UBS (CH) Vitainvest

Umbrella fund under Swiss law
Category "Other Funds for Traditional Investments"

Prospectus with integrated fund contract, February 2023

Part I Prospectus

This prospectus, together with the fund contract which forms an integral part thereof, the Key Investor Information Document or the key information document, and the latest annual or semi-annual report (if published after the latest annual report), serves as the basis for all subscriptions of units of the sub-funds.

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

1. Information on the umbrella fund and the sub-funds

1.1 Foundation of the umbrella fund or its sub-fund in Switzerland

The fund contract of UBS (CH) Vitainvest was drawn up by UBS Fund Management (Switzerland) AG as fund management company with the consent of the UBS Fund Management (Switzerland) AG as custodian bank and first approved by the then Swiss Financial Market Supervisory Authority (FINMA) in 2005.

1.2 Tax regulations relevant to the sub-funds

The umbrella fund and sub-funds have no legal personality in Switzerland. They are not subject to tax on either income or capital. On the other hand, income distributions made by the sub-funds are subject to Swiss federal withholding tax (source tax of 35% on the income from moveable capital assets). These capital gains realized by the sub-fund from the sale of assets are free from withholding tax, provided they are distributed with a separate coupon or are shown separately in the settlement to the investors[1].

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

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

Taxation and other tax implications for investors who hold, buy and sell sub-fund units are defined by the relevant tax regulations in the investor's country of domicile. The tax consequences may therefore be different for different Investors, depending on the country. Potential investors are therefore advised to consult their tax advisor or accountant about the tax consequences applicable to them. Under no circumstances can the fund management company or the custodian bank accept responsibility for investors' individual tax consequences from buying and selling or holding fund units.

This tax information 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 regulations in the investor's country of domicile. For information in this regard, investors should contact their tax advisor.
The Investment Fund has the following tax status:
International automatic exchange of information in tax matters (automatic exchange of information)
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), the 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 Financial year
The financial year runs from 1 January to 31 December.

1.4 External auditors
The external 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.

For the sub-funds
– World 25 Sustainable
– World 50 Sustainable
– World 75 Sustainable
– World 100 Sustainable
– Swiss 25 Sustainable
– Swiss 50 Sustainable
– Swiss 75 Sustainable
the current unit classes are:

A. The following unit classes are not restricted to certain investors:
   a. Units in unit class "U" are offered to all investors.

B. The following unit classes are restricted to certain investors:
   a. Units in unit class "Q" are exclusively offered to financial intermediaries that act for their own account and/or clients of such financial intermediaries who, in accordance with regulatory requirements, are not permitted to receive retrocessions and/or who, under written agreements with their clients, may only offer them classes without retrocession, if available in the relevant investment fund.

   b. Units in unit class "D" are offered to investors who subscribe to their units through

      – banks or
      – insurance companies or
      – vested benefits and pension foundations or
      – securities dealers,

      who have concluded a distribution agreement with UBS Asset Management Switzerland AG in accordance with the guidelines governing fund distribution issued by the Asset Management Association Switzerland.

For the sub-funds
– Passive 25 Sustainable
– Passive 50 Sustainable
– Passive 75 Sustainable
– Passive 100 Sustainable
the current unit classes are:

The following unit class is restricted to certain types of investors:
   a. Units in unit class "Q" are exclusively offered to financial intermediaries that make investments for their own account and/or to clients of such financial intermediaries who, in accordance with regulatory requirements, are not permitted to receive a distribution commission and/or who, under written agreements with their clients, may only offer them classes without retrocession, if available in the relevant investment fund.

The unit classes do not constitute segmented assets. Accordingly, the possibility cannot be excluded that a unit class may be liable for liabilities of another unit class, even if costs are charged only to the unit class which receives a specific service.

1.6 Listing and trading
The fund units are issued and redeemed daily.

1.7 Terms for the issue and redemption of units of 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 including 24 December, 31 December, New Year's Day, 1 August, etc.), or on days when the exchanges and markets in a sub-fund's main investment countries are closed or on days when 50% or more of the investments of the sub-fund cannot be appropriately valued, or under the exceptional circumstances defined under § 17.4 of the fund contract. The fund management company and the custodian bank are entitled to refuse subscription orders 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). For orders placed with distributors in Switzerland and abroad, earlier cut-off times to submit the orders may apply in order to ensure timely forwarding to the custodian bank. 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. The fund management company is entitled to apply other generally recognised and verifiable valuation criteria in order to make an appropriate valuation of the sub-funds' assets if, due to extraordinary circumstances, a valuation in accordance with the regulations stated above proves to be unfeasible or inaccurate.

If the sum of a sub-fund's subscriptions and redemptions result in a net asset inflow or outflow on an order date, the valuation net asset value of the sub-fund will be increased or reduced (swinging single pricing). In principle, the maximum adjustment level amounts to 2% of the valuation net asset value. However, in exceptional circumstances, the fund management company may decide to temporarily apply an adjustment of more than 2% of the prevailing net asset value for each sub-fund and/or valuation day, if it has sufficient grounds to believe that the adjustment is justified in view of prevailing market conditions and in the best interests of investors. A temporary adjustment will be calculated in accordance with the procedure set out by the fund management company. Existing and new investors will be informed of the sufficiently substantiated decision on the application of this temporary measure and of its expiry by announcement in the umbrella fund's official medium of publication. The supervisory authority will also be notified. A modified valuation net asset value covers incidental costs (bid-ask spread, standard brokerage fees, commissions, fees, etc.) incurred on average in the investment of the net inflow of assets or the sale of the portion of the investments corresponding to the net outflow of assets. The adjustment will lead to an increase in the valuation net asset value if the net movements result in an increase in the number of sub-fund units. The adjustment will lead to a decrease in the valuation net asset value if the net movements result in a reduction in the number of units. The valuation net asset value calculated on the basis of swinging single pricing is thus a modified valuation net asset value as set out in the first sentence of this paragraph.

The issue price corresponds to the net asset value calculated on the valuation day, plus any issuing commission. The amount of the issuing commission is specified in point 1.13.4 below.

The redemption price corresponds to the net asset value calculated on the valuation day, minus any redemption commission. The amount of the redemption commission is specified in point 1.13.4 below.

Incidental costs relating to the purchase and sale of investments (standard brokerage fees, commissions, duties etc.) incurred by the sub-fund in connection with the investment of the amount paid in or with the sale of the redeemed portion of the assets corresponding to the units redeemed, will be charged to the corresponding sub-fund's assets.

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 respective 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. 8 of the fund contract.

The issue and redemption prices are rounded to CHF 0.01. 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.

As a rule, capital gains are not distributed but are retained in the fund for reinvestment.

1.9 Investment objective and investment policy of the investment fund

1.9.1 Sustainability

The asset manager (UBS Asset Management Switzerland AG) 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 consideration of these factors will deliver better informed investment decisions.

1.9.1.1 ESG approaches

With respect to sustainable investments, ESG approaches listed below, or a combination thereof, may be used:

ESG Integration

ESG Integration is driven by taking into account material ESG risks as part of the research process. When investing, this process utilises the ESG Material Issues framework of the asset manager, which identifies the 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 company'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 weapons. Analysis of material sustainability/ESG issues can include various aspects such as the following: CO_2 footprint, health and welfare, human rights, supply chain management, fair treatment of customers and governance. The asset manager takes ESG integration into account when allocating to underlying strategies, including target funds. For underlying 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 in passive or rule-based strategies. However, the data providers and sources and the precise implementation of the criteria are not specified. The asset manager assesses the passive or rules-based strategies to ensure they meet the UBS sustainability standards.

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.

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 weapons (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).

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.

In doing so, the asset manager evaluates the strategies of external asset managers to ensure that they meet UBS sustainability standards and seeks to engage in an active dialogue to bring external asset managers to a level equivalent to the UBS approach over time.

In evaluating these strategies, the asset manager pays particular attention to the existing resources of the external asset managers in the ESG area, such as the quality of the team of research and investment staff dedicated to ESG issues, experience of individual staff in the sustainability area, analytical and research tools used to assess the ESG risks of companies, and the investment process with respect to the consideration of ESG risks 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 objectives.

Best-in-class approach: Strategies or target funds classified by UBS Asset Management as ESG leaders equities or ESG leaders 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 leaders equities: Equities of companies that already handle a series of critical ESG issues better and seize ESG opportunities better than their competitors.
- ESG leaders bonds: Bonds of companies that already handle a series of critical ESG issues better and seize opportunities better than their competitors.
- Units of collective investment schemes that use an approach that the strengthens the sustainability profile of the sub-fund in question compared to a benchmark without ESG criteria (broad market index/reference)..

Stewardship (active ownership): Where possible, all strategies or target funds categorised by UBS Asset Management as Sustainability Focus funds are subject to an active engagement with companies in order to address identified ESG risks and opportunities in a targeted manner via a direct dialogue.

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 ESG thematic equities or green, social and sustainability bonds or development bonds invest by identifying investments on the basis of internal and external data sources such as analyses by the EU Green Bond standard and combine them into a thematic investment universe.

- ESG thematic equities: Equities of companies that sell products and services tackling particular environmental or social challenges 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:

- Strategies or target funds categorised by UBS Asset Management as E-tilting take into account investment risks related to climate change. E-tilting is a modern way of indexing and was developed partly to meet the needs of investors who want to improve their environmental exposure within ESG factors while maintaining a broad and diversified investment universe . By rebalancing standard market capitalisation (index) weightings based on specific environmental metrics and so move away from standard market capitalisation weightings, E-tilted solutions increase exposure to companies and issuers with superior environmental characteristics compared with traditional indexes, while maintaining a broad and diversified investment universe. In contrast to a best-in-class approach, companies with a poorer environmental profile (compared with the weighted average of applied environmental indicators of the benchmark index, such as CO2 intensity) are kept in the portfolio but are underweighted compared with their weighting in the benchmark index.
- Strategies or target funds classified by UBS AM as ESG Improvers equities (best-in-progress) 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.

Sustainability Focus funds

Sub-funds categorised by UBS Asset Management as **Sustainability Focus funds** pursue one or more of the aforementioned ESG approaches and have a specific ESG characteristic or sustainability objective defined in their investment policy https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html. This UBS Asset Management ESG classification is listed in the investment objective of the specific sub-funds.

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, it could lead to a loss in value of the investment.

The selection of investments partly depends on external ESG research and data providers, and on internal analyst assessments of the sustainability profile of an asset. 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 underlying situation. 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.

Annual sustainability report

The UBS Sustainability Report is the medium for UBS's sustainability disclosures. Published annually, the report aims to openly and transparently disclose UBS' sustainability approach and activities,, consistently applying UBS's information policy and disclosure principles.

https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html

1.9.2 Investment objective and policy of Vitainvest Sustainable

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

- **World 25 Sustainable**
- **World 50 Sustainable**
- **Swiss 25 Sustainable**
- **Swiss 50 Sustainable**

The investment objective of the sub-funds is principally to achieve an optimum overall return within the individual sub-funds by using a balanced risk strategy via investments in other investment funds (target funds) and by taking into account aspects of sustainability.

UBS Asset Management categorises these sub-funds as actively managed Sustainability Focus funds. 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 of their sustainability strategy or are deemed equivalent thereto.

If passive strategies are used by the sub-funds as part of their minimum 70% sustainability focused allocation, those passive strategies will have a corresponding ESG benchmark.

