum discounts apply when collateralising derivatives that are not settled centrally (% discount versus the market value), provided a collateral agreement has been concluded with the counterparty:

Cash	0%
Sovereigns with a residual term of up to 1 year	1-3%
Sovereigns with a residual term of 1-5 years	3-5%
Sovereigns with a residual term of 5-10 years	4-6%
Sovereigns with a residual term of over 10 years	5-7%

Cash collateral may be reinvested as follows and with the following risks:
Sight deposits or deposits that can be terminated at short notice, sovereigns with a high credit rating, money market instruments with counterparties that have a high credit rating, and money market funds that are subject to the SFAMA guideline or the CESR guideline for money market funds.

Cash collateral must always be reinvested in the same currency as the collateral is received in.

The fund management company regularly monitors the risks from reinvesting cash collateral. These investments are nevertheless subject to credit risk and the value can be impacted by fluctuations. In addition, a certain level of liquidity risk cannot be excluded.

1.9.4 Use of derivatives

The fund management company may make use of derivatives. However, even under extraordinary market circumstances the use of derivatives must not alter the sub-fund's investment goals or lead to a change in its investment profile. Commitment approach II is used for the measurement of risk.

Derivatives form part of the investment strategy and are used not only for hedging investment positions. In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, credit and interest rate risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.

Both basic and exotic forms of derivatives may be used in a negligible amount as described in detail in the fund contract (cf. § 12), provided their underlying securities are permissible investments in accordance with the investment policy. The derivatives can be traded on a stock exchange or another regulated market open to the public or concluded as over-the-counter (OTC) transactions. Besides market risk, derivatives are also subject to counterparty risk, i.e. the risk that the contracting party is unable to meet its obligations and causes a financial loss as a result.

Besides credit default swaps (CDSs), all other forms of credit derivatives (e.g. total return swaps [TRSs], credit spread options [CSOs], credit linked notes [CLNs]) may also be acquired, which can be used to transfer credit risks to third parties, known as risk buyers. These risk buyers are compensated with a premium. The level of this premium depends on a number of factors including the likelihood of a loss occurring and the maximum loss; as a rule both of these factors are difficult to assess, which in turn increases the risk associated with credit derivatives. The respective sub-fund may act as a risk buyer or seller.

The use of derivatives may result in the sub-funds' assets being leveraged or be tantamount to a short sale. The overall investment in derivatives may reach up to 100% of the fund's net assets, taking the fund's total investment to up to 200% of its net fund assets.

Detailed information on the fund's investment policy and its restrictions, as well as the permitted investment techniques and instruments (in particular derivative instruments and their scope) are contained in the fund contract (cf. Part II, §§ 7–15).

1.10 Net asset value

The net asset value of a unit of a given class is determined by the proportion of the market value of the sub-fund's assets attributable to that unit class, less any of the sub-fund's liabilities that are attributed to that unit class, divided by the number of units of that class in circulation. It will be rounded to the smallest unit of the accounting currency of the respective sub-fund.

1.11 Remuneration and incidental costs

1.11.1 Remuneration and incidental costs charged to the sub-funds' assets (excerpt from § 19 of the fund contract)

Detailed information on the fees and incidental costs charged to the fund assets is presented in 1.5 of this Prospectus.

The commission is used for the management, asset management and if necessary, distribution of the sub-funds and the performance of the duties outlined in § 6 prov. 4 ltr. B e-g of the fund contract, and for all duties of the custodian bank, such as the safekeeping of the sub-funds, handling payment transactions and other duties listed under § 4.

A detailed breakdown of the fees and incidental costs not covered by the flat fee can be found under § 19.2 of the fund contract.

To ensure ease of comparability with the remuneration rules of different fund providers that are not familiar with the flat fee, the term "management fee" is taken as being equivalent to 80% of the flat fee.

1.11.2 Total expense ratio

– Balanced Sustainable (CHF)
The coefficient of the entire costs charged on an ongoing basis to the sub-fund’s assets (total expense ratio or TER) was:

2020/2021	Unit class «P»	1.64%
	Unit class «Q»	0.97%
2021/2022	Unit class «P»	1.68%
	Unit class «Q»	1.01%
2022/2023	Unit class «P»	1.71%
	Unit class «Q»	1.04%

– Balanced Sustainable (EUR)
The coefficient of the entire costs charged on an ongoing basis to the sub-fund’s assets (total expense ratio or TER) was:

2020/2021	Unit class «P»	1.67%
	Unit class «Q»	1.00%
2021/2022	Unit class «P»	1.72%
	Unit class «Q»	1.04%
2022/2023	Unit class «P»	1.74%
	Unit class «Q»	1.07%

– Balanced Sustainable (USD)
The coefficient of the entire costs charged on an ongoing basis to the sub-fund’s assets (total expense ratio or TER) was:

2020/2021	Unit class «P»	1.67%
	Unit class «Q»	1.00%
2021/2022	Unit class «P»	1.72%
	Unit class «Q»	1.05%
2022/2023	Unit class «P»	1.75%
	Unit class «Q»	1.08%

– Yield Sustainable (CHF)
The coefficient of the entire costs charged on an ongoing basis to the sub-fund’s assets (total expense ratio or TER) was:

2020/2021	Unit class «P»	1.46%
	Unit class «Q»	0.87%
2021/2022	Unit class «P»	1.50%
	Unit class «Q»	0.91%
2022/2023	Unit class «P»	1.52%
	Unit class «Q»	0.93%

– Yield Sustainable (EUR)
The coefficient of the entire costs charged on an ongoing basis to the sub-fund’s assets (total expense ratio or TER) was:

2020/2021	Unit class «P»	1.47%
	Unit class «Q»	0.89%
2021/2022	Unit class «P»	1.54%
	Unit class «Q»	0.95%
2022/2023	Unit class «P»	1.55%
	Unit class «Q»	0.96%

– Yield Sustainable (USD)
The coefficient of the entire costs charged on an ongoing basis to the sub-fund’s assets (total expense ratio or TER) was:

2020/2021	Unit class «P»	1.48%
	Unit class «Q»	0.89%
2021/2022	Unit class «P»	1.52%
	Unit class «Q»	0.93%
2022/2023	Unit class «P»	1.55%
	Unit class «Q»	0.96%

1.11.3 Payment of retrocessions, discounts and individually agreed fees
The fund management company and its agents may pay retrocessions as remuneration for distribution activity in respect of fund units in or from Switzerland. This compensation may be used in particular to cover the following services:

– any activity aimed at promoting the distribution or transfer of fund units;
– the organisation of roadshows;
– participation at events and trade fairs;
– the production of advertising material;
– the training of sales representatives, etc.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the Investors.

The recipients of the retrocessions must ensure transparent disclosure and inform Investors, unsolicited and free of charge, about the amount of remuneration they may receive for distributing.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the Investors concerned.

In respect of distribution in and from Switzerland, the fund management company and its agents may on request pay rebates directly to investors (within the meaning of the SFAMA Transparency Guidelines of 22 May 2014). The purpose of rebates is to reduce the fees or costs incurred by the Investor in question. Discounts are permitted provided they:

– they are paid from fees charged by the fund management company and therefore do not represent an additional charge to the fund assets;
– they are granted on the basis of objective criteria;
– all investors who meet these objective criteria and request rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the fund management company are as follows:

– the amount subscribed by the investor or the total amount held by the investor in the collective investment scheme, or possibly in the product range of the promoter;
– amount of fees generated by the investor;
– the investment behaviour practised by the investor (e.g. expected duration of the investment);
– the investor's willingness to provide support during the inception phase of a collective investment scheme.

At the request of the investor, the fund management company shall disclose the amounts of such discounts free of charge.

In connection with "execution-only" mandates, the fund management company and its agents may determine the fees by way of individual agreements with investors for unit classes "I-B", "I-X" and "U-X". The conditions for individually agreed upon fees are based on the conditions governing rebates. Individually agreed upon fees are therefore permissible provided that:

- they do not represent an additional charge to the assets of the sub-fund;
- they are determined based on objective criteria;
- equal treatment is given to all investors who meet these objective criteria and request an individually agreed upon fee within the same timeframe.

If the fund management company and its agents determine the fees individually with investors for the corresponding unit classes, the following objective criteria shall apply:

- the investment volume held by the investor in the umbrella fund or sub-fund;
- if applicable, the total volume in and total proceeds held by the investor from the promoter's product range (including UBS Group, UBS Investment Foundations, etc.);
- the investment behaviour shown by the investor (e.g. investment period or investment quarter);
- the investor's willingness to provide support in the launch phase of the sub-fund.

At the request of the investor, the fund management company or its agents shall disclose free of charge the application of the criteria to the investor's situation and the resulting fee.

1.11.4 Fees and incidental costs charged to the fund assets (excerpt from § 18 of the fund contract)
Issuing commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad: maximum of 4%.

1.11.5 Commission sharing agreements and soft commissions

The fund management company has not concluded any commission-sharing agreements.

The fund management company has not concluded agreements in respect of soft commissions.

1.11.6 Investments in related collective investment schemes

No issuing and redemption commissions are charged in the case of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a significant direct or indirect interest. Taking any retrocessions and rebates into account, the management fee of the target funds in which investments are made may not exceed 1.98%. The maximum rate of the management fee of the target funds in which investments are made, taking any retrocessions and rebates into account, must be disclosed in the annual report for each target fund.

1.12 Publications of official notices by the umbrella fund and sub-funds

Further information on the umbrella fund and the sub-funds may be found in the latest annual or semi-annual report. The latest information can also be found on the Internet at www.ubs.com/fonds.

The prospectus with integrated fund contract, the key information document and the annual or semi-annual reports, may be obtained free of charge from the fund management company, the custodian bank and all distributors.

Notification of changes to the fund contract, a change of fund management company or custodian bank, as well as the liquidation of the investment fund shall be published by the fund management company Swiss Fund Data AG (www.swissfunddata.ch).

Prices are published for all unit classes for each day on which units are issued or redeemed (daily) on the website of Swiss Fund Data AG at www.swissfunddata.ch, on the Internet at www.ubs.com/fonds as well as in any other electronic media and Swiss and international newspapers.

1.13 Legal form of the umbrella fund and its sub-funds

The sub-funds are based upon a collective investment agreement (fund contract), under which the fund management company undertakes to provide the investor with a stake in the relevant sub-fund in proportion to the fund units acquired by the said investor, and to manage this sub-fund at its own discretion and for its own account in accordance with the provisions of the law and the fund contract. The custodian bank is party to the fund contract in accordance with the tasks delegated to it by the law and the fund contract.

Investors are only entitled to the assets and income of the sub-fund in which they hold an interest. Any liabilities attributable to individual sub-funds are borne solely by the sub-fund concerned.

In accordance with the fund contract, the fund management company is entitled to create, liquidate or merge different unit classes at any time, subject to the consent of the custodian bank and the approval of the supervisory authority.

1.14 The material risks

The material risks associated with the sub-funds are: The investments in the respective sub-fund are subject to normal market fluctuations and other risks associated with investments in securities. There is no guarantee that the value of the investments will increase. Both the value and income of the investments can fall or rise. There is no guarantee that the investment objective will actually be achieved. There is no guarantee that investors will obtain a specific income or be able to redeem the units with the fund management company at a specific price.

The currency denomination included in the names of the sub-funds refers solely to the currency used to measure the performance of the sub-funds, and not to the investment currency of the sub-funds. Investments are made in the currencies best suited for the performance of the sub-fund and may be made all over the world.

1.15 Liquidity risk management/information on the liquidity management process

The fund management company must ensure appropriate liquidity management. To guarantee the right of the investor to redeem their units at any time (Art. 78 para. 2 CISA), the fund management company regularly monitors the liquidity risks of the individual investments with regard to their saleability on the one hand and of the sub-funds with regard to the servicing of redemptions on the other. The fund management company assesses the liquidity of the sub-funds on a monthly basis using various scenarios, and documents these. In particular, the fund management company has defined and implemented processes that make it possible to identify, monitor and report these liquidity risks. To identify the liquidity risks of the investments and to calculate individual liquidity thresholds at sub-fund level, the fund management company relies on models that have been tested in the market and verified by UBS Group specialists. The liquidity thresholds are used to monitor stress reduction scenarios at sub-fund level.

1.16 The fund-of-funds structure

Since the sub-funds of UBS (CH) Strategy Fund may invest predominantly in other funds and/or sub-funds, they must comply with the conditions for funds of funds.

The specific structure of fund-of-fund sub-funds means that, in particular, it has the following advantages over funds which make direct investments:

- Investing in existing investment funds (target funds) ensures broader diversification and a greater spreading of risk compared with an investment in directly investing funds;

- For a fund of funds, diversification is limited not only to their own investments, since target funds are also subject to the stricter regulations governing risk diversification. Funds of funds enable investors to invest in a product that exhibits risk diversification at two levels and therefore minimises the risk of the individual target funds.