Due to the multi-asset fund structure, sustainable target funds and strategies may be used if they employ one of the following ESG approaches or a combination thereof: **Exclusions (negative screening), best-in-class approach, ESG integration approach, stewardship (active ownership), voting, engagement and other** (target funds and strategies categorised by UBS Asset Management as Sustainability Focus or E-tilting funds). For more information on these categories, refer to section 1.9.1 Sustainability.

While the asset manager strives for 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. 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. The remaining allocation to other actively managed target funds must comply with the ESG integration criteria. The fund management company may acquire for the assets of the sub-funds "– World 25 Sustainable" and "– World 50 Sustainable" up to 60% of the units of "UBS (CH) Manager Selection Fund – Bonds Global XT 2" and "UBS (CH) Institutional Fund – Global Bonds Sustainable".

The fund management company may also acquire for the assets of the sub-fund "– World 50 Sustainable" up to 70% of the units of "UBS (CH) Manager Selection Fund – Equities Global XT 1", "UBS (CH) Manager Selection Fund – Equities Global XT 2" and "UBS (CH) Institutional Fund – Equities Global (ex Switzerland) Sustainable" and up to 60% of the units of "UBS (CH) Manager Selection Fund – Equities Global XT 3" and "UBS (CH) Investment Fund - Equities Global Climate Aware II".

For the sub-fund "– Swiss 25 Sustainable", the fund management company may invest up to 65% and for the sub-fund "– Swiss 50 Sustainable" up to 40% of the sub-fund's assets in units of the target fund "UBS (CH) Bond Fund – Bonds CHF Sustainable". The fund management company may also acquire for the sub-fund "– Swiss 50 Sustainable" up to 49% of the units of "UBS (CH) Manager Selection Fund – Equities Switzerland XT 1", "UBS (CH) for hedging Fund – Equities Switzerland Quantitative All Cap Sustainable" and "UBS (CH) Manager Selection Fund – Equities Switzerland XT 3".

These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

- **World 75 Sustainable**
- **World 100 Sustainable**
- **Swiss 75 Sustainable**

The investment objective of the sub-funds is principally to achieve an optimal overall return within the individual sub-funds by using a risk strategy focusing on equities via investments in other investment funds (target funds) and by taking into account aspects of sustainability.

UBS Asset Management categorises these sub-funds as actively managed Sustainability Focus funds. At least 70% of the assets of each individual sub-fund (excluding cash 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 of their sustainability strategy or are deemed equivalent thereto.

If passive strategies are used by the sub-funds as part of their minimum 70% sustainability focused allocation, those passive strategies will have a corresponding ESG benchmark .

Due to the multi-asset fund structure, sustainable target funds and strategies may be used if they employ one of the following ESG approaches or a combination thereof: **Exclusions (negative screening), best-in-class approach, ESG integration approach, stewardship (active ownership), voting, engagement and other** (target funds and strategies categorised by UBS

Asset Management as Sustainability Focus or E-tilting funds). For more information on these categories, refer to section 1.9.1 Sustainability.
While the asset manager strives for 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. 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. The remaining allocation to other actively managed target funds must comply with the ESG integration criteria.
For the sub-funds "– World 75 Sustainable" and "– World 100 Sustainable", the fund management company may invest up to 49% of the sub-fund's assets in units of the target fund "UBS (CH) Investment Fund – Equities Global Climate Aware II".
These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

Using an appropriate selection of target funds, the overall risk of the individual sub-funds corresponds to a diversified asset allocation portfolio with an average proportion of equities in line with the number in the respective name of the sub-fund. The overall risk of the sub-fund UBS (CH) Vitainvest - World 100 Sustainable corresponds to a diversified asset allocation portfolio with a maximum proportion of equities in line with the number in the name of the sub-fund. In addition, the individual sub-funds differ in the proportion of foreign currency (all investment currencies which differ from the Swiss franc).

1.9.3 Investment objective and policy of Vitainvest Sustainable Passive

– Passive 25 Sustainable
– Passive 50 Sustainable
– Passive 75 Sustainable
– Passive 100 Sustainable

UBS Asset Management categorises these sub-funds as Sustainability Focus funds. The investment objective of the sub-funds "– Passive 25 Sustainable" and "– Passive 50 Sustainable" is principally to achieve an optimum overall return within the individual sub-funds by using a balanced risk strategy via investments in other investment funds (target funds). The investment objective of the sub-funds "– Passive 75 Sustainable" and "– Passive 100 Sustainable" is principally to achieve an optimum overall return within the individual sub-funds by using a risk strategy focusing on equities via investments in other investment funds (target funds).The sub-funds invest primarily in target funds that pursue sustainability criteria as part of their investment policy or in passively managed target funds that primarily replicate indices that are classified and marketed as sustainable by the index provider. The sustainability data and sustainability criteria are defined by the respective index administrator ("index provider"). The benchmarks measure the performance taking into account environmental, social and governance factors. Detailed information on the sustainability criteria of the target funds can be found in the fund documents of the target funds (e.g. at www.ubs.com/fonds).
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. When selecting investments, both a **best-in-class** approach and **exclusion criteria** may be applied individually or in combination. As the selection of investments is partly dependent on external data and index providers, this may represent an additional **risk** for investors, as sustainability data is to a large extent shaped by qualitative estimates of the external ESG data providers used, which may lead to different estimates of sustainability levels across the external ESG data providers in the presence of the same objective facts. As there is currently no universally accepted valuation benchmark for sustainability levels, an incorrect estimate of sustainability levels and thus a sub-optimal construction of the sustainability benchmarks on which passive sub-funds are based cannot be ruled out. As a consequence, the risk/return profile of the sub-funds may be disadvantageous for the investor compared to a sustainability benchmark constructed on the basis of correct estimates of sustainability levels.

The sub-funds
– Passive 25 Sustainable
– Passive 50 Sustainable
– Passive 75 Sustainable
use the external ESG data providers MSCI ESG Research for international equities and bonds, Inrate for Swiss equities and bonds and Beyond Ratings for E-tilting bond investments.

The sub-fund
– **Passive 100 Sustainable**
uses the external ESG data providers MSCI ESG Research for international equities and Inrate for Swiss equities.

Information on external ESG data providers is publicly available at:
- MSCI ESG Research: https://www.msci.com/our-solutions/esg-investing
- Inrate: https://www.inrate.com/
- Beyond Ratings: https://beyond-ratings.com/

The sub-funds invest in target funds that can be divided into two groups with regard to their orientation in a sustainability context:

- Group 1: Comprehensive exclusions combined with an ESG **best-in-class** approach
- Group 2: Fundamental exclusions combined with an **E-tilting** approach

In principle, the exclusions applied in Group 1, based on the definition by the external index providers, include the production of:

- Adult entertainment with a revenue threshold of 5%,
- Alcoholic products with a revenue threshold of 5%,
- Controversial weapons with no revenue threshold,
- Military weapons with a revenue threshold of 5%,
- Gambling with a revenue threshold of 5%,
- Tobacco products with a revenue threshold of 5%,
- Thermal coal with a revenue threshold of 5%,
- Energy from thermal coal with a revenue threshold of 5%,
- Unconventional oil and gas, e.g. oil sands with a revenue threshold of 5%,
- Nuclear energy with a revenue threshold of 5%.

In addition, basic minimum levels of ESG ratings are defined in Group 1 by the external index providers in order to reflect the best-in-class approach:

- MSCI ESG rating: BB or better (scale CCC to AAA, with AAA as the best sustainability rating),
- Inrate: C+ or better (scale D- to A+, with A+ as the best sustainability rating).

In principle, the exclusions applied in Group 2, based on the definition by the external index providers, include the production of:

- Controversial weapons with no revenue threshold.

In addition, basic E-tilting criteria are defined in Group 2 by the external index providers in order to reflect the E-tilting approach:

- Beyond Ratings: climate risk profile and greenhouse gas emissions.

The external index providers can further develop the construction rules and the external ESG data providers their sustainability assessment methods and thus change them. This may affect the resulting risk-return profile of the sub-funds.

For the sub-fund "– Passive 25 Sustainable", the fund management company may invest up to 40% of the sub-fund's assets in units of the target fund "UBS (CH) Investment Fund - Bonds CHF Inland ESG Passive II". Detailed information on the sustainability criteria of these target funds can be found in the fund documents of the "UBS (CH) Investment Fund".

For the sub-fund "– Passive 50 Sustainable", the fund management company may invest up to 35% of the sub-fund's assets in units of the target fund "UBS (CH) Investment Fund Bonds CHF Inland ESG Passive II". Detailed information on the sustainability criteria of these target funds can be found in the fund documents of the "UBS (CH) Investment Fund".

For the sub-fund "– Passive 75 Sustainable", the fund management company may invest up to 40% of the sub-fund's assets in units of the target fund "UBS (CH) Investment Fund - Equities Switzerland ESG Passive All II" and up to 50% of the sub-fund's assets in units of the target fund "UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II". Detailed information on the sustainability criteria of these target funds can be found in the fund documents of the "UBS (CH) Investment Fund" and "UBS (CH) Institutional Fund".

For the sub-fund "– Passive 100 Sustainable", the fund management company may invest up to 45% of the sub-fund's assets in units of the target fund "UBS (CH) Investment Fund - Equities Switzerland ESG Passive All II" and **either** up to 60% of the sub-fund's assets in units of the target fund "UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II" **or** up to 40% of the sub-fund's assets in units of the target fund "UBS (CH) Investment Fund - Equities Global Climate Aware (CHF hedged)" **or** up to 40% of the sub-fund's assets in units of the target fund "UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive (CHF hedged) II". Detailed information on the sustainability criteria of these target funds can be found in the fund documents of the "UBS (CH) Investment Fund" and "UBS (CH) Institutional Fund".

These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

Using an appropriate selection of target funds, the overall risk of the individual sub-funds corresponds to a diversified asset allocation portfolio with an average proportion of equities in line with the number in the respective name of the sub-fund. The overall risk of the sub-fund UBS (CH) Vitainvest - Passive 100 Sustainable corresponds to a diversified asset allocation portfolio with a maximum proportion of equities in line with the number in the name of the sub-fund. In addition, the individual sub-funds differ in the proportion of foreign currency (all investment currencies which differ from the Swiss franc).

1.9.4 Investment policy of Vitainvest Sustainable and Vitainvest Sustainable Passive

- **World 25 Sustainable**
- **World 50 Sustainable**

The individual sub-funds invest at least 51% of their assets after deducting liquid assets in other collective investment schemes (target funds) of the type "securities funds" or "other funds for traditional investments" or units of undertakings for collective investment in transferable securities (UCITS) which correspond to the European Union's applicable guidelines, as well as units of undertakings for collective investment (UCIs) authorised for public distribution in and from Switzerland in accordance with Article 119 ff. of the CISA or these target funds have been approved as collective investments in the country of domicile and supervision in that country is equivalent to that in Switzerland in respect of the protection afforded to investors and international official assistance is granted. The fund management company may also invest in units in other collective investment schemes which are equivalent to other funds for traditional investments, other funds for alternative investments or real estate funds (where equivalent supervision exists).

- **World 75 Sustainable**
- **World 100 Sustainable**
- **Swiss 25 Sustainable**
- **Swiss 50 Sustainable**
- **Swiss 75 Sustainable**
- **Passive 25 Sustainable**
- **Passive 50 Sustainable**
- **Passive 75 Sustainable**
- **Passive 100 Sustainable**

The individual sub-funds invest at least 51% of their assets after deducting liquid assets in other collective investment schemes (target funds) of the type "securities funds", "other funds for traditional investments", "other funds for alternative investments" or "real estate funds" as well as other collective investment schemes which correspond to this type.
The target funds must be able to fundamentally guarantee the redemption frequency of the fund of funds. The fund management company may also invest in units of other collective investments that correspond to other funds for traditional investments, other funds for alternative investments or real estate funds (with equivalent supervision).
The target funds must be able to guarantee the redemption frequency of the fund of funds. The target funds must have been approved as collective investments in the country of domicile and investors must enjoy equivalent regulatory protection in that country to that in Switzerland and international official assistance must be granted. The target funds are open-end and/or listed collective investments, i.e. contractually based investment funds as well as investment companies with variable capital.

1.10 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 collateral:
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 house.

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 outstanding derivative transactions. 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 replicated 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)

– Money market funds, provided they comply with the SFAMA guideline or the CESR guideline for money market funds, can be redeemed on a daily basis, and the investments are of high quality or are classified as first-class by the fund management company.

– 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 shares and ETFs	8%
Sovereigns (incl. treasury bills and treasury warrants) issued or guaranteed by the US, Germany or Switzerland (incl. the cantons and municipalities)	0%
Other sovereigns (incl. treasury bills and treasury warrants)	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%

1.11 Use of derivatives

- **World 25 Sustainable**
- **World 50 Sustainable**
- **World 75 Sustainable**
- **World 100 Sustainable**
- **Swiss 25 Sustainable**
- **Swiss 50 Sustainable**
- **Swiss 75 Sustainable**
- **Passive 25 Sustainable**
- **Passive 50 Sustainable**
- **Passive 75 Sustainable**
- **Passive 100 Sustainable**

The fund management company may make use of derivatives. Even under extraordinary market circumstances, this use of derivatives may not alter the sub-funds' investment goals or lead to a change in their investment profile. Commitment approach II shall be used for the measurement of risk, with the exception that leveraging and short selling are not permitted for the sub-funds on the basis of the provisions of the aforementioned BVG and its ordinances.

Derivatives form part of the investment strategy and may be used for purposes other than simply to hedge investment positions. In relation to collective investment schemes the fund management company may use derivatives 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.

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)) which can be used to transfer credit risks to third parties, so-called risk buyers, may be acquired. 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 sub-funds may act as a risk buyer or seller.
The use of derivatives may not result in the sub-funds' assets being leveraged or be tantamount to a short sale.

With regard to indirect investments via derivatives, it should be noted that such investments may result in accumulation of risk. In addition to the market risk of the underlying there is the risk stemming from the issuer of the derivative. This risk accumulation can be of particular significance where derivatives on market indices are used systematically instead of a broadly diversified portfolio of direct investments.

1.12 Net asset value
The net asset value of a sub-fund unit represents the market value of the sub-fund's assets, less all of this sub-fund's liabilities, divided by the number of units in circulation. It will be rounded to CHF 0.01.

1.13 Remuneration and incidental costs
1.13.1 Remuneration and incidental costs charged to the investors (excerpt from § 18 of the fund contract)
Flat fee charged by the fund management company for the individual sub-funds and unit classes:

– World 25 Sustainable:

Units in unit class "U"	1.30% p.a. (1.040% p.a.*)
Units in unit class "Q"	0.65% p.a. (0.520% p.a.*)
Units in unit class "D"	1.30% p.a. (1.040% p.a.*)

– World 50 Sustainable:

Units in unit class "U"	1.50% p.a. (1.200% p.a.*)
Units in unit class "Q"	0.75% p.a. (0.600% p.a.*)
Units in unit class "D"	1.50% p.a. (1.200% p.a.*)

– World 75 Sustainable:

Units in unit class "U"	1.60% p.a. (1.280% p.a.*)
Units in unit class "Q"	0.80% p.a. (0.640% p.a.*)
Units in unit class "D"	1.60% p.a. (1.280% p.a.*)

– World 100 Sustainable:

Units in unit class "U"	1.60% p.a. (1.280% p.a.*)
Units in unit class "Q"	0.80% p.a. (0.640% p.a.*)
Units in unit class "D"	1.60% p.a. (1.280% p.a.*)

– Swiss 25 Sustainable:

Units in unit class "U"	1.25% p.a. (1.000% p.a.*)
Units in unit class "Q"	0.63% p.a. (0.500% p.a.*)
Units in unit class "D"	1.25% p.a. (1.000% p.a.*)

– Swiss 50 Sustainable:

Units in unit class "U"	1.40% p.a. (1.120% p.a.*)
Units in unit class "Q"	0.70% p.a. (0.560% p.a.*)
Units in unit class "D"	1.40% p.a. (1.120% p.a.*)

– Swiss 75 Sustainable:

Units in unit class "U"	1.50% p.a. (1.200% p.a.*)
Units in unit class "Q"	0.75% p.a. (0.600% p.a.*)
Units in unit class "D"	1.50% p.a. (1.200% p.a.*)

– Passive 25 Sustainable

Units in unit class "Q"	0.19% p.a. (0.15% p.a.*)
Units in unit class "by UBS key4"	0.19% p.a. (0.15% p.a. *)

– Passive 50 Sustainable

Units in unit class "Q"	0.19% p.a. (0.15% p.a.*)
Units in unit class "by UBS key4"	0.19% p.a. (0.15% p.a. *)

– Passive 75 Sustainable

Units in unit class "Q"	0.19% p.a. (0.15% p.a.*)
Units in unit class "by UBS key4"	0.19% p.a. (0.15% p.a. *)

– Passive 100 Sustainable

Units in unit class "Q"	0.229% p.a. (0.18% p.a.*)

Units in unit class "by UBS key4" 0.22% p.a. (0.18% p.a. *)

This commission is used for the management, asset management and, if applicable, distribution of the sub-funds as well as for compensation of the custodian bank for the tasks it performs, such as the safekeeping of the fund's assets, taking care of payment transactions and the other responsibilities as set out in § 4. A detailed breakdown of the remuneration and incidental costs not included in the flat fee is set out in § 19 of the fund contract.

The management fee serves to ensure ease of comparability with remuneration regulations of different fund providers that do not use a flat fee.

* This amount indicates the level of the management fee, which accounts for 80% of the flat fee.

1.13.2 Total expense ratio

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

Unit class "U"	2017	2018	2019	2020	2021
– World 25 Sustainable	1.40%	1.40%	1.41%	1.39%	1.35%
– World 50 Sustainable	1.59%	1.61%	1.60%	1.59%	1.55%
– World 75 Sustainable	1.70%	1.70%	1.70%	1.69%	1.65%
– World 100 Sustainable			1.61% annualised	1.61%	1.60%
– Swiss 25 Sustainable	1.29%	1.33%	1.34%	1.33%	1.32%
– Swiss 50 Sustainable	1.45%	1.47%	1.48%	1.48%	1.47%
– Swiss 75 Sustainable	1.61%	1.59%	1.60%	1.58%	1.57%
– Passive 25 Sustainable					0.23%
– Passive 50 Sustainable					0.24%
– Passive 75 Sustainable					0.24%
– Passive 100 Sustainable					0.24%

1.13.3 Payment of retrocessions and discounts

The fund management company and its agents may pay retrocessions as compensation for the distribution activities in respect of fund units in or from Switzerland. This compensation may be used in particular to cover the following services:

- all activities that are intended to promote the distribution or brokering of fund units,
- such as organising road shows;
- attending events and trade fairs;
- producing promotional materials and;
- training sales staff, etc.

Retrocessions do not constitute discounts even if they are ultimately passed on to investors wholly or in part.
The recipients of retrocessions undertake to ensure transparent disclosure and to inform investors free of charge with regard to the amount of the compensation that they may receive for the distribution.

The recipients of retrocessions shall, upon request, disclose the amounts they have effectively received from these investors for the distribution of the collective investments.

The fund management company and its agents may, upon request, pay discounts directly to investors as part of distribution in or from Switzerland. Discounts may serve to reduce fees or costs charged to the respective investors. Discounts are permitted provided they are

- paid from the fund management company's fees and therefore do not generate any additional costs for the fund assets;
- granted on the basis of objective criteria;
- granted at the same time and on equal terms to all investors who meet the objective criteria and request discounts

The objective criteria for the granting of discounts by the fund management company shall be the following:

- 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 their investment);
- the investor's willingness to provide support during the inception phase of a collective investment scheme.

The fund management company shall disclose the amount of each discount free of charge upon request of the investor.

1.13.4 Remuneration and incidental costs charged to the fund's assets (excerpt from § 19 of the fund contract)

Issuing commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad	maximum of	2.5%
Redemption commission		0%

1.13.5 Commission sharing agreements and soft commissions

The fund management company has not concluded commission sharing agreements. The fund management company has not concluded agreements in respect of soft commissions. The fund management company may envisage commission sharing agreements for target funds of UBS(CH) Vitainvest.

1.13.6 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.

1.14 Publication 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. Up-to-date in-formation is also available on the Internet at www.ubs.com/fisca.

The prospectus with integrated fund contract, the key investor information document/key information document, and the respective 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, or the liquidation of the umbrella fund or a sub-fund shall be published by the fund management company with Swiss Fund Data AG (www.swissfunddata.ch).

Prices for the individual sub-funds are published on each day 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/quotes, and, where applicable, in other electronic media and in Swiss and foreign newspapers.

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

UBS (CH) Vitainvest is a contractually based umbrella fund governed by Swiss law established under the "Other funds for traditional investments" category of the Swiss Collective Investment Schemes Act (CISA) of 23 June 2006, which includes the following sub-funds on the one hand, the numbers in their names indicate the long-term average of the percentage share of equities per sub-fund on a consolidated basis, although any real estate fund units held are not taken into account in the long-term average percentage share of equities given. By way of derogation, the number in the name of the sub-fund BS (CH) Vitainvest – World 100 Sustainable indicates the maximum value of the percentage share of equities on a consolidated basis. In addition, the regional focus of the investments within the sub-funds is referred to in the name of the individual sub-fund: The addition of "World" means that a significant portion of the investments is made in foreign securities:

- **World 25 Sustainable**
- **World 50 Sustainable**
- **World 75 Sustainable**
- **World 100 Sustainable**

and includes the following sub-funds on the other hand; the numbers in their names indicate the long-term average of the percentage share of equities per sub-fund on a consolidated basis, although any real estate fund units held are not taken into account in the long-term average percentage shares given. In addition, the regional focus of the investments within the sub-funds is referred to in the name of the individual sub-fund: The addition of "Swiss" means that a significant portion of the investments is made in Swiss securities:

- **Swiss 25 Sustainable**
- **Swiss 50 Sustainable**
- **Swiss 75 Sustainable**

It additionally includes the following sub-funds; the numbers in their names indicate the long-term average of the percentage share of equities per sub-fund on a consolidated basis, although any real estate fund units held are not taken into account in the long-term average percentage equity portions given. By way of derogation, the number in the name of the sub-fund UBS (CH) Vitainvest – Passive 100 Sustainable indicates the maximum value of the percentage equity portion on a consolidated basis:

- **Passive 25 Sustainable**
- **Passive 50 Sustainable**
- **Passive 75 Sustainable**
- **Passive 100 Sustainable**

The sub-funds are based upon a collective investment contract, under which the fund management company is obliged to provide the investor[1] with a stake in the relevant sub-fund in proportion to the fund units acquired by them and to manage this sub-fund at its discretion and in its own name 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.