The disadvantage of a fund-of-funds structure compared to funds which make direct investments is:

Certain elements of remuneration and incidental costs may accrue twice as a result of investing in units of existing collective investments (for example, commission to the custodian bank and central administrative unit, administrative and advisory commissions and issuing/redemption commissions of target funds in which investments were made). Such remuneration and expenses are charged at both the target fund and the fund-of-funds levels.

The section "Remuneration and incidental costs" (prov. 1.11) provides detailed information on general remuneration and costs in connection with investments in units of existing collective investments.

2 Information on the fund management company

2.1 General information on the fund management company

The fund management company, UBS Fund Management (Switzerland) AG, is domiciled in Basel and has been active in the fund business since its formation as a limited company in 1959.

2.2 Further information on the fund management company

As at 31 December 2022, the fund management company managed a total of 407 securities funds and 8 real estate funds in Switzerland with assets totalling CHF 302,081 million.
Furthermore, the fund management company provides the following specific services:
- representation of foreign collective investment schemes;
- administration services for collective investment schemes.

2.3 Board of Directors and governing bodies

Board of Directors

Michael Kehl Chairman Managing Director UBS Asset Management Switzerland AG, Zurich	Dr Daniel Brüllmann Vice Chairman Managing Director UBS Asset Management Switzerland AG, Zurich	Dr Michèle Sennhauser Member Executive Director UBS Asset Management Switzerland AG, Zurich
Francesca Gigli Prym Member Managing Director UBS Fund Management (Luxembourg) S.A., Luxembourg	Franz Gysin Independent Member	Werner Strebel Independent Member

Executive Board

Eugène Del Cioppo CEO	Georg Pfister Deputy CEO and Operating Office, Finance & HR	Urs Fäs Real Estate Funds
Christel Müller Business Risk Management	Thomas Reisser Compliance& Operational Risk Control	Matthias Börlin Admin, Custody & Tax Oversight
Daniel Diaz Delegation & Investment Risk Management	Melanie Gut Corporate & Regulatory Governance	Patric Schläpfer Corporate Services
Hubert Zeller White Labelling Solutions Switzerland		

2.4 Subscribed and paid-up capital
The subscribed share capital of the fund management company amounts to CHF 1 million. The share capital is divided into registered shares and is fully paid up. UBS Fund Management (Switzerland) AG is a wholly owned group company of UBS Group AG.

2.5 Exercise of membership and creditors' rights

The fund management company exercises the membership and creditors' rights associated with the investments of the sub-funds it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide investors with information on the exercise of membership and creditors' rights.

In the case of scheduled routine transactions, the Fund Management Company is free to exercise membership and creditors' rights itself or to delegate their exercise to the Custodian Bank or a third party and to waive the exercise of membership and creditors' rights.
In the case of all other events that might have a lasting impact on the interests of the Investors, such as, in particular, the exercise of membership and creditors' rights the fund management company holds as a shareholder or creditor of the custodian bank or another related legal entity, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the asset manager, the company concerned, or from voting rights advisors or other third parties, or that it ascertains from the media.

3 Information on the custodian bank
3.1 General information on the custodian bank

UBS Switzerland AG is the custodian bank. The bank was founded in 2014 as a stock corporation with its registered office in Zurich and with effect from 14 June 2015 took over the Private and Corporate Banking business as well as the Wealth Management business booked in Switzerland of UBS AG.

3.2 Further information on the custodian bank

As a universal bank, UBS Switzerland AG offers a wide range of banking services.

UBS Switzerland AG is a group company of UBS group company AG. With consolidated total assets of USD 1,104, 364 million and published capital and reserves of USD 57, 218 million as at 31 December 2022, UBS Group AG is financially one of the strongest banks in the world. It employs 72, 597 staff worldwide and has an extensive network of offices.

The custodian bank may delegate the safekeeping of the fund's assets to third-party or collective depositories in Switzerland and abroad, provided that this is in the interests of efficient management.
Financial instruments may only be transferred to third-party custodians or collective securities depositories subject to regulatory supervision. This provision shall not apply in cases where assets have to be held in safekeeping at a location at which the transfer of the assets to third-party or collective depositories subject to supervision is not possible, in particular in light of requirements imposed by law or the specific characteristics of the investment product

This is subject to the following risks: third-party and collective depositories mean that the fund management company no longer has sole ownership of deposited securities, but only co-ownership. Furthermore, if the third-party and collective depositories are not subject to supervision, they are unlikely to meet the organisational requirements imposed on Swiss banks.

The custodian bank shall be liable for any losses caused by the agent unless it can demonstrate that it exercised due care and diligence in selecting, instructing and monitoring the latter.

The custodian bank is registered with the tax authority in the United States as a Reporting Financial Institution under a Model 2 IGA as provided for by Sections 1471 – 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including related ordinances, FATCA).

4 Information on third parties
4.1 Paying agents
The paying agents are UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich, and its offices in Switzerland.

4.2 Distributors
UBS Asset Management Switzerland AG, Zurich, is responsible for the distribution of the sub-funds.

4.3 Delegation of investment decisions
Investment decisions in respect of the sub-funds have been delegated to UBS Switzerland AG, Zurich and UBS Asset Management Switzerland AG, Zurich.

UBS Switzerland AG as a bank and UBS Asset Management Switzerland AG as an asset management company are subject in Switzerland to supervision by the Swiss Financial Market Supervisory Authority (FINMA). Precise details of how their remit is to be fulfilled are laid down in an asset management agreement between UBS Fund Management (Switzerland) AG, UBS Switzerland AG and UBS Asset Management Switzerland AG.

4.4 Delegation of administration

The administration of the investment funds, in particular accounting, calculation of the net asset value, tax statements, operation of IT systems and preparation of statements of accounts, has been delegated to Northern Trust Global Services SE, Leudelange, Luxembourg, Basel branch, Grosspeter Tower, Grosspeteranlage 29, 4052 Basel, Switzerland. The precise duties involved are set out in an agreement between the parties.

All other fund management duties and the monitoring of other delegated duties are carried out in Switzerland.

5 Further information
5.1 Key data

– Balanced Sustainable (CHF)

Securities no.	Unit class	"P"	279212
		"K-1"	
		"Q"	20327969
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
ISIN	Unit class	"P"	CH0002792122
		"K-1"	
		"Q"	CH0203279697
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
Listing	none; units of the fund are issued and redeemed daily.		
Financial year	1 February – 31 January		
Term to maturity	unlimited		
Accounting currency	Swiss Franc (CHF)		
Units	Unit classes "P", "Q" and "K-1" made to the bearer; units are not certificated, but are dealt with on a book-entry basis only. Unit classes "F", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" registered in the name of the unitholder; units are not certificated, but are dealt with on a book-entry basis only.		
Appropriation of income	in principle, net income will be distributed to investors within four months of the close of the financial year at no charge. As a rule, capital gains are not distributed but are held in the sub-fund for reinvestment.		

– Balanced Sustainable (EUR)

Securities no.	Unit class	"P"	47454
		"K-1"	
		"Q"	20327971
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
ISIN	Unit class	"P"	CH0000474541
		"K-1"	
		"Q"	CH0203279713
		"F"	
		"I-A1"	

		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
Listing	none; units of the fund are issued and redeemed daily.		
Financial year	1 February – 31 January		
Term to maturity	unlimited		
Accounting currency	Euro (EUR)		
Units	Unit classes "P", "Q" and "K-1" made to the bearer; units are not certificated, but are dealt with on a book-entry basis only. Unit classes "F","I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" registered in the name of the unitholder; units are not certificated, but are dealt with on a book-entry basis only.		
Appropriation of income	in principle, net income will be distributed to investors within four months of the close of the financial year at no charge. As a rule, capital gains are not distributed but are held in the sub-fund for reinvestment.		

– Balanced Sustainable (USD)

Securities no.	Unit class	"P"	279218
		"K-1"	
		"Q"	20327972
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
ISIN	Unit class	"P"	CH0002792189
		"K-1"	
		"Q"	CH0203279721
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
Listing	none; units of the fund are issued and redeemed daily.		
Financial year	1 February – 31 January		
Term to maturity	unlimited		
Accounting currency	US-Dollar (USD)		
Units	Unit classes "P", "Q" and "K-1" made to the bearer; units are not certificated, but are dealt with on a book-entry basis only. Unit classes "F", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" registered in the name of the unitholder; units are not certificated, but are dealt with on a book-entry basis only.		
Appropriation of income	in principle, net income will be distributed to investors within four months of the close of the financial year at no charge. As a rule, capital gains are not distributed but are held in the sub-fund for reinvestment.		

– Yield Sustainable (CHF)

Securities no.	Unit class	"P"	279211
		"K-1"	
		"Q"	20327975
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
ISIN	Unit class	"P"	CH0002792114
		"K-1"	
		"Q"	CH0203279754

		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
Listing	none; units of the fund are issued and redeemed daily.		
Financial year	1 February – 31 January		
Term to maturity	unlimited		
Accounting currency	Swiss franc (CHF)		
Units	Unit classes "P", "Q" and "K-1" made to the bearer; units are not certificated, but are dealt with on a book-entry basis only. Unit classes "F", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" registered in the name of the unitholder; units are not certificated, but are dealt with on a book-entry basis only.		
Appropriation of income	in principle, net income will be distributed to investors within four months of the close of the financial year at no charge. As a rule, capital gains are not distributed but are held in the sub-fund for reinvestment.		

– Yield Sustainable (EUR)

Securities no.	Unit class	"P"	47453
		"K-1"	
		"Q"	20327977
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
ISIN	Unit class	"P"	CH0000474533
		"K-1"	
		"Q"	CH0203279770
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
Listing	none; units of the fund are issued and redeemed daily.		
Financial year	1 February – 31 January		
Term to maturity	unlimited		
Accounting currency	Euro (EUR)		
Units	Unit classes "P", "Q" and "K-1" made to the bearer; units are not certificated, but are dealt with on a book-entry basis only. Unit classes "F", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" registered in the name of the unitholder; units are not certificated, but are dealt with on a book-entry basis only.		
Appropriation of income	in principle, net income will be distributed to investors within four months of the close of the financial year at no charge. As a rule, capital gains are not distributed but are held in the sub-fund for reinvestment.		

– Yield Sustainable (USD)

Securities no.	Unit class	"P"	279217
		"K-1"	
		"Q"	20327979
		"F"	
		"I-A1"	
		"I-A2"	
		"I-A3"	
		"I-B"	
		"I-X"	
		"U-X"	
ISIN	Unit class	"P"	CH0002792171
		"K-1"	

	"Q" "F" "I-A1" "I-A2" "I-A3" "I-B" "I-X" "U-X"	CH0203279796
Listing	none; units of the fund are issued and redeemed daily.	
Financial year	1 February – 31 January	
Term to maturity	unlimited	
Accounting currency	US-Dollar (USD)	
Units	Unit classes "P", "Q" and "K-1" made to the bearer; units are not certificated, but are dealt with on a book-entry basis only. Unit classes "F", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" registered in the name of the unitholder; units are not certificated, but are dealt with on a book-entry basis only.	
Appropriation of income	in principle, net income will be distributed to investors within four months of the close of the financial year at no charge. As a rule, capital gains are not distributed but are held in the sub-fund for reinvestment.	

5.2 Sales restrictions

The regulations valid in the country in question apply to the issue and redemption of units of the sub-funds outside Switzerland.

a. The fund is authorised for distribution in the following countries:

The fund has been authorised by the Monetary Authority of Singapore (MAS) for exclusive distribution in an institutional setting to accredited investors and other investors within the meaning of Section 305 of the Securities and Futures Act and the Sixth Schedule of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations.

b. Units of this investment fund may not be offered, sold or delivered within the United States. Units of this fund may not be offered, sold or delivered to investors who are US persons. A US person is someone who:

(i) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder;
(ii) is a US person within the meaning of Regulation S under the US Securities Act of 1933 (17 CFR § 230.902(k));
(iii) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));
(iv) resides in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended; or
(v) is any trust, entity or other structure formed for the purpose of allowing US persons to invest in this fund.

The fund management company and custodian bank may prohibit or restrict the sale, distribution or transfer of units to individuals or legal entities in certain countries or areas.

6. Further investment information

6.1 Profile of the typical investor

The sub-fund is suited for investors who wish to invest in a globally diversified portfolio that promotes ecological and/or social characteristics.

6.2 Detailed regulations

All further information on the respective sub-fund, such as the method used for the valuation of the fund assets, a list of all fees and incidental costs charged to the investor and the fund, and the appropriation of net income, can be found in detail in the fund contract.