When selecting the investments of the sub-funds, the fund management company must observe the investment regulations of the Federal Act on the Vesting of Occupational Old Age, Survivors' and Invalidity Benefits (OPA) and its implementing ordinances, currently in particular Art. 54 et seq. of the Ordinance on the Vesting of Occupational Old Age, Survivors' and Invalidity Benefits (OPO 2), as applicable to the financial investments of pension funds.

The sub-funds UBS (CH) Vitainvest – World 25 Sustainable, UBS (CH) Vitainvest – World 50 Sustainable, UBS (CH) Vitainvest – World 75 Sustainable, UBS (CH) Vitainvest – World 100 Sustainable, UBS (CH) Vitainvest – Swiss 25 Sustainable, UBS (CH) Vitainvest – Swiss 50 Sustainable and UBS (CH) Vitainvest – Swiss 75 Sustainable may be used, inter alia, within fund-linked life insurance plans and pillar 3a retirement savings accounts.

The sub-funds UBS (CH) Vitainvest – Passive 25 Sustainable, UBS (CH) Vitainvest – Passive 50 Sustainable, UBS (CH) Vitainvest – Passive 75 Sustainable and UBS (CH) Vitainvest – Passive 100 Sustainable may be acquired, inter alia, within fund-linked life insurance plans and pillar 3a retirement savings accounts.

The provisions of the legislation concerning collective in-vestment schemes shall take precedence provided those of the BVG and its ordinances (BVV2) are not stricter.

For the sub-funds **UBS (CH) Vitainvest – Passive 50 Sustainable, UBS (CH) Vitainvest – Passive 75 Sustainable, UBS (CH) Vitainvest – Passive 100 Sustainable, UBS (CH) Vitainvest – World 50 Sustainable**, **UBS (CH) Vitainvest – World 75 Sustainable**, **UBS (CH) Vitainvest – World 100 Sustainable**, **UBS (CH) Vitainvest – Swiss 50 Sustainable** und **UBS (CH) Vitainvest – Swiss 75 Sustainable**, the equity portion deviates from that in accordance with Article 55 (b) BVV 2 ab in application of Article 50 (4) BVV 2.

For the sub-funds **UBS (CH) Vitainvest – Passive 50 Sustainable, UBS (CH) Vitainvest – Passive 75 Sustainable, UBS (CH) Vitainvest – Passive 100 Sustainable, UBS (CH) Vitainvest – World 50 Sustainable**, **UBS (CH) Vitainvest – World 75 Sustainable**, **UBS (CH) Vitainvest – World 100 Sustainable**, the foreign currency portion deviates from that in accordance with Article 55 (e) BVV 2 ab in application of Article 50 (4) BVV 2 and may amount to up to 35%.

1.16 Material risks

Investments are subject to normal market fluctuations and security-specific risks depending on the selection decisions taken by the asset manager. With an investment of up to 80% of the assets of a sub-fund in units of the same target fund, balanced risk diversification can already be achieved at target-fund level through suitable diversification. The situation where sub-funds invest up to 80% in units of the same target fund can arise if a specific asset class is heavily overweighted at the asset allocation stage or if the asset class involves investment in a single target fund.

Balanced risk diversification is achieved through appropriate diversification at asset class and fund manager level. The sub-funds' main risks are as follows: the sub-funds' investments are subject to normal market volatility and other risks associated with securities investments. There is no guarantee that the investments will rise in value. Both the value and return of the investments can rise or fall. There is no guarantee that the investment objective will actually be reached. There is no guarantee that investors will achieve a specific return, or that they will be able to submit units to the fund management company for redemption at a specific price.

Investments can also be in equities of companies from emerging markets. Prices of emerging markets assets are generally strongly dependent on the assessment of the financial situation of a company and the general economic and political trends in the country in question. For equities listed on a recognised emerging markets country stock exchange or traded another regulated market in the country, such stock exchanges or markets have in part a lower degree of organisation, transparency and liquidity than the stock exchanges and markets in developed nations.

1.17 Liquidity risk management / Information on the liquidity management process

The fund management company ensures liquidity is managed appropriately. In order to be able to guarantee in principle the right of investors to redeem their units at any time (Art. 78 para. 2 CISA), the fund management company regularly monitors the liquidity risks of both the individual investments with regard to their marketability and of the sub-funds with regard to meeting redemptions. The fund management company assesses the liquidity of the investment fund on a monthly basis under 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.

1.18 The fund-of-funds structure

Since the individual sub-funds invest predominantly in other collective investment schemes and carry out direct investments to a limited extent only, UBS (CH) Vitainvest is considered to be a fund of funds.

The specific structure of UBS (CH) Vitainvest means that, in particular, it has the following **advantages** over funds which make direct investments:

- By investing in a few existing units of other collective investment schemes which have considerable assets it is possible for the fund to offer an investment instrument in line with the provisions of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances more cost-effectively than would be possible with a newly issued fund with smaller fund assets making direct investments.

- Even with a direct investment of the investor's available assets in units of existing collective investments, the various collective investments would have to be put together in what is known as a managed portfolio in order to comply with the provisions of the BVG and its ordinances. In contrast to the managed portfolio, a fund-of-funds structure enables investors to acquire a specific number of units of a single collective investment with a single net asset value, which makes it transparent. Further, regular adjustments to comply with the provisions mentioned in the case of managed portfolios involve much greater administrative expense as each investor's managed portfolio has to be adjusted separately. Investors would ultimately end up covering this additional expenditure.

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

- Certain remuneration, incidental costs and expenses 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, incidental costs and expenses are charged at both the target fund and the fund-of-funds levels.

The section **Remuneration and incidental costs (1.13)** provides detailed information on general remuneration and incidental costs as well as remuneration and incidental costs in connection with investments in units of existing collective investments.

Due diligence when acquiring target funds

Target funds are selected using quantitative and qualitative criteria. As part of quantitative analysis, the historical relationship between risk and return is analysed over various time periods. On the qualitative side, an in-depth assessment of the fund company's profile is carried out, looking at corporate infrastructure, investment style, investment process and internal risk controls. The results of both qualitative and quantitative evaluations are subject to regular reviews.

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.

The fund management company also provides the following services:

- administration services for collective investments;
- representation of foreign collective investments.

UBS Fund Management (Switzerland) AG, Aeschenvorstadt 1, 4051 Basel, https://www.ubs.com

2.3 Board of Directors and decision-making bodies

Board of Directors

Michael Kehl Chairman Managing Director UBS Asset Management Switzerland AG, Zürich	Dr Daniel Brüllmann Vice Chairman Managing Director UBS Asset Management Switzerland AG, Zürich	Dr Michèle Sennhauser Member Executive Director UBS Asset Management Switzerland AG, Zurich
Francesca Gigli Prym Member Managing Director	Franz Gysin Independent Member	Werner Strebel Independent Member

UBS Fund Management (Luxembourg)
S.A., Luxembourg

Executive Board

Eugène Del Cioppo Managing Director	George Pfister Deputy Managing Director and Head of Process, Platform, Systems and Head of Finance, HR	Urs Fäs Head of Real Estate Funds
Christel Müller Head of Corporate Governance & Change Management	Thomas Reisser Head of Compliance	

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 subfunds 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.
Regarding existing routine business, it is up to the fund management company whether to exercise the membership and creditors' rights itself or whether to delegate them to the custodian bank or a third party, and to choose not to exercise the 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. It may use information received from the custodian bank, the asset manager, the company, voting rights advisors or other third parties, or information that has appeared in the press.

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 AG. With consolidated total assets of USD 1,117,182 million and published capital and reserves of USD 61,002 million as at 31 December 2021, UBS Group AG is financially one of the strongest banks in the world. It employs 71,385 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 central depositories in Switzerland or abroad, provided this is in the interests of proper safekeeping. The custodian bank may only delegate the safekeeping of the fund's financial instruments to third-party or collective depositories subject to regulatory supervision. This requirement does not apply to compulsory custody in a place where it is not possible to transfer the financial instruments to a regulated third-party or collective depository, notably due to binding legal constraints or the particularities of the investment product.

This is accompanied by the following risks: Third-party and central depositories mean that the fund management company no longer has sole ownership of deposited securities, but only co-ownership. Moreover, if the third-party and central depositories are not supervised, they are unlikely to meet the organisational requirements placed on Swiss banks.

The custodian bank shall be liable for losses caused by the agent unless it can demonstrate that due care was exercised in the selection, instruction and supervision of the agent.

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 Distributor

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 umbrella fund have been delegated to UBS Asset Management Switzerland AG, Zurich.

UBS Asset Management Switzerland AG has many years of experience in asset management services and a broad knowledge of the investment markets of the umbrella fund. The precise duties involved are set out in an asset management agreement between UBS Fund Management (Switzerland) AG and UBS Asset Management Switzerland AG.

4.4 Delegation of administration

The administration of the fund, in particular accounting, calculation of net asset values, tax returns, operation of IT systems and production of reports, has been delegated to Northern Trust Global Services SE, Leudelange, Luxembourg, Basel branch. 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

UBS (CH) Vitainvest – World 25 Sustainable

Valor no.	Unit class	"D"	2247647
		"U"	2247646
		"Q"	28698111
ISIN	Unit class	"D"	CH0022476474
		"U"	CH0022476466
		"Q"	CH0286981110

Financial year	1 January to 31 December
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – World 50 Sustainable

Valor no.	Unit class	"D"	2247651
		"U"	2247650
		"Q"	28698167
ISIN	Unit class	"D"	CH0022476516
		"U"	CH0022476508
		"Q"	CH0286981672

Financial year	1 January to 31 December
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – World 75 Sustainable

Valor no.	Unit class	"D»	29317488
			29317460
		"U"	
		"Q"	
ISIN	Unit class	"D"	CH0293174881
		"U"	CH0293174600
		"Q"	

Financial year	1 January to 31 December

Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – World 100 Sustainable

Valor no.	Unit class	"D"	
		"U"	41329230
		"Q"	
ISIN	Unit class	"D"	
		"U"	CH0413292308
		"Q"	

Financial year	1 January to 31 December
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – Swiss 25 Sustainable

Valor no.	Unit class	"D"	
		"U"	10852691
		"Q"	28698096
ISIN	Unit class	"D"	
		"U"	CH0108526911
		"Q"	CH0286980963

Financial year	1 January to 31 December
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – Swiss 50 Sustainable

Valor no.	Unit class	"D"	
		"U"	10852698
		"Q"	28698164
ISIN	Unit class	"D"	
		"U"	CH0108526986
		"Q"	CH0286981649

Financial year	1 January to 31 December
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – Swiss 75 Sustainable

Valor no.	Unit class	"D"	29317509
		"U"	29317503
		"Q"	
ISIN	Unit class	"D"	CH0293175094
		"U"	CH0293175037
		"Q"	

Financial year	1 January to 31 December
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – Passive 25 Sustainable

Valor no.	Unit class	"Q" "by UBS key4"	111013412 118723298
ISIN	Unit class	"Q" "by UBS key4"	CH1110134124 CH1187232983

Financial year	1 January to 31 December, ending for the first time on 31 December 2022
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – Passive 50 Sustainable

Valor no.	Unit class	"Q" "by UBS key4"	111013413 118723299
ISIN	Unit class	"Q" "by UBS key4"	CH1110134132 CH1187232991

Financial year	1 January to 31 December, ending for the first time on 31 December 2022
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – Passive 75 Sustainable

Valor no.	Unit class	"Q" "by UBS key4"	111013414 118723300
ISIN	Unit class	"Q" "by UBS key4"	CH1110134140 CH1187233007

Financial year	1 January to 31 December, ending for the first time on 31 December 2022
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

UBS (CH) Vitainvest – Passive 100 Sustainable

Valor no.	Unit class	"Q" "by UBS key4"	111013415 118723301
ISIN	Unit class	"Q" "by UBS key4"	CH1110134157 CH1187233015

Financial year	1 January to 31 December, ending for the first time on 31 December 2022
Term to maturity	Unlimited
Accounting currency	Swiss franc (CHF)

5.2 Sales restrictions

When issuing and redeeming units of the sub-funds abroad, the provisions valid in the country in question shall apply.

Units of this umbrella fund may not be offered, sold or delivered within the United States.

Investors who are US persons must not be offered, sold or supplied with any units of this umbrella fund. A US person is someone who:

(i) is a United States person within the meaning of paragraph 7701(a)(30) of the US Internal Revenue Code of 1986 (as amended) and the Treasury Regulations enacted in the Code;
(ii) is a US person within the meaning of regulation S in the US Securities Act of 1933 (17 CFR § 230.902(k));

(iii) is a non-US 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 of America within the meaning of rule 202(a)(30)-1 of the US Investment Advisers Act of 1940 (as amended); or
(v) is a trust, a legal entity or another structure founded for the purpose of enabling US persons to invest in this umbrella 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-funds are appropriate for investors who wish to invest in a diversified portfolio that promotes environmental and/or social characteristic.

6.2 Detailed regulations

All further information on the umbrella fund and sub-funds, such as the valuation of the fund assets, a list of all remuneration and incidental costs charged to investors and the sub-funds, and the appropriation of net income, is set out 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. A contractually based umbrella fund of the "Other funds for traditional investments" category (the umbrella fund) has been established under the name of UBS (CH) Vitainvest in accordance with Art. 25 ff. in association with Art. 68 ff. in association with Art. 92 f. of the Swiss Collective Investment Schemes Act (CISA) of 23 June 2006, which is divided into the following sub-funds:

   – **World 25 Sustainable**
   – **World 50 Sustainable**
   – **World 75 Sustainable**
   – **World 100 Sustainable**
   – **Swiss 25 Sustainable**
   – **Swiss 50 Sustainable**
   – **Swiss 75 Sustainable**
   – **Passive 25 Sustainable**
   – **Passive 50 Sustainable**
   – **Passive 75 Sustainable**
   – **Passive 100 Sustainable**

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 is UBS Asset Management Switzerland AG, Zurich

II. Rights and obligations of the contracting parties

§ 2 Fund contract

The legal relationship between the investor on the one hand and the fund management company and the custodian bank on the other is 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 of the sub-funds, sets the issue and redemption prices of units and also determines the distribution of income. The fund management company shall exercise all rights associated with 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 act independently and exclusively in the interests of investors. They 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 disclose all fees and costs charged, directly or indirectly, to investors and on compensation received from third parties, in particular commissions, discounts or other pecuniary advantages

3. The fund management company may delegate to third parties investment decisions and specific tasks for all or some of the sub-funds, provided that this is in the interests of efficient management. It shall only engage persons who have the necessary skills, knowledge and experience for this activity and the required authorisation. It must carefully instruct and supervise the third parties it uses.

   Investment decisions may only be delegated to asset managers who have the necessary authorisation.

   The fund management company is liable for the actions of persons to whom it has delegated tasks as for its own actions.

4. The fund management company may, subject to the consent of the custodian bank, submit amendments to this fund contract to the supervisory authority.

5. 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 liquidate them pursuant to 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 act in good faith and have a duty to exercise due diligence and provide information. They act independently and exclusively in the interests of investors. They 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, discounts and other monetary benefits.

3. The custodian bank shall be responsible for the sub-funds' account and custody account maintenance, but may not independently access its assets.

4. In the case of transactions that relate to the assets of the sub-funds, the custodian bank shall ensure that the countervalue is transferred to it 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 required records and accounts in such a way that it can differentiate between the assets of the individual sub-funds held in safekeeping at all times.

   Where assets cannot be held in safekeeping, the custodian bank shall check the fund management company's ownership and maintain corresponding records.

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

   a. has an appropriate business organisation, financial guarantees and the specialist qualifications required for the type and complexity of the assets with which it has been entrusted;

   b. is subject to a regular external audit which ensures that the financial instruments are in its possession;

   c. keeps the assets received from the custodian bank in safekeeping in such a way that they can be clearly identified at all times as belonging to the fund assets by means of regular reconciliation of holdings by the custodian bank;

   d. adheres to the regulations applicable to the custodian bank as regards the performance of the tasks delegated to it and the avoidance of conflicts of interest.

   The custodian bank shall be liable for losses/damage caused by its agents where it cannot be demonstrated that it exercised due care and diligence in selecting, instructing and monitoring the agent in question. Information on the risks associated with the transfer of the safekeeping of assets to third-party and central depositories is set out in the prospectus.

7. The custodian bank may only delegate the safekeeping of the fund's financial instruments to third-party or central depositories subject to regulatory supervision. This requirement does not apply to compulsory custody in a place where it is not possible to transfer the financial instruments to a third-party or central depository that is subject to regulatory supervision, notably due to binding legal constraints or the particularities of the investment product. The prospectus shall inform investors if safekeeping is to be undertaken by unregulated third-party or central depositories.

8. 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.

9. 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.

10. 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 Investors

1. There are no restrictions as regards investors. Restrictions for individual classes are possible in accordance with § 6 prov. 4.

   The fund management company and custodian bank shall together ensure that investors satisfy the requirements relating to the type of investor.

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 of 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. It shall not be held personally liable in respect of the liabilities of the umbrella fund and/or sub-fund.

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 or 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, investors are obliged to provide the fund management company and/or the custodian bank and its agents with documentary proof that they meet/continue to meet the legal and contractual requirements necessary to be able to participate in the sub-fund or unit class. In addition, they are obliged to immediately notify the fund management company, the custodian bank 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 a sub-fund may materially affect the economic interests of the other investors, particularly if this participation may result in tax disadvantages for the umbrella fund or a 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 jeopardised 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 sub-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 of the sub-funds may, in particular, differ in terms of cost structure, reference currency, currency hedging, distribution or reinvestment of income, minimum investments and investor group.

   Remuneration and costs shall be charged only 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. For the sub-funds UBS (CH) Vitainvest - World 25 Sustainable, UBS (CH) Vitainvest – World 50 Sustainable, UBS (CH) Vitainvest – World 75 Sustainable, UBS (CH) Vitainvest - World 100 Sustainable, UBS (CH) Vitainvest – Swiss 25 Sustainable, UBS (CH) Vitainvest – Swiss 50 Sustainable and UBS (CH) Vitainvest – Swiss 75 Sustainable there are currently the following unit classes: unit class "U", unit class "Q" and unit class "D".

   For the sub-funds UBS (CH) Vitainvest – Passive 25 Sustainable, UBS (CH) Vitainvest – Passive 50 Sustainable, UBS (CH) Vitainvest – Passive 75 Sustainable and UBS (CH) Vitainvest - Passive 100 Sustainable there are currently the following unit classes: unit class "Q" and "by UBS key4".

A. The following unit classes are not restricted to certain types of investors:
   a. Class "U" units are offered to all investors.

B. Units of the following unit classes can be subscribed by Group companies of the UBS Group AG as seed investors and are restricted to certain types of investors:
   a. Class "Q" units are exclusively offered to financial intermediaries that act for their own account and/or to clients of such financial intermediaries who, in accordance with regulatory requirements, are not permitted to receive any retrocessions and/or who, under written agreements with their clients or agreements with them about fund savings plans, may only offer them classes without retrocession, if available in the relevant investment fund. .

      Class "Q" units are issued only in the form of bearer units.

   b. Units in the retrocession-free unit class "byUBS key4" are offered exclusively within the pillar 3a retirement savings accounts of the UBS key4 digital retirement savings offering.

   c. Class "D" units are offered to investors who subscribe their units through

      – banks or
      – insurance companies or
      – foundations for vested pension benefits and pension fund foundations or
      – securities dealers

      which have concluded with UBS Asset Management Switzerland AG who have concluded a distribution agreement with one of its authorised contractual partners in accordance with the guidelines governing fund distribution issued by the Asset Management Association Switzerland. Unlike unit class "Q", a distribution agreement in accordance with the guidelines governing fund distribution issued by the Asset Management Association Switzerland is concluded with UBS Asset Management Switzerland AG or one of its authorised contractual partners, is required. Class "D" units are issued only in the form of bearer units.

5. Units shall not take the form of actual certificates but shall exist purely as book entries. Investors are not entitled to request the issue of a unit certificate in their name or made out to the bearer.

6. The custodian bank and the fund management company are obliged to ask investors who no longer meet the requirements to invest in a unit class to redeem their units within 30 calendar days pursuant to § 17, to transfer them to an individual who does meet the stated requirements or to convert the units into another class whose requirements they do meet. If investors fail to comply with this request, the fund management company, in conjunction with the custodian bank, must proceed with a forced conversion into another class of units in the respective sub-fund or, where this is not possible, forced redemption of the units in question in accordance with § 5 prov. 9.

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. The individual sub-funds

must comply with the investment restrictions six months following the payment date of the first issue.

2. If the limits are exceeded due to changes in the market, the investments must be restored to the permitted level within a reasonable period of time, 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.

3. In selecting investments for the sub-funds the fund management company complies with the investment regulations for financial investments by retirement benefit plans in the BVG and its implementing ordinances, subject to the mandatory provisions of Swiss legislation on collective investment schemes and the provisions of the present fund contract.

§ 8 Investment policy
I. – World 25 Sustainable
– World 50 Sustainable

1. a. Within the scope of each sub-fund's investment policy as specified in prov. 2, the fund management company may invest the individual sub-funds' assets in the following investments. The risks associated with these investments shall be disclosed in the prospectus.
   i. Securities, i.e. securities issued on a large scale and 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 and 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 vii).

   ii. Derivatives, if (a) they are based on underlying financial instruments in the form of securities as specified in i), derivatives as specified in ii), units in collective investments as specified in iii), money market instruments under iv), structured products under vi), or financial indices, interest rates, exchange rates, loans, or currencies and (b) 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 only be permitted if (a) the counterparty is a financial intermediary specialising in this type of transaction and subject to supervision, and (b) 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.

   iii. a. Units of other collective investments (target funds) under Swiss law of the «securities funds» type,
   b. Units of target funds under Swiss law of the «other funds for traditional investments» type,
   c. Units of target funds under Swiss law of the «other funds for alternative investments» type,
   d. Units of target funds under Swiss law of the «real estate funds» type,
   e. Units of undertakings for collective investment in transferable securities (UCITS) which correspond to the European Union's applicable guidelines,
   f. Units of undertakings for collective investment (UCIs) which correspond to an «other fund for traditional investments» under Swiss law (where they are subject to equivalent supervision),
   g. Units of undertakings for collective investment (UCIs) which correspond to an «other fund for alternative investments» under Swiss law (where they are subject to equivalent supervision),
   h. Units of undertakings for collective investment (UCIs) which correspond to a «real estate fund» under Swiss law (where they are subject to equivalent supervision).

   Investments in target funds as specified in c, d and g in total not exceeding 10%; investments in target funds as specified in h in total not exceeding 10%.