Part II Fund Contract

I. Basis

§ 1 Name of the fund; name and domicile of the fund management company, custodian bank and asset manager

1. An umbrella fund of the "Securities funds" category (the "fund") has been established under the name of UBS (CH) Strategy Fund in accordance with Art. 25 in association with Art. 53 ff. in association with Art. 92 ff. of the Swiss Collective Investment Schemes Act (CISA) of 23 June 2006, and is divided into the following sub-funds:

   – **Balanced Sustainable (CHF)**
   – **Balanced Sustainable (EUR)**
   – **Balanced Sustainable (USD)**
   – **Yield Sustainable (CHF)**
   – **Yield Sustainable (EUR)**
   – **Yield Sustainable (USD)**

2. UBS Fund Management (Switzerland) AG, Basel, is the fund management company.

3. UBS Switzerland AG, Zurich, is the custodian bank.

4. The asset manager for all sub-funds are UBS Switzerland AG, Zurich, as well as UBS Asset Management Switzerland AG, Zurich.

II. Rights and obligations of the contracting parties

§ 2 Fund contract

The legal relationship between the investors on the one hand and the fund management company and the custodian bank on the other shall be governed by this fund contract and the applicable provisions of Swiss legislation concerning collective investment schemes.

§ 3 Fund management company

1. The fund management company manages the sub-funds at its own discretion and in its own name, but for the account of the investors. In particular, it shall make all decisions relating to the issuing of units, the investments and their valuation. It calculates the net asset value, sets the issue and redemption prices of units and also determines the distribution of income. The fund management company exercises all rights associated with the umbrella fund and the sub-funds.

2. The fund management company and its agents shall act in good faith and have a duty to exercise due diligence and provide information. They shall act independently and exclusively in the interests of investors. They shall take any organisational steps that may be required to ensure the proper conduct of business. They shall report on the collective investment schemes they manage and provide information on all fees and costs charged directly or indirectly to investors and on compensation received from third parties, in particular commissions, rebates and other monetary benefits.

3. The fund management company may delegate investment decisions and specific tasks, provided that this is in the interests of efficient management. It shall only appoint persons who have the necessary skills, knowledge and experience for this activity, as well as the necessary authorisation. It must carefully instruct and monitor the third parties it uses.

   Investment decisions may only be delegated to asset managers who are subject to recognized supervision.

   If foreign law requires an agreement on cooperation and the exchange of information with foreign supervisory authorities, the fund management company may delegate investment decisions to asset managers abroad only if such an agreement exists between FINMA and the relevant foreign supervisory authorities for the investment decisions concerned.

   The fund management company shall be liable for the actions of its agents as if they were its own actions.

4. The fund management company may, subject to the consent of the custodian bank, submit an amendment to this fund contract to the supervisory authority for approval (§ 27).

   The fund management company may merge individual sub-funds with other sub-funds or other investment funds pursuant to the provisions of § 24, convert them into another legal form of collective investment scheme in accordance with the provisions of § 25 or dissolve the individual sub-funds in accordance with the provisions of § 26.

6. The fund management company is entitled to receive the remuneration stipulated in §§ 18 and 19. It is further entitled to be released from any liabilities assumed in the proper performance of its duties and to be reimbursed for expenses incurred in connection with such liabilities.

§ 4 Custodian bank

1. The custodian bank is responsible for the safekeeping of the sub-funds' assets. It is further responsible for the issue and redemption of fund units and payments on behalf of the sub-funds.

2. The custodian bank and its agents shall act in good faith and have a duty to exercise due diligence and provide information. They shall act independently and exclusively in the interests of investors. They shall take any organisational steps that may be required to ensure the proper conduct of business. They shall report on the collective investment schemes they hold and provide adequate information on this umbrella fund or the sub-funds. They shall disclose all fees and costs charged directly or indirectly to the investors and compensation received from third parties, in particular commissions, rebates or other monetary benefits.

3. The custodian bank shall be responsible for managing the account and assets of the fund, but may not access the fund's assets in its own right.

4. In the case of transactions which relate to the fund assets, the custodian bank shall ensure that the countervalue is transferred within the customary periods. It shall inform the fund management company if the countervalue is not provided within the customary period and request that the counterparty replace the affected asset where this is possible.

5. The custodian bank shall manage the requisite records and accounts in such a way as to be able to identify the assets in custody for each individual fund at any time.

   The custodian bank shall verify that assets which cannot be deposited are the property of the fund management company and record the information accordingly.

6. The custodian bank may delegate the safekeeping of the fund's assets to third-party or collective depositories in Switzerland and abroad, provided that this is in the interests of effective safekeeping. The custodian bank shall verify and monitor the third-party and collective depositories it has appointed:

   a. They have a suitable operating structure, and the financial guarantees and professional qualifications necessary to manage the type and complexity of assets that have been entrusted to them.

   b. They are subject to regular external audits which ensure that the financial instruments are in their possession.

   c. The assets entrusted to them by the custodian bank are held in such a way as to enable the custodian bank to clearly identify them as fund assets through regular reconciliations.

   d. They comply with the requirements applicable to the custodian bank in relation to the delegated tasks and the avoidance of conflicts of interest.

   The custodian bank shall be liable for any losses caused by the agent unless the bank is able to prove that due care was exercised in the selection, instruction and supervision of the agent. The prospectus contains information about the risks associated with delegating safekeeping duties to third-party and collective depositories.

   In respect of financial instruments, the delegation of safekeeping in the sense of the previous paragraph may be made only to regulated third-party custodians and central securities depositories. This does not apply to mandatory safekeeping at a location where the transfer of safekeeping to regulated third-party custodians and central securities depositories is not possible, in particular owing to mandatory legal provisions or to the particular arrangements for the investment product in question. Investors shall be informed in the prospectus about the safekeeping by third-party custodians that are not subject to supervision.

7. The custodian bank shall ensure that the fund management company complies with the law and the fund contract. It shall check whether the calculation of net asset value, issue and redemption prices of units and investment decisions are being carried out in accordance with the law and the fund contract, and whether the net income is appropriated as stipulated in the fund contract. The custodian bank shall not be responsible for any investment selection made by the fund management company within the scope of the investment guidelines.

8. The custodian bank shall be entitled to receive the remuneration stipulated in §§ 18 and 19. It is further entitled to be released from any liabilities assumed in the proper performance of its duties and to be reimbursed for expenses incurred in connection with such liabilities.

9. The custodian bank shall not be responsible for the safekeeping of assets of the target funds in which the sub-funds invest unless it has been assigned this task.

§ 5 The investors

1. The fund is not restricted. Individual classes may be restricted in accordance with § 6 prov. 4. The fund management company and custodian bank shall together ensure that investors meet the investor group requirements.

2. Upon execution of the contract and remittance of a cash payment, the investor acquires a claim against the fund management company for an interest in the assets and income of a sub-fund in the umbrella fund. This claim is evidenced in the form of units.

3. Investors are only entitled to an interest in the assets and income of the sub-fund in which they hold units. Any liabilities attributable to individual sub-funds are borne solely by the individual sub-fund concerned.

4. Investors are only obliged to remit payment for the units of the sub-fund to which they subscribe. Investors shall not be held personally liable in respect of the liabilities of the umbrella fund and/or individual sub-funds.

5. Investors may at any time request that the fund management company supply them with information regarding the basis on which the net asset value per unit is calculated. The fund management company shall also supply further information regarding specific transactions it has carried out, such as the exercise of membership and creditors' rights and risk management, to any investor claiming an interest in such matters at any time. Investors shall be entitled to submit an application to the court having jurisdiction in the domicile of the fund management company for the external auditors, or another entity with appropriate expertise, to investigate and report on any facts or circumstances for which disclosure is required.

6. Investors shall be entitled to terminate the fund contract at any time and request payment in respect of units held in the corresponding sub-fund in cash.

7. Upon request, the investors are obliged to provide the fund management company and/or the custodian bank and its agents with proof that it meets/continues to meet the legal and contractual requirement necessary to be able to participate in an investment fund or unit class. In addition, they are obliged to immediately notify the fund management company and its agents if they no longer meet these requirements.

8. The sub-fund or a unit class may be subject to a "soft closing", whereby investors may not subscribe to units if the fund management company believes the closing is necessary to protect the interests of existing investors. In reference to this investment fund or unit class, the soft closing shall apply to new subscriptions or switches into the investment fund or unit class, but not to redemptions, transfers or switches out of the investment fund or unit class. The investment fund or unit class may be subject to a soft closing without notifying the investors.

9. An investor's units must be compulsorily redeemed at the prevailing redemption price by the fund management company in collaboration with the custodian bank if:

   a. this is required to safeguard the reputation of the financial centre, notably in relation to combating money laundering;

   b. investors no longer meet the legal or contractual requirements to participate in a sub-fund.

10. In addition, an investor's units may be compulsorily redeemed at the prevailing redemption price by the fund management company in collaboration with the custodian bank if:

    a. the investor's participation in the respective sub-fund may materially affect the economic interests of the other investors, particularly if their participation may result in tax disadvantages for the sub-fund in Switzerland or abroad;

    b. investors have acquired or hold units in breach of the provisions of domestic or foreign legislation or provisions of this fund contract or prospectus applicable to them;

    c. the economic interests of investors are affected, particularly in cases in which individual investors attempt to acquire benefits for their portfolio by systematically subscribing and immediately thereafter redeeming units, exploiting time differences between the setting of closing prices and the valuation of the fund's assets (market timing).

§ 6 Units and unit classes

1. The fund management company may, subject to the approval of the custodian bank and the supervisory authority, create different unit classes, or merge or liquidate unit classes, for any sub-fund. All unit classes are entitled to a share in the undivided assets of the relevant sub-fund, which are not segmented. This share may vary due to class-specific costs charged or distributions or on account of class-specific income, and the net asset value per unit may therefore vary from class to class. Any class-specific costs charged are met by the aggregate assets of the sub-fund.

2. The creation, liquidation or merger of unit classes shall be announced in the official publication specified for the fund. Only mergers of unit classes shall be deemed to constitute an amendment to the fund contract pursuant to § 27.

3. The various unit classes may, in particular, differ in terms of cost structure, reference currency, currency hedging, distribution or reinvestment of income, minimum investments and investor group. Commissions and costs shall only be charged to unit classes that benefit from the services they cover. Remuneration and costs which cannot be unequivocally attributed to a particular unit class are charged to the individual unit classes in proportion to their share of the sub-

fund's assets.

4. There are currently the following unit classes: "P", "K-1", "F", - "Q", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" for the sub-funds "– Balanced Sustainable (CHF)", "– Balanced Sustainable (EUR)", "– Balanced Sustainable (USD)", "– Yield Sustainable (CHF)", "– Yield Sustainable (EUR)" and "– Yield Sustainable (USD)".

A. The following unit classes are not restricted to certain types of investors:

a. "P": Class "P" units are offered to all investors. A minimum subscription or holding is not required. The unit class "P" differs from unit class "K-1" in the level of the flat fee and the initial subscription price (see prov. 1.5, table in the prospectus).. Class "P" units are only issued in the form of bearer shares.

The issue and redemption of units by means of contributions or redemptions in kind (see §17.7) is excluded for units of the unit class "F".

b. "K-1": Class "K-1" units are offered to all investors. A minimum subscription or holding is not required. Investors who wish to invest in this unit class must subscribe to units for an amount equal to the initial subscription price. For further subscriptions, they must subscribe at least the difference between the value of the units they already hold and the initial subscription price. If an investor holds units of the unit class in the value of the mentioned initial issue price, any subsequent subscription shall be accepted. The unit class "K-1" differs from unit class "P" in the level of the flat fee and the initial subscription price. Class "K-1" units are only issued in the form of bearer shares.

The issue and redemption of units by means of contributions or redemptions in kind (see §17.7) is excluded for units of the unit class "K-1".

B. The following unit classes are restricted to certain types of investors:

a. "Q": Class "Q" units are exclusively offered to financial intermediaries who make investments for their own account and/or to clients of those financial intermediaries who, in accordance with regulatory requirements, are not allowed to receive a distribution commission and/or who, according to written contracts or contracts for fund savings plans with their clients, can only offer them unit classes without retrocession, provided that they are available in the corresponding investment fund.
The unit class "Q" differs from the unit classes "F", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" by the size of the commission and from the unit classes "F", "I-B", "I-X" and "U-X" by the commission structure. Furthermore, the unit class "Q" differs from the "I-A2" and "I-A3" unit classes in that no minimum subscription or holding is required and from the "U-X" unit class by the initial subscription price, as set out in the prospectus (prov. 1.5, table). The units of the unit class "Q" are only issued in the form of bearer shares. The issuance and redemption of units by means of contribution in kind and redemption in kind (cf. §17 prov. 7) is excluded in the case of units of the unit class "Q".

b. "F": Class "F" units are issued only to investors who have concluded a written asset management mandate with group companies of UBS Group AG. Unit class "F" differs from unit classes "Q", "I-A1", "I-A2", "I-B", "I-X" and "U-X" in the level of the commission charged and from unit classes "Q", "I-A1", "I-A2", "I-A3", "I-B", "I-X" and "U-X" in its commission structure. Furthermore, unit class "F" differs from the unit classes "I-A2" and "I-A3" in that there is no minimum subscription or holding, and from unit class "U-X" in the initial subscription price as set out in the prospectus (prov. 1.5, table). Class "F" units are issued only in the form of registered units.

The issuance and redemption of units by means of contribution in kind and redemption in kind (cf. §17 prov. 7) is excluded in the case of units of the unit class "F".

c. "I-A1": Class "I-A1" units are exclusively available to qualified investors in accordance with Art. 10 para. 3 and para. 3 ter CISA. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Unlike unit classes "I-A2" and "I-A3", there is no minimum subscription or holding for this unit class. Unit class "I-A1" differs from unit classes "Q", "F", "I-A2", "I-A3", "I-B", "I-X" and "U-X" in the level of the commission charged. Furthermore, unit class "I-AI" differs from unit classes "F", "I-B", "I-X" and "U-X" in the commission structure, and from unit class "U-X" in the initial subscription price as set out in the prospectus (prov. 1.5, table). Class "I-AI" units are only issued as registered units.

d. "I-A2", "I-A3": Units in these unit classes are exclusively available to qualified investors in accordance with Art. 10 para. 3 – 3 ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorized contracting partners for the purpose of investing in the assets of this fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Unit classes "I-A2" and "I-A3" differ from each other in the level of the flat fee and in the minimum subscription or holding level required. Unit class "I-A2" differs from unit classes "Q", "F", "I-A1", "I-B", "I-X" and "U-X" and unit class "I-A3" from unit classes "Q", "I-A1", "I-B", I-X" and "U-X" in the level of the commission charged. Furthermore, unit classes "I-A2" und "I-A3" differ from unit classes "Q", "F", "I-A1", "I-B", "I-X" and "U-X" in the minimum subscription or holding level required. Finally, both unit classes differ from unit classes "F", "I-B", "I-X" and "U-X" in the commission structure and from unit class "U-X" in the initial subscription price, as set out in the prospectus (prov. 1.5, table). These classes of units are issued only as registered shares.

e. "I-B": Class "I-B" units are exclusively available to qualified investors in accordance with Art. 10 para. 3 – 3 ter, CISA who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorized contracting partners for the purpose of investing in the assets of this fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. The costs incurred for the fund administration (consisting of the fund management company, administrator and custodian bank) are charged directly to the fund's assets in the form of a commission. The additional costs incurred in asset management and distribution activity are charged to the investor as per the written agreement. The additional costs incurred in asset management as well as distribution activity in relation to the sub-fund are charged directly to the investor as per the written agreement. The fee schedule set out in this agreement may vary depending on the investor (cf. section 1.1.3 of the prospectus). Unit class "I-B" differs from unit classes "Q", "F", "I-A1", "I-A2", "I-A3", "I-X" and "U-X" in the level and structure of the commission charged, from unit classes "I-A2" and "I-A3" in that no minimum subscription or holding is required, and from unit class "U-X" in the initial subscription price as set out in the prospectus (prov. 1.5, table). Class "I-B" units are only issued as registered shares.

f. "I-X": Class "I-X" units are exclusively available to qualified investors in accordance with Art. 10 para. 3 – 3 ter, CISA who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorized contracting partners for the purposes of investing in the assets of this fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. The costs for the asset management and fund administration (encompassing fund management company, administration and custodian bank) and distribution activity in relation to the sub-fund are charged to the investor under the written agreement. The fee schedule set out in this agreement may vary depending on the investor (cf. section 1.11.3 of the prospectus). Unit class "I-X" differs from unit classes "Q", "F", "I-A1", "I-A2", "I-A3" and "I-B" in the level and structure of the commission charged, from unit classes "I-A2" and "I-A3" in that no minimum subscription or holding is required, and from unit class "U-X" in the initial subscription price as set out in the prospectus (prov. 1.5, table). Class "I-X" units are only issued as registered shares.

g. "U-X": Class "U-X" units are exclusively available to qualified investors in accordance with Art. 10 para. 3 – 3 ter, CISA who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorized contracting partners for the purpose of investing in the assets of this fund. The costs for the asset management and fund administration (encompassing fund management company, administration and custodian bank) and distribution activity in relation to the sub-fund are charged to the investor under the written agreement. The fee schedule set out in this agreement may vary depending on the investor (cf. prov. 1.11.3 of the prospectus). Unit class "U-X" differs from unit classes "Q", "F", "I-A1", "I-A2", "I-A3" and "I-B" in the level and structure of the commission charged, from unit classes "I-A2" and "I-A3" in that no minimum subscription or holding is required, and from unit classes "Q", "F", "I-A1", "I-A2", "I-A3", "I-B" and "U-X" in the initial subscription price as set out in the prospectus (prov. 1.5, table). Class "U-X" units are only issued as registered shares.

5. Units shall not take the form of actual certificates but shall exist purely as book entries. The investor shall not be entitled to request the issue of a unit certificate in their name or made out to the bearer. Where unit certificates have been issued, they should be returned with the redemption application at the latest.
6. The custodian bank and the fund management company are obliged to instruct investors who no longer meet the conditions for holding a unit class that, within 30 calendar days, they must redeem their units pursuant to § 17, transfer them to a person who does meet the aforementioned conditions, or convert them into units of another unit class whose conditions they do meet. If the investor fails to comply with this demand, the fund management company may carry out a compulsory transfer into another unit class of this fund or, where this is not feasible, a compulsory redemption of the affected units pursuant to § 5 prov. 9. l

III. Investment policy guidelines
A Investment principles
§ 7 Compliance with investment guidelines

1. In selecting the individual investments of the various sub-funds, the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These relate to the fund assets of the individual sub-funds at market values and are to be observed at all times.

2. If the limits are overrun as a result of market-related changes or changes in the assets of the sub-fund, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If limits in connection with derivatives pursuant to § 12 below are exceeded through a change in the delta, the permitted levels must be restored within three bank business days at the latest, taking due account of the investors' interests.

§ 8 Investment policy

1. The currency mentioned in the individual sub-fund's name is merely the reference currency in which its performance is

calculated, not the sole investment currency of the fund. Investments are made in those currencies which best benefit the performance of the individual sub-funds.

The fund management company may invest the assets of the individual sub-funds in the following investments. The risks associated with these investments shall be disclosed in the prospectus.

a. securities, i.e. securities issued on a large scale and in uncertificated rights with a similar function (uncertified stock) which are listed on a stock exchange or traded on another regulated market open to the public and which embody an equity or a debt security right or the right to acquire such securities or rights via subscription or exchange, such as warrants;

   Investments in securities from new issues shall only be permitted if they are intended for admission to a stock exchange or other regulated market open to the public under the terms of issue.

   If such investments have not been admitted to a stock exchange or other regulated market open to the public within one year of purchase, the securities must be sold within one month or included under the restrictions set out in prov. 1 g.

b. Derivatives, if (i) they are based on underlying financial instruments in the form of securities as specified in a, derivatives as specified in b), units in collective investments as specified in d, money market instruments under e, or financial indices, interest rates, exchange rates, loans or currencies and (ii) the underlying securities are permitted investments under the fund contract. Derivatives shall be traded either on a stock exchange or another regulated market open to the public, or OTC.

   OTC transactions shall be permitted only if (i) the counterparty is a financial intermediary specializing in this type of transaction and subject to supervision, and (ii) the OTC derivatives are tradable daily or may be submitted to the issuers for redemption at any time. In addition, the valuations of such instruments must be reliable and transparent. The use of derivatives shall be subject to the provisions of § 12.

c. Structured products if (i) they are based on underlying financial instruments in the form of securities as specified in a, derivatives as specified in b, structured products as specified in c, units in collective investments as specified in d, money market instruments as specified in e or financial indices, interest rates, exchange rates, loans or currencies and (ii) the underlying securities are permitted investments under the fund contract. Structured products may be traded on a stock exchange or another regulated market open to the public, or OTC.

   OTC transactions shall be permitted only if (i) the counterparty is a financial intermediary specializing in this type of transaction and subject to supervision, and (ii) the OTC products are tradable daily or may be submitted to the issuers for redemption at any time. In addition, they must be capable of reliable and verifiable valuation.

d. Units of other collective investments (target funds) if (i) their documentation restricts investments in other target funds to a maximum of 10%; (ii) the same provisions apply for these target funds as for securities funds with regard to purpose, organisation, investment policy, investor protection, risk diversification, separate custody of fund assets, borrowing, lending, short selling of securities and money market instruments, issue and redemption of units and content of semi-annual and annual reports and (iii) these target funds have been approved as collective investments in the country of domicile and that investors enjoy equivalent regulatory protection in that country to that in Switzerland and international official assistance is granted.

   The fund management company may invest up to 100% of the assets of the individual sub-funds in units of the aforementioned target funds. The target funds must be able to observe the redemption frequency of the fund of funds. The specific advantages and disadvantages of a fund-of-fund structure are set out in section 1.18 of the prospectus.

   The fund management company may invest up to 30% of fund assets in units of target funds which are neither securities funds nor correspond to the European Union's applicable guidelines (UCITS) but which are equivalent to these.

e. Money market instruments which are fungible and marketable at any time and which are traded on a stock exchange or other regulated market open to the public; money market instruments which are not traded on a stock exchange or other regulated market open to the public may only be acquired provided that the issue or issuer is subject to the provisions governing creditor and investor protection and the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 of the Swiss Collective Investment Schemes Ordinance (CISO).

f. Sight or time deposits with a maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union or in another country provided that the bank in such country is subject to supervision equivalent to the supervision in Switzerland.

g. Investments other than the investments specified in a to f above not exceeding 10% of the fund’s assets in aggregate. The following are not permitted: (i) investments in precious metals, precious metal certificates, commodities and commodities certificates and (ii) short selling in relation to investments of all kinds.

A. UBS (CH) Strategy Fund – Balanced Sustainable (CHF)

2. UBS Asset Management categorizes this sub-fund as a "Sustainability Focus" fund. The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash and derivatives) in strategies targeting ecological (E) and/or social (S) characteristics in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector or the equivalent. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investments. As a basis, the ESG integration described in more detail under section 1.9 of the prospectus when allocating to underlying strategies, including the target funds, and negative screening using the latest UBS sustainability exclusion policy are followed and implemented. In addition, the ESG approaches listed below, or a combination thereof, may be used:
   - **Best-in-class approach** (this includes ESG Leader equities, ESG Leader bonds and units of collective investment schemes that use an approach that the strengthens the sustainability profile of the sub-fund in question compared to a broad market benchmark/index without ESG criteria)
   - **Stewardship (active ownership)** (this includes ESG Commitment equities and ESG Commitment high-yield bonds)
   - **Voting**
   - **Sustainable thematic investing** (this includes ESG Thematic equities, green, social and sustainability bonds and development bonds)
   - **Other:**
     - **ESG Improvement equities (“Best in Progress”)**
     - **Sustainable investments in emerging markets**

   Further information can be found in the prospectus (section 1.9).
   While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for up to 30% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures

   a. The following investments are permitted for this sub-fund:

      aa. bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies, as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
      ab. money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
      ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
      ad. units of other collective investments that invest their assets in the investments referred to above;
      ae. derivatives (including warrants) on the investments mentioned above;
      af. structured products on the above investments;

   b. The fund management company invests:

      - at least 25% and at most 75% of the sub-fund assets, following deduction of liquid assets, in equity paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such) in accordance with ac as well as;
      - at least 25% and at most 75% of sub-fund assets, after deduction of liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes as well as other fixed-income or floating-rate debt paper and rights (including derivatives in accordance with ae) and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such), as well as money market instruments in accordance with aa and ab.
      - With investments as specified in ad and af above, the fund management company shall ensure that minimum and maximum limits are judged on a consolidated basis.

   c. In addition, the fund management company must comply with the investment restrictions below, which relate to the fund assets following the deduction of liquid assets:

      - no more than 25% in convertible bonds, convertible notes and warrant issues.

3. Subject to § 19 the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is affiliated through common management or control or by a significant direct or indirect shareholding.