   Investments in funds of funds (investment funds whose fund contracts or articles of association allow these funds to invest more than 49% of their assets in other collective investments) are permitted. The target funds pursuant to iii) must fundamentally be able to guarantee the redemption frequency of the fund of funds. The target funds must also have been approved as collective investments in the country of domicile and supervision in that country must be equivalent to that in Switzerland in respect of the protection afforded to investors and international official assistance must be granted. The target funds are open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital.

   iv. 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 (2) of the Swiss Collective Investment Schemes Ordinance (CISO).

v. 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.

vi. Structured products, if based on securities, collective investments, money market instruments, derivatives, indices, interest or exchange rates, currencies or similar. Structured products shall be traded either on a stock exchange or another regulated market open to the public, or OTC;

vii. OTC transactions shall only be permitted if (i) the counterparty is a financial intermediary specialising 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, such instruments must be capable of reliable and transparent valuation. The use of derivatives shall be subject to the provisions of § 12.

viii. Investments other than those specified in i to vi above not exceeding 10% of the assets of an individual sub-fund in aggregate; the following are not permitted: (a) commodities and commodities certificates and (b) genuine short-selling in relation to the investments of all kinds.

b. Following deduction of liquid assets, the fund management company shall invest
   - at least 51% of the assets of the individual sub-funds in units of other collective investments as specified in prov. 1 a. iii;
   - up to 49% of the assets of the individual sub-funds in investments as specified in prov. 1 a. i, ii and iv, v, vi.

2. The investment objective of these sub-funds is primarily to invest at least 70% of the assets (excluding cash, cash equivalents and derivatives) 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 or the equivalent

While the asset manager strives for 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 .

Due to the multi-asset fund structure, sustainable target funds and strategies may be used if they employ one of the following ESG approaches or a combination thereof: **Exclusions (negative screening), best-in-class approach, ESG integration approach, stewardship (active ownership), voting, engagement and other** (target funds and strategies categorised by UBS Asset Management as Sustainability Focus or E-tilting funds). For more information on these categories, refer to the prospectus (section 1.9.1 Sustainability).

For the purposes of implementing investment policy for the sub-funds, an appropriate selection of target funds is used for the individual sub-funds to achieve an overall risk equivalent to that of a diversified asset allocation portfolio.

UBS Asset Management categorises these sub-funds as “Sustainability Focus” funds. Further information can be found in the prospectus.

The fund management company may, in accordance with the risk diversification rules (§ 15), acquire for the assets of the sub-funds «- World 25 Sustainable» and «- World 50 Sustainable» up to 60% of the units of «UBS (CH) Manager Selection Fund - Bonds Global XT 2» and «UBS (CH) Institutional Fund – Global Bonds Sustainable». The fund management company may also acquire for the assets of the sub-fund «- World 50 Sustainable» up to 70% of the units of «UBS (CH) Manager Selection Fund - Equities Global XT 1», «UBS (CH) Manager Selection Fund - Equities Global XT 2» and «UBS (CH) Institutional Fund - Equities Global (ex Switzerland) Sustainable» and up to 60% of the units of «UBS (CH) Manager Selection Fund - Equities Global XT 3» and «UBS (CH) Investment Fund - Equities Global Climate Aware II». These target funds must have the same redemption frequency.

They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees. The figures mentioned in the names of the individual sub-funds indicate the long-term average of the percentage share of equities per sub-fund on a consolidated basis, although any real estate fund shares held are not taken into account in the long-term mid-value percentage shares given. Departures from these long-term averages may be made in the short to medium term. In this regard, the provisions of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans and its ordinances shall be complied with at all times, taking into account the exceptions listed in 1.15 of the Prospectus. Besides the long-term average percentage share of equities, the names of the individual sub-funds also indicate the foreign focus of the investments within the sub-funds. The suffix «World» indicates that a significant proportion of the investments are made in foreign securities.

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 via a significant shareholding or which represents a significant share of votes.

II. **– World 75 Sustainable**
– World 100 Sustainable
– Swiss 25 Sustainable
– Swiss 50 Sustainable
– Swiss 75 Sustainable

1. Within the scope of each sub-fund's investment policy as specified in prov. 2, the fund management company may invest the individual sub-funds' assets 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 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 and 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 m).

   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 c) to f), money market instruments under g), structured products under i), financial indices, interest rates, exchange rates, loans, currencies, precious metals or commodities, 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 only be permitted if (i) the counterparty is a financial intermediary specialising 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, such instruments must be capable of reliable and verifiable valuation. The use of derivatives shall be subject to the provisions of § 12.

   c. 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 supervision in that country is equivalent to that in Switzerland in respect of the protection afforded to investors and international official assistance is granted.

   d. Units of other collective investments of, or similar to, the type **"Other funds for traditional investments"** and where investors enjoy equivalent regulatory protection to that in Switzerland and where international administrative cooperation is guaranteed.

   e. Units of other collective investments of, or similar to, the type **"Other funds for alternative investments"** and where investors enjoy equivalent regulatory protection to that in Switzerland and where international administrative cooperation is guaranteed.

   f. Units of other domestic and foreign collective investments of the type **"Real estate funds"**. These include listed, closed-end real estate investment funds such as real estate investment trusts (REITs) as well as other similar real estate management companies.

   g. Units of other domestic and foreign collective investments in the form of funds of funds which correspond to the type "Other funds for traditional investments" or "Other funds for alternative investments".

      Investments in target funds specified in e, f, k and l or in funds of funds specified in g if this corresponds to the type "Other funds for alternative investments", up to a maximum of 30%. Units of target funds under Swiss law of the "Other funds for alternative investments" type in the form of fund of funds which primarily invest in real estate funds will be charged against the limit mentioned above.

   h. 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).

i. 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 that in Switzerland.

j. 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), units in collective investments as specified in c) and d), money market instruments under h), structured products under j), financial indices, interest rates, exchange rates, loans, currencies, precious metals or commodities, and (ii) the underlying securities are permitted investments under the fund contract. Structured products shall be traded either on a stock exchange or on another regulated market open to the public, or OTC;

   OTC transactions shall be permitted only if (i) the counterparty is a financial intermediary specialising 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, such instruments must be capable of reliable and verifiable valuation. The use of derivatives shall be subject to the provisions of § 12.

k. Precious metals, indirectly through units in other collective investments or precious metal accounts.

l. Commodities, indirectly through units in other collective investments.

m. Convertible bonds, convertible notes and warrant issues, indirectly through units in other collective investments.

n. Investments other than the investments specified in a) to m) above not exceeding 10% of an individual sub-fund's assets in aggregate. Short selling of investments of any kind is not permitted.

2. 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 a significant shareholding of the capital or votes.

3. For the purposes of implementing investment policy for the sub-funds, an appropriate selection of target funds is used for the individual sub-funds to achieve an overall risk equivalent to that of a diversified asset allocation portfolio. The figure mentioned in the name of the individual sub-funds indicates the long-term average of the percentage share of equities of the sub-fund on a consolidated basis, although any real estate fund shares held are not taken into account in the long-term mid-value percentage share given. Short to medium-term deviations from this long-term mid-value percentage share are permitted. By way of derogation, the number in the name of the sub-fund UBS (CH) Vitainvest - World 100 Sustainable indicates the maximum value of the percentage share of equities on a consolidated basis.

4. Besides the long-term average percentage share of equities, the name of the individual sub-fund also indicates the focus of the investments within the sub-fund:

   – The suffix "World" indicates that a significant proportion of the investments are made in foreign securities;
   – The suffix "Swiss" indicates that a significant proportion of the investments are made in Swiss securities.

– World 75 Sustainable
– Swiss 75 Sustainable

5. The investment objective of these sub-funds is primarily to invest at least 70% of the assets (excluding cash, cash equivalents and derivatives) 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 or the equivalent.

   While the asset manager strives for 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.

   Due to the multi-asset fund structure, sustainable target funds and strategies may be used if they employ one of the following ESG approaches or a combination thereof: **Exclusions (negative screening), best-in-class approach, ESG integration approach, stewardship (active ownership), voting, engagement and other** (target funds and strategies categorised by UBS Asset Management as Sustainability Focus or E-tilting funds). For more information on these categories, refer to the prospectus, section 1.9.1 Sustainability.

   For the purposes of implementing investment policy for the sub-funds, an appropriate selection of target funds is used for the individual sub-funds to achieve an overall risk equivalent to that of a diversified asset allocation portfolio.

   UBS Asset Management categorises these sub-funds as "Sustainability Focus" funds. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

 aa. invest at least 2% and at most 90% in collective investments which have their assets primarily in **equity paper and rights** (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

 ab. invest at most 30% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate **debt paper and rights** denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

 ac. invest at most 20% in collective investments which have their assets primarily in **money market instruments** denominated in freely convertible currencies;

 ad. invest at most 15% in **other funds for alternative investments** in accordance with prov. 1 e;

 ae. invest at most 20% in **real estate funds** in accordance with prov. 1 f;

 af. invest at most 10% in collective investments which have their assets primarily in **convertible bonds, convertible notes and warrant issues** worldwide denominated in freely convertible currencies;

 ag. invest at most 5% in collective investments which have their assets primarily in **precious metals**;

 ah. invest at most 5% in collective investments which have their assets primarily in **commodities**.

b. After deducting liquid assets, the fund management company shall further invest the sub-fund's assets:

 ba. at most 49% in **equities and other equity paper and rights** issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

 bb. at most 30% in **debt paper** and rights of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than Investment Grade;

 bc. at most 20% in **money market instruments** denominated in freely convertible currencies from issuers worldwide.

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

 – the fund management company ensures that at least 51% of the sub-fund's assets on a consolidated basis is invested in equities or other equity paper and rights including derivatives and other collective investments;
 – derivatives based on precious metals and commodities, at most 5%;
 – structured products, at most 10%;
 – structured products based on precious metals and commodities, at most 5%;
 – deposits with banks, at most 20%;
 – the target funds must fundamentally be able to guarantee the redemption frequency of the fund of funds. The target funds are also open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital. Funds of funds may be acquired, at most 15%;
 – Securities repurchase agreements: the sub-funds do not enter into any securities repurchase agreements.

e. For the sub-fund «– World 75 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 49% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Global Climate Aware II». This target fund must have the same redemption frequency. It must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

– World 100 Sustainable

The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash, cash equivalents and derivatives) 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 or the equivalent.

While the asset manager strives for 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.

Due to the multi-asset fund structure, sustainable target funds and strategies may be used if they employ one of the following ESG approaches or a combination thereof: **Exclusions (negative screening), best-in-class approach, ESG integration approach, stewardship (active ownership), voting, engagement and other** (target funds and strategies categorised by UBS Asset Management as Sustainability Focus or E-tilting funds). For more information on these categories, refer to the prospectus (section 1.9.1 Sustainability).

For the purposes of implementing investment policy for the sub-fund, an appropriate selection of target funds is used for the sub-fund to achieve an overall risk equivalent to that of a diversified asset allocation portfolio.

UBS Asset Management categorises this sub-fund as a "Sustainability Focus" fund. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

   aa. invest at least 51% and at most 100% in collective investments which have their assets primarily in **equity paper and rights** (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

   ab. invest at most 20% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate **debt paper and rights** denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

   ac. invest at most 20% in collective investments which have their assets primarily in **money market instruments** denominated in freely convertible currencies;

   ad. invest at most 15% in **other funds for alternative investments** in accordance with prov. 1 e;

   ae. invest at most 10% in **real estate funds** in accordance with prov. 1 f;

   af. invest at most 10% in collective investments which have their assets primarily in **convertible bonds, convertible notes and warrant issues** worldwide denominated in freely convertible currencies;

   ag. invest at most 5% in collective investments which have their assets primarily in **precious metals**;

   ah. invest at most 5% in collective investments which have their assets primarily in **commodities**.

b. After deducting liquid assets, the fund management company shall further invest the sub-fund's assets:

   ba. at most 49% in equities and other **equity paper and rights** issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

   bb. at most 20% in **debt paper and rights** of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than Investment Grade;

   bc. at most 20% in **money market instruments** denominated in freely convertible currencies from issuers worldwide.

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

   – the fund management company ensures that on a consolidated basis at least 75% of the sub-fund's assets are invested in equities and other debt paper and rights including derivatives and other collective investments;
   – derivatives based on precious metals and commodities, at most 5%;

– structured products, at most 10%;
– structured products based on precious metals and commodities, at most 5%;
– deposits with banks, at most 20%;
– the target funds must fundamentally be able to guarantee the redemption frequency of the fund of funds. The target funds are also open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital. Funds of funds may be acquired, at most 15%. The acquisition of funds of funds is excluded for these target funds;
– Investments in funds of funds, real estate funds, other funds for alternative investments as well as debt paper and rights of issuers worldwide with a lower rating than Investment Grade, at most 25% in total;
– Securities repurchase agreements: the sub-fund does not enter into any securities repurchase agreements.

e. For the sub-fund «– World 100 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 49% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Global Climate Aware II». This target fund must have the same redemption frequency. It must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

– Swiss 25 Sustainable

The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash, cash equivalents and derivatives) 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 or the equivalent.

While the asset manager strives for 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.

Due to the multi-asset fund structure, sustainable target funds and strategies may be used if they employ one of the following ESG approaches or a combination thereof: **Exclusions (negative screening), best-in-class approach, ESG integration approach, stewardship (active ownership), voting, engagement and other** (target funds and strategies categorised by UBS Asset Management as Sustainability Focus or E-tilting funds). For more information on these categories, refer to the prospectus (section 1.9.1 Sustainability).

For the purposes of implementing investment policy for the sub-fund, an appropriate selection of target funds is used for the sub-fund to achieve an overall risk equivalent to that of a diversified asset allocation portfolio.

UBS Asset Management categorises this sub-fund as a "Sustainability Focus" fund. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

aa. invest at most 50% in collective investments which have their assets primarily in equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

ab. invest at most 80% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate debt paper and rights denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

ac. invest at most 20% in collective investments which have their assets primarily in money market instruments denominated in freely convertible currencies;

ad. invest at most 15% in other funds for alternative investments in accordance with prov. 1 e;

ae. invest at most 20% in real estate funds in accordance with prov. 1 f;

af. invest at most 10% in collective investments which have their assets primarily in convertible bonds, convertible notes and warrant issues worldwide denominated in freely convertible currencies;

ag. invest at most 5% in collective investments which have their assets primarily in precious metals;

ah. invest at most 5% in collective investments which have their assets primarily in commodities.

b. After deducting liquid assets, the fund management company shall further invest the sub-fund's assets:

ba. at most 49% in equities and other equity paper and rights issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

bb. at most 49% in debt paper and rights of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than Investment Grade;

bc. at most 20% in money market instruments denominated in freely convertible currencies from issuers worldwide.

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

– derivatives based on precious metals and commodities, at most 5%;
– structured products, at most 10%;
– structured products based on precious metals and commodities, at most 5%;
– deposits with banks, at most 20%;
– the target funds must be able to guarantee the redemption frequency of the fund of funds. The target funds shall also be open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital;
– Funds of funds may be acquired, at most 25%;
– Securities repurchase agreements: the sub-fund does not enter into any securities repurchase agreements.

e. For the sub-fund «– Swiss 25 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 65% of the sub-fund's assets in units of the target fund «UBS (CH) Bond Fund - Bonds CHF Sustainable». This target fund must have the same redemption frequency. It must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

– Swiss 50 Sustainable

The investment objective of this sub-fund is primarily to invest at least 70% of the assets (excluding cash, cash equivalents and derivatives) 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 or the equivalent.

While the asset manager strives for 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.

Due to the multi-asset fund structure, sustainable target funds and strategies may be used if they employ one of the following ESG approaches or a combination thereof: **Exclusions (negative screening), best-in-class approach, ESG integration approach, stewardship (active ownership), voting, engagement and other** (target funds and strategies categorised by UBS Asset Management as Sustainability Focus or E-tilting funds). For more information on these categories, refer to the prospectus (section 1.9.1 Sustainability).

For the purposes of implementing investment policy for the sub-fund, an appropriate selection of target funds is used for the sub-fund to achieve an overall risk equivalent to that of a diversified asset allocation portfolio

UBS Asset Management categorises this sub-fund as a "Sustainability Focus" fund. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

aa. invest at most 60% in collective investments which have their assets primarily in equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

ab. invest at most 60% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate debt paper and rights denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

ac. invest at most 20% in collective investments which have their assets primarily in money market instruments denominated in freely convertible currencies;
ad. invest at most 10% in other funds for alternative investments in accordance with prov. 1 e;
ae. invest at most 20% in real estate funds in accordance with prov. 1 f;
af. invest at most 10% in collective investments which have their assets primarily in convertible bonds, convertible notes and warrant issues worldwide denominated in freely convertible currencies;
ag. invest at most 5% in collective investments which have their assets primarily in precious metals;
ah. invest at most 5% in collective investments which have their assets primarily in commodities.

b. After deducting liquid assets, the fund management company shall further invest the sub-fund's assets:

ba. at most 49% in equities and other equity paper and rights issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

bb. at most 49% in debt paper and rights of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than Investment Grade;

bc. at most 20% in money market instruments denominated in freely convertible currencies from issuers worldwide.

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

– derivatives based on precious metals and commodities, at most 5%;
– structured products, at most 10%;
– structured products based on precious metals and commodities, at most 5%;
– deposits with banks, at most 20%;
– the target funds must be able to guarantee the redemption frequency of the fund of funds. The target funds shall also be open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital;
– funds of funds may be acquired, at most 25%;
– Securities repurchase agreements: the sub-fund does not enter into any securities repurchase agreements.

e. For the sub-fund «– Swiss 50 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Bond Fund - Bonds CHF Sustainable» and acquire up to 49% of the units of «UBS (CH) Manager Selection Fund - Equities Switzerland XT 1», «UBS (CH) Investment Fund - Equities Switzerland Quantitative All Cap Sustainable» and «UBS (CH) Manager Selection Fund - Equities Switzerland XT 3». These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

III. **– Passive 25 Sustainable**
– Passive 50 Sustainable
– Passive 75 Sustainable
– Passive 100 Sustainable

Within the scope of each sub-fund's investment policy as specified in prov. 2, the fund management company may invest the individual sub-funds' assets 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 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 and 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 n).

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 c) to f), money market instruments under h), structured products under j), financial indices, interest rates, exchange rates, loans, currencies, precious metals or commodities, 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 only be permitted if (i) the counterparty is a financial intermediary specialising 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, such instruments must be capable of reliable and verifiable valuation. The use of derivatives shall be subject to the provisions of § 12.

c. 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 supervision in that country is equivalent to that in Switzerland in respect of the protection afforded to investors and international official assistance is granted.

d. Units of other collective investments of, or similar to, the type «Other funds for traditional investments» and where investors enjoy equivalent regulatory protection to that in Switzerland and where international administrative cooperation is guaranteed.

e. Units of other collective investments of, or similar to, the type «Other funds for alternative investments» and where investors enjoy equivalent regulatory protection to that in Switzerland and where international administrative cooperation is guaranteed.

f. Units of other domestic and foreign collective investments of the type «Real estate funds». These include listed, closed-end real estate investment funds such as real estate investment trusts (REITs) as well as other similar real estate management companies.

g. Units of other domestic and foreign collective investments in the form of funds of funds which correspond to the type «Other funds for traditional investments» or «Other funds for alternative investments».

h. 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).

i. 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 that in Switzerland.

j. 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), units in collective investments as specified in c) and d), money market instruments under h), structured products under j), financial indices, interest rates, exchange rates, loans, currencies, precious metals or commodities, and (ii) the underlying securities are permitted investments under the fund contract. Structured products shall be traded either on a stock exchange or on another regulated market open to the public, or OTC;

OTC transactions shall be permitted only if (i) the counterparty is a financial intermediary specialising 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, such instruments must be capable of reliable and verifiable valuation.

k. Precious metals, indirectly through units in other collective investments.

l. Commodities, indirectly through units in other collective investments.

m. Convertible bonds, convertible notes and warrant issues, indirectly through units in other collective investments.

n. Investments other than the investments specified in a) to m) above not exceeding 10% of an individual sub-fund's assets in aggregate. Short selling of investments of any kind is not permitted.

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 a significant shareholding of the capital or votes.

For the purposes of implementing investment policy for the sub-funds, an appropriate selection of target funds is used for the individual sub-funds to achieve an overall risk equivalent to that of a diversified asset allocation portfolio. The figure mentioned in the name of the individual sub-funds indicates the long-term average of the percentage share of equities of the sub-fund on a consolidated basis, although any real estate fund shares held are not taken into account in the long-term mid-value percentage share given. Short to medium-term deviations from this long-term mid-value percentage share are permitted. By way of derogation, the number in the name of the sub-fund UBS (CH) Vitainvest - World 100 Sustainable indicates the maximum value of the percentage share of equities on a consolidated basis.

– Passive 25 Sustainable

The investment objective of this sub-fund is principally to achieve an optimum overall return by using a balanced risk strategy via investments in other investment funds (target funds). The sub-fund invests primarily in target funds that pursue sustainability criteria as part of their investment policy or in passively managed target funds that primarily replicate indices that are classified and marketed as sustainable by the index provider. The sustainability data and sustainability criteria are defined by the respective index administrator ("index provider"). The benchmarks measure the performance taking into account environmental, social and governance factors. 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. When selecting investments, both a **best-in-class** approach and **exclusion criteria** may be applied individually or in combination. As the selection of investments is partly dependent on external data and index providers, this may represent an additional risk for investors. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

   aa. invest at most 50% in collective investments which have their assets primarily in **equity paper and rights** (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

   ab. invest at most 80% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate **debt paper and rights** denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

   ac. invest at most 20% in collective investments which have their assets primarily in **money market instruments** denominated in freely convertible currencies;

   ad. invest at most 10% in **other funds for alternative investments** in accordance with prov. 1 e;

   ae. invest at most 15% in **real estate funds** in accordance with prov. 1 f;

   af. invest at most 10% in collective investments which have their assets primarily in **convertible bonds, convertible notes and warrant issues** worldwide denominated in freely convertible currencies;

   ag. invest at most 10% in **precious metals** indirectly via collective investments, derivatives and structured products;

   ah. invest at most 10% in **commodities** indirectly via collective investments, derivatives and structured products.

b. After deducting liquid assets, the fund management company shall also invest at most 20% of the sub-fund's assets in:

   ba. equities and other **equity paper and rights** issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

   bb. **debt paper and rights** of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than investment grade;

   bc. **money market instruments** denominated in freely convertible currencies from issuers anywhere in the world;

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
   - structured products, at most 10%;
   - deposits with banks, at most 20%;
   - investments according to ad, ae, ag, ah as well as debt securities and rights of issuers according to bb with a rating lower than investment grade, together at most 30%;