B. UBS (CH) Strategy Fund – Balanced Sustainable (EUR)

2. UBS Asset Management categorizes this sub-fund as a "Sustainability Focus" fund. The investment objective of this

sub-fund is primarily to invest at least 70% of the assets (excluding cash and derivatives) in strategies targeting ecological (E) and/or social (S) characteristics in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector or the equivalent. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investments. As a basis, the ESG integration described in more detail under section 1.9 of the prospectus when allocating to underlying strategies and target funds and negative screening using the latest UBS sustainability exclusion policy are followed and implemented. In addition, the ESG approaches listed below, or a combination thereof, may be used:

- **Best-in-class approach** (this includes ESG Leader equities, ESG Leader bonds and units of collective investment schemes that use an approach that the strengthens the sustainability profile of the sub-fund in question compared to a broad market benchmark/index without ESG criteria)
- **Stewardship (active ownership)** (this includes ESG Commitment equities and ESG Commitment high-yield bonds)
- **Voting**
- **Sustainable thematic investing** (this includes ESG Thematic equities, green, social and sustainability bonds and development bonds)
- **Other:**
  - **ESG Improvement equities ("Best in Progress")**
  - **Sustainable investments in emerging markets**

Further information can be found in the prospectus (section 1.9).
While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for up to 30% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures

a. The following investments are permitted for this sub-fund:

aa. bonds, convertible bonds, convertible notes and warrant issues and notes denominated in freely convertible currencies, as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
ab. money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
ad. units of other collective investments that invest their assets in the investments referred to above;
ae. derivatives (including warrants) on the investments mentioned above;
af. structured products on the above investments;

b. The fund management company invests:

- at least 25% and at most 75% of the sub-fund assets, following deduction of liquid assets, in equity paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such) in accordance with ac as well as;
- at least 25% and at most 75% of sub-fund assets, after deduction of liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes as well as other fixed-income or floating-rate debt paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such), as well as money market instruments in accordance with aa and ab.
- With investments as specified in ad and af above, the fund management company shall ensure that minimum and maximum limits are judged on a consolidated basis.

c. In addition, the fund management company must comply with the investment restrictions below, which relate to the fund assets following the deduction of liquid assets:

- no more than 25% in convertible bonds, convertible notes and warrant issues on a consolidated basis;

3. Subject to § 19 the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is affiliated through common management or control or by a significant direct or indirect shareholding.

C. UBS (CH) Strategy Fund – Balanced Sustainable (USD)

2. UBS Asset Management categorizes this sub-fund as a "Sustainability Focus" fund. The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash and derivatives) in strategies targeting ecological (E) and/or social (S) characteristics in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector or the equivalent. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investments. As a basis, the ESG integration described in more detail under section 1.9 of the prospectus when allocating to underlying strategies and target

funds and negative screening using the latest UBS sustainability exclusion policy are followed and implemented. In addition, the ESG approaches listed below, or a combination thereof, may be used:

– **Best-in-class approach** (this includes ESG Leader equities, ESG Leader bonds and units of collective investment schemes that use an approach that the strengthens the sustainability profile of the sub-fund in question compared to a broad market benchmark/index without ESG criteria)
– **Stewardship (active ownership**) (this includes ESG Commitment equities and ESG Commitment high-yield bonds)
– **Voting**
– **Sustainable thematic investing** (this includes ESG Thematic equities, green, social and sustainability bonds and development bonds)
– **Other:**
  - **ESG Improvement equities ("Best in Progress")**
  - **Sustainable investments in emerging markets**

Further information can be found in the prospectus (section 1.9).
While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for up to 30% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures

a. The following investments are permitted for this sub-fund:

aa. bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies, as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
ab. money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
ad. units of other collective investments that invest their assets in the investments referred to above;
ae. derivatives (including warrants) on the investments mentioned above;
af. structured products on the above investments;

b. The fund management company invests:

– at least 25% and at most 75% of the sub-fund assets, following deduction of liquid assets, in equity paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such) in accordance with ac as well as;
– at least 25% and at most 75% of sub-fund assets, after deduction of liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes as well as other fixed-income or floating-rate debt paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such), as well as money market instruments in accordance with aa and ab.
– With investments as specified in ad and af above, the fund management company shall ensure that minimum and maximum limits are judged on a consolidated basis.

c. In addition, the fund management company must comply with the investment restrictions below, which relate to the fund assets following the deduction of liquid assets:

– no more than 25% in convertible bonds, convertible notes and warrant issues.

3. Subject to § 19 the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is affiliated through common management or control or by a significant direct or indirect shareholding.

D. UBS (CH) Strategy Fund – Yield Sustainable (CHF)

2. UBS Asset Management categorizes this sub-fund as a "Sustainability Focus" fund. The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash and derivatives) in strategies targeting ecological (E) and/or social (S) characteristics in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector or the equivalent. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investments. As a basis, the ESG integration described in more detail under section 1.9 of the prospectus when allocating to underlying strategies and target funds and negative screening using the latest UBS sustainability exclusion policy are followed and implemented. In addition, the ESG approaches listed below, or a combination thereof, may be used:

– **Best-in-class approach** (this includes ESG Leader equities, ESG Leader bonds and units of collective investment schemes that use an approach that the strengthens the sustainability profile of the sub-fund in question compared to a broad market benchmark/index without ESG criteria)
– **Stewardship (active ownership)** (this includes ESG Commitment equities and ESG Commitment high-yield

bonds)

– **Voting**

– **Sustainable thematic investing** (this includes ESG Thematic equities, green, social and sustainability bonds and development bonds)

– **Other:**
  - **ESG Improvement equities ("Best in Progress")**
  - **Sustainable investments in emerging markets**

Further information can be found in the prospectus (section 1.9).
While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for up to 30% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures

a. The following investments are permitted for this sub-fund:

aa. bonds, convertible bonds, convertible notes and warrant issues and notes denominated in freely convertible currencies, as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
ab. money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
ad. units of other collective investments that invest their assets in the investments referred to above;
ae. derivatives (including warrants) on the investments mentioned above;
af. structured products on the above investments;

b. The fund management company invests:

– at least 10% and at most 50% of the sub-fund assets, following deduction of liquid assets, in equity paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such) in accordance with ac as well as;
– at least 50% and at most 90% of sub-fund assets, after deduction of liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes as well as other fixed-income or floating-rate debt paper and rights (including corresponding derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such), as well as money market instruments in accordance with aa and ab.
– With investments as specified in ad and af above, the fund management company shall ensure that minimum and maximum limits are judged on a consolidated basis.

c. In addition, the fund management company must comply with the investment restrictions below, which relate to the fund assets following the deduction of liquid assets:

– no more than 25% in convertible bonds, convertible notes and warrant issues on a consolidated basis;

3. Subject to § 19 the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is affiliated through common management or control or by a significant direct or indirect shareholding.

E. UBS (CH) Strategy Fund – Yield Sustainable (EUR)

2. UBS Asset Management categorizes this sub-fund as a "Sustainability Focus" fund. The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash and derivatives) in strategies targeting ecological (E) and/or social (S) characteristics in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector or the equivalent. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investments. As a basis, the ESG integration described in more detail under section 1.9 of the prospectus when allocating to underlying strategies and target funds and negative screening using the latest UBS sustainability exclusion policy are followed and implemented. In addition, the ESG approaches listed below, or a combination thereof, may be used:

– **Best-in-class approach** (this includes ESG Leader equities, ESG Leader bonds and units of collective investment schemes that use an approach that the strengthens the sustainability profile of the sub-fund in question compared to a broad market benchmark/index without ESG criteria)

– **Stewardship (active ownership)** (this includes ESG Commitment equities and ESG Commitment high-yield bonds)

– **Voting**

– **Sustainable thematic investing** (this includes ESG Thematic equities, green, social and sustainability bonds and development bonds)

– **Other:**
  - **ESG Improvement equities ("Best in Progress")**

- **Sustainable investments in emerging markets**

Further information can be found in the prospectus (section 1.9).
While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for up to 30% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures

a. The following investments are permitted for this sub-fund:

aa. bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies, as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
ab. money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
ad. units of other collective investments that invest their assets in the investments referred to above;
ae. derivatives (including warrants) on the investments mentioned above;
af. structured products on the above investments;

b. The fund management company invests:

- at least 10% and at most 50% of the sub-fund assets, following deduction of liquid assets, in equity paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such) in accordance with ac as well as;
- at least 50% and at most 90% of sub-fund assets, after deduction of liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes as well as other fixed-income or floating-rate debt paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such), as well as money market instruments in accordance with aa and ab.
- With investments as specified in ad and af above, the fund management company shall ensure that minimum and maximum limits are judged on a consolidated basis.

c. In addition, the fund management company must comply with the investment restrictions below, which relate to the fund assets following the deduction of liquid assets:

- no more than 25% in convertible bonds, convertible notes and warrant issues;

3. Subject to § 19 the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is affiliated through common management or control or by a significant direct or indirect shareholding.

F. UBS (CH) Strategy Fund – Yield Sustainable (USD)

2. UBS Asset Management categorizes this sub-fund as a "Sustainability Focus" fund. The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash and derivatives) in strategies targeting ecological (E) and/or social (S) characteristics in accordance with Article 8 or Article 9 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector or the equivalent. The aim of the investment strategy is to give greater consideration to companies or issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be used when selecting investments. As a basis, the ESG integration described in more detail under section 1.9 of the prospectus when allocating to underlying strategies and target funds and negative screening using the latest UBS sustainability exclusion policy are followed and implemented. In addition, the ESG approaches listed below, or a combination thereof, may be used:

- **Best-in-class approach** (this includes ESG Leader equities, ESG Leader bonds and units of collective investment schemes that use an approach that the strengthens the sustainability profile of the sub-fund in question compared to a broad market benchmark/index without ESG criteria)
- **Stewardship (active ownership)** (this includes ESG Commitment equities and ESG Commitment high-yield bonds)
- **Voting**
- **Sustainable thematic investing** (this includes ESG Thematic equities, green, social and sustainability bonds and development bonds)
- **Other:**
  - **ESG Improvement equities ("Best in Progress")**
  - **Sustainable investments in emerging markets**

Further information can be found in the prospectus (section 1.9).
While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for up to 30% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures.

a. The following investments are permitted for this sub-fund:

aa. bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies, as well as other fixed-income or floating-rate debt paper and rights issued by private borrowers and borrowers under public law worldwide;
ab. money market instruments denominated in freely convertible currencies, issued by domestic and foreign borrowers;
ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
ad. units of other collective investments that invest their assets in the investments referred to above;
ae. derivatives (including warrants) on the investments mentioned above;
af. structured products on the above investments;

b. The fund management company invests:

- at least 10% and at most 50% of the sub-fund assets, following deduction of liquid assets, in equity paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such) in accordance with ac as well as;
- at least 50% and at most 90% of sub-fund assets, after deduction of liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes as well as other fixed-income or floating-rate debt paper and rights (including derivatives in accordance with ae and structured products in accordance with af on such and collective investments in accordance with ad that invest primarily in such), as well as money market instruments in accordance with aa and ab.
- With investments as specified in ad and af above, the fund management company shall ensure that minimum and maximum limits are judged on a consolidated basis.

c. In addition, the fund management company must comply with the investment restrictions below, which relate to the fund assets following the deduction of liquid assets:

- no more than 25% in convertible bonds, convertible notes and warrant issues.

3. Subject to § 19 the fund management company may acquire units of target funds managed directly or indirectly by itself or by a company with which it is affiliated through common management or control or by a significant direct or indirect shareholding.
4. The fund management company must ensure appropriate liquidity management. Detailed information is contained in the prospectus.

§ 9 Liquid assets

For each sub-fund, the fund management company may also hold liquid assets in an appropriate amount in the accounting currency of the respective sub-fund and in any other currency in which investments are permitted. Liquid assets comprise bank deposits and claims from securities repurchase agreements at sight or on demand with maturities of up to twelve months.

B Investment techniques and instruments

§ 10 Securities lending

1. The fund management company may lend all types of securities which are listed on an exchange or are traded on another regulated market open to the public for the sub-funds' account. However, securities that have been taken over as part of a reverse repo transaction may not be lent.

2. The fund management company may lend the securities to a borrower in its own name and for its own account ("principal transaction"), or may appoint an intermediary to make the securities available to a borrower either indirectly in a fiduciary capacity ("agent transaction") or directly ("finder transaction").

3. The fund management company shall enter into securities lending transactions only with first-class, supervised borrowers and agents specializing in transactions of this type, such as banks, brokers and insurance companies, as well as approved, recognized central counterparties and collective depositories which can guarantee the proper execution of the securities lending transactions.

4. If the fund management company must observe a period of notice (which may not exceed 7 bank business days) before it may again legally repossess the securities lent, it may not lend more than 50% of a particular security eligible for lending. However, if the borrower or the intermediary provides the fund management company with a contractual assurance that the latter may legally repossess the securities lent on the same or next bank business day, the fund management company may lend its entire holdings of a particular security eligible for lending.

5. The fund management company shall conclude an agreement with the borrower or intermediary whereby the latter shall pledge or transfer collateral in order to secure the restitution of securities in favour of the fund management company in accordance with Art. 51 Collective Investment Schemes Ordinance issued by the FINMA. The value of the collateral must at all times be adequate and equal to at least 105% of the market value of the securities lent. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any

company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, it must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the Fund Management Company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. The furnished collateral may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

6. The borrower or intermediary is liable for ensuring the prompt, unconditional payment of any income accruing during the securities lending period, as well as for the assertion of other proprietary rights, and for the contractually agreed return of securities of the same type, quantity and quality.

7. The custodian bank shall ensure that the securities lending transactions are conducted in a secure manner and that the contractual terms are complied with, specifically in respect of collateral requirements. For the duration of the lending transactions it shall also be responsible for the administrative duties assigned to it under the custody regulations and for asserting all rights pertaining to the securities lent, unless they have been assigned in line with the applicable framework agreement.

8. The prospectus has further details on the collateral strategy.

§ 11 Securities repurchase agreements

1. The fund management company may enter into securities repurchase agreements ("repos") for the sub-funds' account. Securities repurchase agreements can be concluded as either repos or reverse repos.

   A repo is a legal transaction in which one party (lender) temporarily transfers ownership of securities in return for payment to another party (borrower); the borrower undertakes to reimburse securities of the same type, quantity and quality as well any income accrued throughout the course of the repurchase agreement to the lender upon maturity. The lender bears the price risk of the securities throughout the course of the repurchase agreement.

   From the perspective of the counterparty (borrower), a repo is a reverse repo. Reverse repos are an instrument used by the fund management company to invest cash, whereby it buys securities and at the same time agrees to reimburse securities of the same type, amount and quality as well any income accrued throughout the course of the repurchase agreement.

2. The fund management company may conclude repo transactions with a counterparty in its own name and for its own account ("principal trans-action") or may instruct an intermediary to conclude repo transactions with a counterparty either indirectly in a fiduciary capacity ("agent transaction") or directly ("finder transaction").

3. The fund management company conducts repurchase agreements exclusively with first-class, supervised counterparties or intermediaries specializing in transactions of this type, such as banks, brokers and insurance companies, as well as approved and recognized central counterparties and securities clearing organisations, which guarantee the execution of the repurchase agreements in a due and proper manner.

4. The custodian bank shall ensure that the repo transactions are conducted in a secure manner and that the contractual terms are complied with. It shall ensure that fluctuations in the value of securities used in the repo transactions are compensated daily in cash or securities (mark-to-market). It is also responsible for the administrative duties assigned to it under the custody account regulations during the period in which repo transactions are carried out and for asserting all rights pertaining to the securities used in the repo transactions unless they have been assigned in line with the applicable framework agreement.

5. The fund management company may use all types of securities which are listed on an exchange or are traded on another regulated market open to the public. However, securities that were taken over as part of a reverse repo transaction may not be used for repos.

6. If the fund management company must observe a period of notice (which may not exceed seven bank business days) before it may again legally repossess the securities used in the repo transaction, it may not use for repos more than 50% of its holdings of a particular security eligible for repos. However, if the counterparty or the intermediary provides the fund management company with a contractual assurance that the latter may legally repossess the securities used in the repo transaction on the same or the next bank business day, the fund management company may use its entire holdings of a particular security eligible for repo transactions.

7. Engaging in repo transactions is deemed to be taking up a loan pursuant to § 13, unless the money received is used to

acquire securities of the same type, quality, credit rating and maturity in conjunction with the conclusion of a reverse repo.

8. With regard to reverse repos, the fund management company may only acquire securities in accordance with Art. 51 CISO-FINMA. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, it must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the Fund Management Company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. The furnished collateral may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

9. Claims arising from reverse repos are deemed to be liquid assets pursuant to § 9 and not loan extensions pursuant to § 13.

10. The prospectus has further details on the collateral strategy.

§ 12 Derivatives

1. The fund management company may use derivatives. It shall ensure that the economic effect of using derivatives does not result in a deviation from the investment objectives as stated in this fund contract and in the prospectus or alter the investment profile of the sub-funds, even in exceptional market circumstances. In addition, the securities underlying the derivatives must be permitted investments under this fund contract for the relevant sub-fund.

   In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.

2. Commitment approach II shall be used to measure risk. The overall exposure of a sub-fund that is associated with derivatives may therefore not exceed 100% of its net assets, and overall exposure may not exceed a total of 200% of its net assets.

   Given the possibility of temporary borrowing not exceeding 10% of net assets, as described in § 13 prov. 2, the total investments of a sub-fund may amount to a maximum of 210% of net assets. The overall exposure is calculated on the basis of Art. 35 CISO-FINMA.

3. The fund management company may in particular use basic forms of derivatives such as call or put options where the value on expiration has a linear dependence on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference has the opposite sign (+ or –), credit default swaps (CDSs), swaps with non-path dependent payoffs which have a linear dependence on the value of the underlying or an absolute value and futures and forwards whose value has a linear dependence on the underlying. The fund management company may also use combinations of basic forms of derivatives and derivatives whose effect cannot be equated with one of the basic forms or a combination of basic forms (exotic derivatives).

4. a. offsetting transactions in derivatives of the same underlying and in investments in this security may be netted, irrespective of the expiry dates of the derivatives ("netting") if the derivatives transaction was concluded solely for the purpose of eliminating the risks associated with the derivatives or investments acquired. The main risks may not be disregarded and the eligible amount of the derivatives pursuant to Art. 35 CISO-FINMA must be calculated.

   b. If the derivatives in hedging transactions do not relate to the same underlying as the asset to be hedged, in addition to the rules under a), the requirement that the derivative transactions may not be based on an investment strategy that serves the purpose of the appropriation of income must also be fulfilled. The derivative must also lead to a proven reduction in the risk, the risks associated with the derivative must be offset, the derivatives, underlying instruments or assets to be offset must relate to the same category of financial instruments and the hedging policy must also be effective even under extraordinary market conditions.

   c. If mainly interest rate derivatives are used, the amount of the total investment to be offset by derivative positions may be calculated using internationally recognized duration netting rules, provided the rules lead to the correct determination of the investment fund's risk profile, the main risks are taken into consideration, the application of these rules does not lead to an unjustified leverage effect, no interest arbitration strategies are pursued and the leverage effect of the fund is increased neither by the application of these rules nor by investments in short-term positions.

d. Derivatives that are used purely to hedge foreign currency risks and do not lead to a leverage effect or involve additional market risks can be offset without the requirements under b in the calculation of the total derivatives exposure.

e. Payment obligations arising from derivatives must be covered at all times with cash or cash equivalents, debt securities and rights, or equities, which are traded on a stock exchange or other regulated market open to the public in accordance with the legislation concerning collective investment schemes.

f. If the fund management company enters into physical delivery obligations relating to an underlying instrument arising from derivatives, they must be covered by equivalent underlyings, or by other investments, if the investments and underlyings are highly liquid and can be bought or sold at any time if delivery is required. The fund management company must have unrestricted access to these underlying securities or assets at all times.

5. The fund management company may use both standardized and non-standardized derivatives. It may engage in derivatives transactions on a stock exchange or other regulated market open to the public or in OTC (over-the-counter) trading.

6. a. The fund management company may only engage in OTC transactions with financial intermediaries subject to supervision which specialize in these transactions and can ensure proper execution. If the counterparty is not the custodian bank, the counterparty or guarantor must have a high credit rating.

b. An OTC derivative financial instrument must be subject to reliable and verifiable valuation on a daily basis and it must be possible to sell, liquidate or close out the derivative with an opposite transaction at market value at any time.

c. If no market price is available for an OTC derivative, it must be possible to determine the price at any time based on the market value of the underlyings, using appropriate valuation models that are recognized in practice. Before concluding a contract for such a derivative, specific offers must, in principle, be obtained from at least two counterparties, and the contract concluded with the counterparty providing the most favourable offer in terms of price. Deviations from this principle are permitted for reasons relating to risk diversification, or where other parts of the contract such as credit rating or the range of services offered by the counterparty render another offer more advantageous overall for the investors. Furthermore, and by way of exception, the requirement to obtain offers from at least two potential counterparties may be dispensed with if this is in the investors' best interests. The reasons for this as well as the conclusion of the contract and the setting of the prices must be clearly documented.

d. In the context of OTC transactions, the fund management company and its agents may only accept collateral that satisfies the requirements under Art. 51 CISO-FINMA. The collateral issuer must have a high credit rating and the collateral may not be issued by the counterparty or by any company belonging to or dependent on the corporate group of the counterparty. The collateral must be highly liquid, it must be traded at a transparent price on an exchange or other regulated market open to the public, and it must be subject to valuation at least on each trading day. In managing the collateral, the fund management company and its agents must satisfy the obligations and requirements listed under Art. 52 CISO-FINMA. In particular, they must adequately diversify collateral in terms of countries, markets and issuers, with the adequate diversification of issuers meaning that the collateral held from any one issuer may not exceed 20% of the net asset value. This does not affect exceptions for assets that are publicly guaranteed or issued in accordance with Art. 83 CISO. In addition, in the event of default by the counterparty, the Fund Management Company and its agents must be able to obtain the power and authority of disposal over the furnished collateral at all times and without the counterparty's involvement or consent. The furnished collateral is to be held in safekeeping by the custodian bank. The furnished collateral may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

7. Due account must be taken of the derivatives prescribed in the legislation concerning collective investment schemes when complying with statutory and contractual investment restrictions (maximum and minimum limits).

8. The prospectus has further details on:

- the implications of derivatives within the investment strategy;
- the effect of using derivatives on the sub-fund's risk profile;
- the counterparty risks associated with derivatives;
- the higher volatility arising from the use of derivatives and the increased total investment (leverage);
- credit derivatives;
- the collateral strategy.

§ 13 Borrowing and lending

1. The fund management company may not grant loans for the sub-funds' account. Securities lending transactions according to § 10 and repurchase agreements as reverse repos according to § 11 are not deemed to be credit extensions

within the meaning of this paragraph.

2. For each sub-fund, the fund management company may periodically borrow the equivalent of up to 10% of net assets. Repurchase agreements as repos according to § 11 are deemed to be credit extensions within the meaning of this paragraph, unless the money received is used as part of an arbitrage transaction to acquire securities of the same type, quality, rating and maturity in conjunction with the conclusion of a reverse repo.

§ 14 Encumbrance of the fund's assets

1. The fund management company may not pledge or transfer by way of security for any sub-fund more than 25% of net assets.

2. The sub-fund's assets may not be encumbered with guarantees. An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this paragraph.

C Investment restrictions

§ 15 Risk diversification

1. The regulations on risk diversification shall include:

   a. investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;

   b. liquid assets pursuant to § 9;

   c. claims against counterparties from OTC transactions.

2. Companies that make up a group according to international accounting standards are viewed as a single issuer.

3. The fund management company may, including derivatives and structured products, invest no more than 10% of the sub-fund's assets in securities or money market instruments issued by one and the same issuer. The total value of the securities and money market instruments of issuers in whose instruments more than 5% of the sub-funds' assets are invested may not exceed 40% of the sub-funds' assets, subject to provisions 4 and 5.

4. The fund management company may not invest more than 20% of the sub-funds' assets in sight or time deposits at one and the same bank. This restriction includes both liquid assets pursuant to § 9 and deposits held with banks pursuant to § 8.

5. The fund management company may not invest more than 5% of the sub-funds' assets in OTC transactions of one and the same counterparty. Should the counterparty be a bank with its headquarters in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to the supervision in Switzerland, this restriction is increased to 10% of the sub-funds' assets.

   If claims from OTC transactions are covered by collateral in the form of liquid assets in accordance with Art. 50 to 55 CISO-FINMA, the claims shall be excluded from the calculation of counterparty risk.

6. Investments, deposits and claims pursuant to the above prov. 3 to 5 of the same issuer or borrower may not exceed 20% of the sub-funds' assets, subject to the higher limit specified in prov. 12 below.

7. Investments according to prov. 3 above from the same group of companies may in total not exceed 20% of the sub-funds' assets, subject to the higher limit specified in prov. 12 below.

8. The fund management company may invest up to 20% of the sub-funds' assets in units of the same target fund.

9. The fund management company may not acquire participation rights which in total represent more than 10% of voting rights or which would enable the fund management company to exert a significant influence on an issuer's management.

10. The fund management company may not acquire for the sub-funds more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 25% of the units of other collective investments.

    These restrictions do not apply if at the time of acquisition the gross amount of debt instruments, money market instruments or the units of other collective investments cannot be calculated.

11. The restrictions as set out under prov. 9 and 10 above do not apply if the securities and money market instruments are issued or guaranteed by a state or public-law institution from the OECD or by international organisations with public-law character to which Switzerland or a member state of the European Union belongs.

12. The limit of 10% stipulated in prov. 3 rises to 35% if the securities or money market instruments are issued or guaranteed

by an OECD state, by a public-law institution within the OECD or by international organisations with public-law character to which Switzerland or a member state of the European Union belongs. The limit of 40% as stipulated in prov. 3 does not apply to the aforementioned securities or money market instruments. The individual limits of prov. 3 and 5, however, may not be accumulated with the existing limit of 35%.

The permitted issuers/guarantors above are:
the European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

IV. Calculation of net asset value and issue and redemption of units

§ 16 Calculation of net asset values

1. Each sub-fund's net asset value (valuation net asset value) and the proportions of the individual classes (percentages) shall be calculated in the currency units of the respective sub-fund at market value as of the close of the financial year and for each day on which units are issued or redeemed. The individual sub-fund's assets are not calculated on days when the stock exchanges or markets in the sub-funds' main investment countries are closed (e.g. bank and stock exchange holidays). However, the fund management company may also calculate the net asset value of a unit class ("non-tradable NAV") on days on which no units are issued or redeemed (see prov. 1.7 of the Prospectus). Such non-tradable net asset values may be published. However, they may be used only for performance calculations and performance statistics or for commission calculations, and must under no circumstances be used as the basis for subscription or redemption orders.

2. Investments listed on a stock exchange or traded on another regulated market open to the public shall be valued at the current prices paid on the main market. Other investments or investments for which no current market price is available shall be valued at the price likely to be obtained if a sale were conducted with proper care at the time of the valuation. In such cases the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.

3. Open-end collective investments are valued using their redemption price or net asset value. If they are listed on a stock exchange or regularly traded on another regulated market open to the public, the fund management company may value them pursuant to prov. 2.

4. The value of money market instruments which are not listed on a stock exchange or traded on another regulated market open to the public is calculated as follows: the value of the investment is based on the relevant yield curve. The yield curve valuation refers to two components: interest rate and spread. The following principles are applied: the subsequent interest rates for the residual term are intrapolated for each money market instrument. The calculated interest rate is then converted into a market price by adding a spread that reflects the underlying borrower's credit rating. If the borrower's credit rating alters significantly, the spread is adjusted accordingly.

5. Bank deposits shall be valued using their exposure amount plus accrued interest. In the event of significant changes in market conditions or the credit rating, the valuation basis for bank deposits on demand shall be adjusted in line with the new conditions.

6. The net asset value of a unit of a sub-fund class represents the percentage of the unit class concerned in the market value of a sub-fund's assets, less all the liabilities of this sub-fund allocated to the respective unit class, divided by the number of units of the relevant class in circulation. This is rounded to the smallest unit of the respective sub-fund's accounting currency.

7. If, on a valuation day, the sum of a sub-fund's subscriptions and redemptions result in a net asset inflow or outflow, the net asset value of the sub-fund will be increased or reduced (swinging single pricing). The maximum adjustment level amounts to 2% of the net asset value. Incidental costs (bid/ask spreads, customary brokerage fees, commissions, taxes and duties, etc.) are taken into account. The adjustment results in an increase in the net asset value if the net movements lead to an increase in the number of sub-fund units. The adjustment results in a decrease in the net asset value if the net movements lead to a reduction in the number of units. These incidental costs are not taken into account if the fund management company permits an inflow or outflow into or out of investments instead of cash according § 18, or when switching between unit classes within the investment fund. The net asset value calculated on the basis of swinging single pricing is thus a modified, or "swung", net asset value as set out in the first sentence of this paragraph. Instead of the average incidental costs mentioned above, the fund management company may also take the actual amount of the ancillary costs into account in the adjustment, provided that this appears appropriate in the fund management company's estimation, taking into account the relevant circumstances (e.g. amount, general market situation, specific market situation for the asset class concerned). In such a case, the adjustment may be higher or lower than the average incidental costs.

8. The percentages of the market value of the net fund assets (fund assets less liabilities) which are to be attributed to the respective unit classes are determined for the first time with the initial issue of several unit classes (if they are issued simultaneously) or the initial issue of an additional unit class on the basis of the inflows to the fund for each unit class.

The percentage will be recalculated if one of the following events occurs:

a. upon the issue and redemption of units;

b. on the cut-off date for distributions provided (i) such distributions accrue only to individual unit classes (distribution classes) or provided (ii) the distributions of various unit classes as a percentage of the respective net asset value differ or provided (iii) different commission or cost charges accrue on the distributions of various unit classes as a percentage of the distribution;

c. for the calculation of the net asset value, in terms of the allocation of liabilities (including costs and commissions which are due or have accrued) to the various unit classes, provided the liabilities of the various unit classes vary as percentages of their respective net asset values, namely if (i) different commission rates are applied for the different unit classes or if (ii) class-specific cost charges arise;

d. for the calculation of net asset value, in terms of the allocation of income or investment income to the various unit classes, provided the income or investment income accrues from transactions which were carried out in the interest of one unit class or in the interest of several unit classes, but not in proportion to their share of net fund assets.

§ 17 Issue and redemption of units

1. Subscription or redemption orders for units will be accepted on the order day up to a specific time mentioned in the prospectus. The price used for the issue and redemption of units is calculated at the earliest on the bank business day (valuation date) following the order day (forward pricing). The prospectus governs the details.

2. The issue and redemption prices of units shall be based on the net asset value per unit as defined in § 16 calculated on the valuation date in conjunction with the closing prices of the previous day. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 18.
If additional costs (e.g. stamp duties) are incurred for actions of the Fund Management Company, custodian bank or third-party costs as a result of incoming and outgoing payment in securities instead of in cash (cf. § 5), these must be borne by the investor.
Incidental costs relating to the purchase and sale of investments (bid/ask spreads, brokerage fees at standard market rates, commissions, taxes and duties, etc.) and incurred by the sub-fund in connection with the investment of the amount paid in or with a sale of a portion of the assets corresponding to the units redeemed will be covered by the application of swinging single pricing as outlined in § 16 prov. 7.

3. The fund management company can suspend the issue of units at any time and can also reject applications for unit subscriptions or conversions.

4. The fund management company may temporarily and by way of exception suspend the redemption of fund units in the interest of all investors if:

   a. a market which is the basis for the valuation of a significant proportion of the respective sub-fund’s assets is closed, or if trading on such a market is limited or suspended;

   b. a political, economic, military, monetary or other emergency occurs;

   c. owing to exchange controls or restrictions on other asset transfers, the sub-funds are no longer able to transact their business;

   d. large-scale unit redemptions take place that could significantly affect the interests of the remaining investors.

5. The fund management company shall immediately apprise the external auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify the investors in an appropriate manner.

6. No units shall be issued as long as the redemption of units is suspended for the reasons stipulated under prov. 4, subsections a to c.

7. In the event of a subscription, every Investor may apply to make deposits into the Fund's portfolio instead of making payment in cash (contribution in kind). In the event of a termination, every Investor may apply to have assets transferred to them instead of payment in cash (redemption in kind). The application must be submitted together with the subscription / termination. The fund management company is not obliged to permit contributions and redemptions in kind. The decision on contributions and redemptions in kind lies with the Fund Management Company alone, and it approves such transactions only if the execution of the transactions is fully in accordance with the investment policy of the Fund and if the interests of the other Investors are not impaired.
The costs entailed in connection with contributions or redemptions in kind may not be charged to the fund assets.
In the event of contributions or redemptions in kind, the Fund Management Company draws up a report containing information on the individual assets that have been transferred, the market price of these assets on the transfer date, the number of units issued or redeemed in return, and cash payments made to cover peak equalisation. For every contribution or redemption in kind, the custodian bank shall verify that the fund management company has complied

with its duty of loyalty, and shall also check the valuation of the assets transferred and the units issued or redeemed as at the relevant date. Should it have any reservations or complaints, the custodian bank must report these to the audit firm without delay.
Transactions relating to contributions and redemptions in kind must be disclosed in the annual report.

V. Remuneration and incidental costs

§ 18 Remuneration and incidental costs charged to investors

Upon the issuance of fund units, the investors may be charged an issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland or abroad which, in total, may not exceed 4% of the net asset value. The current maximum applicable rate is stated in the prospectus.

§ 19 Remuneration and incidental costs charged to the fund's assets

1. For the administration, asset management and distribution of the sub-funds and the activities described in § 6 prov. 4 B e-g, as well as all tasks of the custodian bank such as the safekeeping of the sub-funds, the handling of the fund's payment transactions and the performance of the other tasks listed under § 4, the fund management company will charge the sub-funds a maximum flat fee or commission as a percentage of the sub-funds' net asset value as follows, to be charged to the relevant sub-fund assets on a pro rata basis every time the net asset value is calculated, and paid out monthly (flat fee or commission).

Sub-funds
"– Balanced Sustainable (CHF)", "– Balanced Sustainable (EUR)", "– Balanced Sustainable (USD)"

Class - "P" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	1.620%
Class - "K-1" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	1.000%
Class - "Q" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	1.060%
Class - "F" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	0.850%
Class - "I-A1" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	0,.950%
Class - "I-A2" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	0.900%
Class - "I-A3" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	0.850%
Class - "I-B" units Commission charged by the fund management company for fund administration (fund management company, administrator and custodian bank) (p.a.) Additional costs are incurred for asset management and distribution activities under a separate agreement with UBS Asset Management Switzerland AG or with a contractual partner authorised by the same (§ 6 prov. 4).	0.055%
Class - "I-X" units Commission charged by the fund management company (p.a.) The costs for asset management, fund administration and distribution activities are charged to the investor under a separate agreement with UBS Asset Management Switzerland AG or with a contractual partner authorised by the same (§ 6 prov. 4).	0.000%
Class - "U-X" units The costs for asset management, fund administration and distribution activities are charged to the investor under a separate agreement with UBS Asset Management Switzerland AG or with a contractual partner authorised by the same (§ 6 prov. 4).	0,000%

Sub-funds
"– Yield Sustainable (CHF)", "– Yield Sustainable (EUR)", "– Yield Sustainable (USD)"

Class - "P" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	1.440%
Class - "K-1" units Flat fee charged by the fund management company for management, asset management, distribution and remuneration of the custodian bank (p.a.)	0.900%
Class - "Q" units Management fee charged by the fund management company for management, asset management and remuneration of the custodian bank (p.a.)	1.190%
Class - "F" units Flat fee charged by the fund management company for management, asset management and remuneration of the custodian bank (p.a.)	0.760%

Class - "I-A1" units Flat fee charged by the fund management company for management, asset management and remuneration of the custodian bank (p.a.)	0.850%
Class - "I-A2" units Flat fee charged by the fund management company for management, asset management and remuneration of the custodian bank (p.a.)	0.800%
Class - "I-A3" units Flat fee charged by the fund management company for management, asset management and remuneration of the custodian bank (p.a.) (p.a.)	0.760%
Class - "I-B" units Commission charged by the fund management company for fund administration (fund management company, administrator and custodian bank) (p.a.)	0.055%
Additional costs are incurred for asset management and distribution activities under a separate agreement with UBS Asset Management Switzerland AG or with a contractual partner authorised by the same (§ 6 prov. 4).	
Class - "I-X" units Commission charged by the fund management company (p.a.)	0.000%
The costs for asset management, fund administration and distribution activities are charged to the investor under a separate agreement with UBS Asset Management Switzerland AG or with a contractual partner authorised by the same (§ 6 prov. 4).	
Class - "U-X" units Commission charged by the fund management company (p.a.)	0.000%
The costs for asset management, fund administration and distribution activities are charged to the investor under a separate agreement with UBS Asset Management Switzerland AG or with a contractual partner authorised by the same (§ 6 prov. 4).	

The actual flat fee rate is stated in the relevant annual and semi-annual reports.

2. The flat fee or commission does not include the following remuneration and incidental costs of the fund management company and the custodian bank, which are charged separately to the fund assets:

   a. Costs relating to the purchase and sale of investments, specifically customary brokerage fees, commissions, taxes and duties. These costs are directly offset against the cost/selling price of the respective investments, with the exception of incidental costs incurred in connection with the purchase/sale of investments during unit issuing and redemption, which are covered by the application of swinging single pricing as set out in § 16 prov. 7.

   b. Supervisory authority fees for the creation, changes to, liquidation or merger of the fund;

   c. Annual fee payable to supervisory authority;

   d. Fees paid to the external auditor for the annual audit and for certifications pertaining to the creation, changes to, liquidation or merger of the investment fund;

   e. Fees for legal and tax advice pertaining to the creation, changes to, liquidation or merger of the investment fund and general representation of the interests of the fund and the investors;

   f. Costs associated with publishing the fund's net asset value and the costs of all notices to investors, including translation costs, provided that the costs are not associated with misconduct on the part of the fund management company;

   g. Costs for the translation of the prospectuses with integrated fund contracts as well as semi-annual and annual reports;

   h. Costs of printing legal documents and the fund's annual and semi-annual reports;

   i. Any registration costs for registering the fund with a foreign supervisory authority, specifically commissions charged by the foreign supervisory authority, translation costs and remuneration paid to the foreign representative or paying agent;

   j. Costs associated with exercising the fund's voting and creditor's rights, including fees paid to external advisors;

   k. Costs and fees associated with intellectual property rights and/or usage rights registered in the fund's name;

   l. All costs incurred by the fund management company, the asset manager for collective investments or the custodian bank when taking exceptional measures to protect the interests of the investors;

   m. If the fund management company should participate in a class action in the interest of the investors, all costs incurred (such as legal and custodian bank costs) may be charged to the fund assets. The fund management company may also charge all documented administrative costs, which must be recognised and reported as part of the fund's TER disclosure.

3. The costs under point 2 letter a) are directly added to the cost value or deducted from the sales value.

4. Pursuant to the provisions in the prospectus, the fund management company and its agents as well as the custodian bank may pay retrocessions as compensation for distribution activities in respect of fund units and discounts in order to reduce the fees and costs attributable to investors and charged to the fund.

5. The management commission charged by the target funds in which investments are made may not exceed 1.98% p.a., taking into account any retrocessions and discounts. The annual report shall indicate the maximum rate for the management fee of the target funds invested in, factoring in any retrocessions and rebates for each sub-fund.

6. If the fund management company invests in units of other collective investments managed directly or indirectly by itself or by a company with which it is affiliated through common management or control or by a significant direct or indirect shareholding ("affiliated target funds"), it may not charge any issuing or redemption commission of the affiliated target funds to the respective sub-fund's assets.

VI. Financial statements and audits

§ 20 Financial statements

1. The accounting currencies of the sub-funds are as follows:

– Balanced Sustainable (CHF)	Swiss franc (CHF)
– Balanced Sustainable (EUR)	Euro (EUR)
– Balanced Sustainable (USD)	US Dollar (USD)
– Yield Sustainable (CHF)	Swiss franc (CHF)
– Yield Sustainable (EUR)	Euro (EUR)
– Yield Sustainable (USD)	US Dollar (USD)

2. The financial year shall run from 1 February to 31 January.

3. The fund management company publishes an audited annual report for the umbrella fund and the sub-funds within four months of the close of the financial year.

4. The fund management company shall publish a semi-annual report for the fund within two months of the close of the first half of the financial year.

5. The foregoing does not affect the investor's right to information as specified under § 5, prov. 5.

§ 21 Audits

The external auditor shall verify that the fund management company and the custodian bank have acted in compliance with the statutory and contractual provisions as well as the code of professional ethics of the Asset Management Association Switzerland applicable to them. The annual report shall contain a short report by the external auditor on the published annual financial statements.

VII. Appropriation of net income

§ 22

1. The net income of the sub-funds(incl. profit brought forward) is distributed annually per unit class to the investors in the relevant accounting currency within four months of the close of the financial year.
The fund management company may make additional interim distributions from the income.
Up to 30% of the net income of a unit class (including profit brought forward) may be carried forward to the new account. The distribution can be waived and the entire net income can be carried forward to new account if:

   – the net income of the current financial year and the income carried forward from earlier financial years of the sub-funds or a unit class amounts to less than 1% of the net asset value of the sub-fund or the unit class, and

   – the net income of the current financial year and the income carried forward from earlier financial years of the sub-funds or a unit class amounts to less than one unit of the accounting currency of the sub-fund or the unit class.

2. Capital gains realised on the sale of assets and rights can be distributed by the fund management company or retained for the purpose of reinvestment.

VIII. Publications of the umbrella fund and the sub-funds

§ 23

1. Official notices regarding the umbrella fund and the sub-funds are published in the print or electronic medium mentioned in the prospectus. A change to this official publication must be specified in the official publications.

2. The official publication for the fund shall in particular include notices regarding any material amendments to the fund contract in summary form, indicating the locations where the full wording of such amendments may be obtained free of charge, any change of fund management company and/or custodian bank, the creation, liquidation or merger of unit classes and the dissolution of individual sub-funds. Any amendments required by law which do not affect the interests of investors or only concern matters of form may be exempted from the duty of disclosure subject to the approval of

the supervisory authority.

3. Each time units are issued or redeemed, the fund management company shall publish both the issue/redemption prices or the net asset value (when swinging single pricing pursuant to § 16 prov. 7 has resulted in a modified net asset value) of all unit classes together with the footnote "excluding commission" in the print or electronic medium specified in the prospectus. The prices shall be published at least twice per month. The weeks and weekdays on which such prices shall be published shall be specified in the prospectus.

4. The prospectus with integrated fund contract, the key information document as well as the annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

IX. Restructuring and dissolution

§ 24 Merger

1. Subject to the agreement of the custodian bank, the fund management company can merge individual sub-funds with other sub-funds or with other funds by transferring the assets and liabilities of the sub-fund(s) or fund(s) being acquired to the acquiring sub-fund or fund. The investors in the sub-funds or fund being acquired receive the corresponding number of units in the acquiring sub-fund or fund. The sub-fund or fund being acquired is terminated without liquidation when the merger takes place, and the fund contract of the acquiring sub-fund or fund also applies to the sub-fund or fund being acquired.

2. Sub-funds or funds may only be merged if:

   a. the applicable fund contracts provide for such merger;

   b. they are managed by the same fund management company;

   c. the following provisions of the applicable fund contracts are essentially identical with regard to:

      – investment policy, investment techniques, risk diversification and risks associated with the investment;
      – appropriation of net income and capital gains from the sale of assets and rights;
      – the type, value and method of calculating any remuneration, issue and redemption commission and incidental costs relating to the purchase and sale of investments (brokerage, fees, duties) which may be charged to the fund's assets or the investors;
      – redemption terms;
      – the duration of the contract and requirements for dissolution;

   d. the valuation of the affected sub-funds' or funds' assets, the calculation of the exchange ratio and the transfer of assets and liabilities must take place on the same day;

   e. no costs may be incurred by the sub-funds or the funds or the investors. The aforementioned shall be subject to the provisions pursuant to § 19 clause 2 ltrs. b, d and e.

3. If it is anticipated that the merger shall take more than one day, the supervisory authority may authorize a temporary suspension of unit redemptions for the funds concerned.

4. The fund management company must submit the proposed merger together with the merger schedule and plan to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain detailed information on the reasons for the merger, the investment policies of the sub-funds or funds involved and any differences between the acquiring sub-fund or fund and the sub-fund or fund being acquired, the calculation of the exchange ratio, any differences with regard to remuneration, any tax implications for the sub-funds or funds and a statement from the competent statutory external auditors under the applicable collective investment legislation.

5. The fund management company publishes notice of proposed changes to the fund contract in accordance with § 23, prov. 2, and the proposed merger and schedule together with the merger plan at least two months before the planned date of merger in the official publication of the sub-fund or fund in question. Such notice must advise investors that they may lodge an objection to the proposed amendments to the fund contract with the supervisory authority within 30 days of the last notice, or request redemption of their units.

6. The external auditors must check immediately that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.

7. The fund management company notifies the supervisory authority that the merger has been completed and publishes a notice to this effect, together with a statement from the external auditors confirming that the merger was executed correctly and the exchange ratio without delay in the official publication of the sub-funds or funds concerned.

8. The fund management company must make reference to the merger in the next annual report of the acquiring sub-

fund or fund and in its semi-annual report if published prior to the annual report. Unless the merger falls on the final day of the normal financial year, an audited closing statement must be produced for the sub-funds or fund being acquired.

§ 25 Conversion into another legal form

1. The fund management company may, with the consent of the custodian bank and the investors, convert investment funds into sub-funds of a SICAV under Swiss law, whereby the assets and liabilities of the converted investment fund(s) are transferred to the investor sub-fund of a SICAV at the time of conversion. The investors of the converted investment fund will receive units of the investor sub-fund of the SICAV with a corresponding value. On the day of conversion, the converted investment fund will be dissolved without liquidation, and the investment regulations of the SICAV will apply to the investors of the converted investment fund who will become investors of the SICAV's investor sub-fund.

2. The investment fund may only be converted into a sub-fund of a SICAV, if:
   a) The fund contract provides for this, and this is explicitly stated in the SICAV's investment regulations;
   b) The investment fund and the sub-fund are managed by the same fund management company;
   c) The fund contract and the investment regulations of the SICAV are consistent with respect to the following provisions:
      – the investment policy (including liquidity), the investment techniques (securities lending, repurchase and reverse repurchase agreements and financial derivatives), borrowing and lending, pledging of collective investment assets, risk distribution and investment risks, the type of collective investment scheme, the investor base, the unit/share classes and the calculation of the net asset value,
      – the use of net proceeds and gains on disposal from the sale of items and rights,
      – the appropriation of net income and reporting,
      – the nature, amount and calculation of all remuneration, issue and redemption discounts and incidental costs for the acquisition and disposal of investments (brokerage fees, duties and taxes) that may be charged to the fund assets or to the SICAV, the investors or the shareholders, subject to incidental costs specific to the legal form of the SICAV,
      – the issuing and redemption conditions,
      – the term of the contract or the SICAV,
      – the publication medium;
   d) The valuation of the assets of the collective investment schemes involved, the calculation of the exchange ratio, and the transfer of the assets and liabilities must take place on the same day;
   e) No costs may be incurred by the investment fund or the SICAV or by the investors or shareholders.

3. FINMA may approve the suspension of the redemption for a certain period of time if it is foreseeable that the conversion will take longer than one day.

4. The fund management company must submit to FINMA for review the planned amendments to the fund contract and the planned conversion, together with the conversion plan, prior to the planned publication. The conversion plan must contain information on the reasons for the conversion, the investment policy of the collective investment schemes concerned, any differences between the converted fund and the SICAV's sub-fund, the calculation of the conversion ratio, any differences with regard to remuneration, any tax implications for the collective investment schemes, and an opinion from the external auditor of the investment fund.

5. The fund management company will publish any amendments to the fund contract pursuant to § 24 prov. 1 and 2 and the planned conversion and the planned date in connection with the conversion plan at least two months before the date specified by it in the publication of the converted investment fund. In this notice, the fund management company must inform the investors that they may lodge objections to the proposed changes to the fund contract with the supervisory authority, or request redemption of their units in cash, within 30 days of publication or notice.

6. The external auditor of the investment fund or the SICAV (if different) shall immediately verify the proper execution of the conversion and report thereon to the fund management company, the SICAV and FINMA.

7. The fund management company shall immediately notify FINMA of the completion of the conversion and forward to FINMA the external auditor's confirmation regarding the proper execution of the transaction and the conversion report in the publication medium of the investment funds involved.

8. The fund management company or the SICAV shall mention the conversion in the next annual report of the investment fund or the SICAV, and in any semi-annual report published before this date.

§ 26 Life of the sub-funds and dissolution

1. The sub-funds have been established for an indefinite period.

2. The fund management company or custodian bank may dissolve the sub-funds by terminating the fund contract without notice.

3. The fund management company shall notify the supervisory authority of such dissolution immediately and publish a notice to this effect in the official publication for the fund.

4. Upon termination of the fund contract, the fund management company may liquidate the affected sub-funds forthwith.

If the supervisory authority has ordered the dissolution of a sub-fund, it must be liquidated immediately. The custodian bank shall be responsible for paying the liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in instalments. Prior to the final payment, the fund management company must obtain authorisation from the supervisory authority.

X. Amendment to the fund contract

§ 27

If any amendments are made to this fund contract, or in the event of a proposed merger of unit classes or change of fund management company or custodian bank, the investors may lodge objections with the supervisory authority within 30 days after the most recent notice published.

In the official publication, the fund management company shall notify investors of any changes to the fund contract to be reviewed by FINMA for legal compliance.

In the event of any amendment to the fund contract (including merger of unit classes), investors may also request redemption of their units in cash subject to the period stipulated in this contract. The foregoing is subject to the cases as specified under § 23, prov. 2, which are exempted from the duty of disclosure subject to the approval of the supervisory authorities.

XI. Applicable law and place of jurisdiction

§ 28

1. The umbrella fund and the individual sub-funds are governed by Swiss law and in particular the Swiss Collective Investment Schemes Act of 23 June 2006, the Swiss Collective Investment Schemes Ordinance of 22 November 2006 and the Collective Investment Schemes Ordinance issued by FINMA of 27 August 2014. The place of jurisdiction shall be the domicile of the fund management company.

2. The German version shall be binding for the interpretation of the fund contract.

3. The present fund contract enters into force on 19 December 2023.

4 This fund contract replaces the fund contract dated 5 April 2023.

5. When approving the fund contract, FINMA exclusively checks for compliance with the provisions of Art. 35a (1) a-g CISO and establishes its legal conformity.

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