- target funds must be able to guarantee the redemption frequency of the fund of funds. The target funds shall also be open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital;
- funds of funds in accordance with prov. 1 g may not exceed 40%, of which at most 10% may correspond to other funds for alternative investments. The acquisition of funds of funds is excluded for these target funds.
- securities repurchase agreements: the sub-funds do not enter into any securities repurchase agreements.

e. For the sub-fund «- Passive 25 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Bonds CHF Inland ESG Passive II». This target fund must have the same redemption frequency. It must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

– Passive 50 Sustainable

The investment objective of this sub-fund is principally to achieve an optimum overall return by using a balanced risk strategy via investments in other investment funds (target funds). The sub-fund invests primarily in target funds that pursue sustainability criteria as part of their investment policy or in passively managed target funds that primarily replicate indices that are classified and marketed as sustainable by the index provider. The sustainability data and sustainability criteria are defined by the respective index administrator ("index provider"). The benchmarks measure the performance taking into account environmental, social and governance factors. 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. When selecting investments, both a **best-in-class** approach and **exclusion criteria** may be applied individually or in combination. As the selection of investments is partly dependent on external data and index providers, this may represent an additional risk for investors. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

   aa. invest at most 60% in collective investments which have their assets primarily in **equity paper and rights** (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

   ab. invest at most 60% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate **debt paper and rights** denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

   ac. invest at most 20% in collective investments which have their assets primarily in **money market instruments** denominated in freely convertible currencies;

   ad. invest at most 10% in **other funds for alternative investments** in accordance with prov. 1 e;

   ae. invest at most 15% in **real estate funds** in accordance with prov. 1 f;

   af. invest at most 10% in collective investments which have their assets primarily in **convertible bonds, convertible notes and warrant issues** worldwide denominated in freely convertible currencies;

   ag. invest at most 10% in **precious metals** indirectly via collective investments, derivatives and structured products;

   ah. invest at most 10% in **commodities** indirectly via collective investments, derivatives and structured products.

b. After deducting liquid assets, the fund management company shall also invest at most 20% of the sub-fund's assets in:

   ba. equities and other **equity paper and rights** issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

   bb. **debt paper and rights** of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than investment grade;

   bc. **money market instruments** denominated in freely convertible currencies from issuers anywhere in the world;

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
   – structured products, at most 10%;
   – deposits with banks, at most 20%;
   – investments according to ad, ae, ag, ah as well as debt securities and rights of issuers according to bb with a rating lower than investment grade, together at most 30%;
   – target funds must be able to guarantee the redemption frequency of the fund of funds. The target funds shall also be open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital;
   – funds of funds in accordance with prov. 1 g may not exceed 40%, of which at most 10% may correspond to other funds for alternative investments. The acquisition of funds of funds is excluded for these target funds.
   – securities repurchase agreements: the sub-funds do not enter into any securities repurchase agreements.

e. For the sub-fund «- Passive 50 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 35% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II». This target fund must have the same redemption frequency. It must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

– Passive 75 Sustainable

The investment objective of this sub-fund is principally to achieve an optimum overall return by using a risk strategy focusing on equities via investments in other investment funds (target funds). The sub-fund invests primarily in target funds that pursue sustainability criteria as part of their investment policy or in passively managed target funds that primarily replicate indices that are classified and marketed as sustainable by the index provider. The sustainability data and sustainability criteria are defined by the respective index administrator ("index provider"). The benchmarks measure the performance taking into account environmental, social and governance factors. 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. When selecting investments, both a **best-in-class** approach and **exclusion criteria** may be applied individually or in combination. As the selection of investments is partly dependent on external data and index providers, this may represent an additional risk for investors. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

   aa. invest at most 90% in collective investments which have their assets primarily in **equity paper and rights** (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

   ab. invest at most 30% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate **debt paper and rights** denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

   ac. invest at most 20% in collective investments which have their assets primarily in **money market instruments** denominated in freely convertible currencies;

   ad. invest at most 10% in **other funds for alternative investments** in accordance with prov. 1 e;

   ae. invest at most 15% in **real estate funds** in accordance with prov. 1 f;

   af. invest at most 10% in collective investments which have their assets primarily in **convertible bonds, convertible notes and warrant issues** worldwide denominated in freely convertible currencies;

   ag. invest at most 10% in **precious metals** indirectly via collective investments, derivatives and structured products;

   ah. invest at most 10% in **commodities** indirectly via collectives, derivatives and structured products.

b. After deducting liquid assets, the fund management company shall also invest at most 20% of the sub-fund's assets in:

   ba. equities and other **equity paper and rights** issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

   bb. **debt paper and rights** of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than investment grade;

bc. **money market instruments** denominated in freely convertible currencies from issuers anywhere in the world;

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
   - the fund management company ensures that on a consolidated basis at least 51% of the sub-fund's assets are invested in equities and other debt paper and rights including derivatives and other collective investments;
   - structured products, at most 10%;
   - deposits with banks, at most 20%;
   - investments according to ad, ae, ag, ah as well as debt securities and rights of issuers according to bb with a rating lower than investment grade, together at most 30%;
   - target funds must be able to guarantee the redemption frequency of the fund of funds. The target funds shall also be open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital;
   - funds of funds in accordance with prov. 1 g may not exceed 40%, of which at most 10% may correspond to other funds for alternative investments. The acquisition of funds of funds is excluded for these target funds.
   - securities repurchase agreements: the sub-funds do not enter into any securities repurchase agreements.

e. For the sub-fund «- Passive 75 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Switzerland ESG Passive All II» and up to 50% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II». These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

– Passive 100 Sustainable

The investment objective of this sub-fund is principally to achieve an optimum overall return by using a risk strategy focusing on equities via investments in other investment funds (target funds). The sub-fund invests primarily in target funds that pursue sustainability criteria as part of their investment policy or in passively managed target funds that primarily replicate indices that are classified and marketed as sustainable by the index provider. The sustainability data and sustainability criteria are defined by the respective index administrator ("index provider"). The benchmarks measure the performance taking into account environmental, social and governance factors. 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. When selecting investments, both a **best-in-class** approach and **exclusion criteria** may be applied individually or in combination. As the selection of investments is partly dependent on external data and index providers, this may represent an additional risk for investors. Further information can be found in the prospectus.

a. The fund management company invests at least 51% of the sub-fund's assets after deducting liquid assets in units of other collective investment schemes in accordance with prov. 1 c to f. The following weightings must be observed:

aa. invest at least 51% and at most 100% in collective investments which have their assets primarily in **equity paper and rights** (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide;

ab. invest at most 20% in collective investments which have their assets primarily in bonds, notes and other fixed income or floating-rate **debt paper and rights** denominated in freely convertible currencies issued worldwide by private, public law and public/private issuers;

ac. invest at most 20% in collective investments which have their assets primarily in **money market instruments** denominated in freely convertible currencies;

ad. invest at most 10% in **other funds for alternative investments** in accordance with prov. 1 e;

ae. invest at most 15% in **real estate funds** in accordance with prov. 1 f;

af. invest at most 10% in collective investments which have their assets primarily in **convertible bonds, convertible notes and warrant issues** worldwide denominated in freely convertible currencies;

ag. invest at most 10% in **precious metals** indirectly via collective investments, derivatives and structured products;

ah. invest at most 10% in **commodities** indirectly via collective investments, derivatives and structured products.

b. After deducting liquid assets, the fund management company shall also invest at most 20% of the sub-fund's assets in:

ba. equities and other **equity paper and rights** issued by companies worldwide, of which at most 30% must be in companies which have their registered office in emerging markets or which conduct the majority of their business in emerging markets;

bb. **debt paper and rights** of issuers worldwide, where at most 10% of the sub-fund's assets may be in investments with a lower rating than investment grade;

bc. **money market instruments** denominated in freely convertible currencies from issuers anywhere in the world;

c. The fund management company further invests the sub-fund's assets after deducting liquid assets in derivatives (including warrants) and structured products with the investments listed above as underlyings;

d. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- the fund management company ensures that on a consolidated basis at least 75% of the sub-fund's assets are invested in equities and other debt paper and rights including derivatives and other collective investments;
- structured products, at most 10%;
- deposits with banks, at most 20%;
- investments according to ad, ae, ag, ah as well as debt securities and rights of issuers according to bb with a rating lower than investment grade, together at most 30%;
- target funds must be able to guarantee the redemption frequency of the fund of funds. The target funds shall also be open-end collective investments, i.e. contractually based investment funds as well as listed and unlisted investment companies with variable capital;
- funds of funds in accordance with prov. 1 g may not exceed 40%, of which at most 10% may correspond to other funds for alternative investments. The acquisition of funds of funds is excluded for these target funds.
- securities repurchase agreements: the sub-funds do not enter into any securities repurchase agreements.

d. For the sub-fund «- Passive 100 Sustainable», the fund management company may, in accordance with the risk diversification rules (§ 15), invest up to 45% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Switzerland ESG Passive All II» and **either** up to 60% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II» **or** up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Global Climate Aware (CHF hedged)» **or** up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive (CHF hedged) II». These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.
The fund management company ensures liquidity is managed appropriately. 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 sub-fund's accounting currency and in any other currency in which investments are permitted for that particular sub-fund. 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. 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 specialising in transactions of this type, such as banks, brokers and insurance companies, as well as approved and recognised 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 seven bank working days) before it may again legally repossess the securities lent, it may not lend more than 50% of a particular security eligible for lending for each sub-fund. However, should the borrower or the intermediary contractually guarantee to the fund

management company that it may legally repossess loaned securities on the same or following bank working day, then the entire eligible holding of a particular security may be lent.

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 FINMA. The value of the collateral must be adequate and at all times 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 ensures that the securities lending transactions are settled in a secure manner, in line with the agreements, and, in particular, monitors compliance with the requirements relating to collateral. In addition, it carries out the administrative duties assigned to it under the safe-custody regulations during the term of the lending transaction and asserts all rights associated with the lent securities, unless such duties have been ceded under the terms of the standardised 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 (borrower or repo seller) temporarily transfers ownership of securities in return for payment to another party (lender or repo buyer); the lender undertakes to return securities of the same type, quantity and quality as well any income accrued throughout the course of the repurchase agreement to the borrower upon maturity. During the term of the repurchase agreement, the price risk associated with the securities is borne by the borrower.

   From the perspective of the counterparty (lender), 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 transaction») 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 shall conclude repo transactions only with first-class, supervised counterparties and intermediaries specialising in transactions of this type, such as banks, brokers and insurance companies, as well as approved and recognised central counterparties and collective depositories which can guarantee the proper execution of the securities lending transactions.

4. The custodian bank ensures that the repurchase transactions are settled in a secure and contractually agreed manner. 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 notice period, which may not exceed seven bank working days, before it may once again legally dispose of the securities under the repurchase agreement, it may not use more than 50% of its holdings of a particular security eligible for repo transactions for each sub-fund. 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. As part of a reverse repo, the fund management company may acquire only collateral that meets the requirements set down in 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 make use of 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 in risk measurement, with the exception that neither leverage nor short-selling is permitted for the sub-funds under the above provisions of the BVG and its implementing ordinances.

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 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 recognised 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 may 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 standardised and non-standardised derivatives. It may conclude transactions in derivative financial instruments on an 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 specialise in these transactions and can ensure proper execution. If the counterparty is not the custodian bank, the counterparty or its 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 recognised in practice. Moreover, before the conclusion of such transactions, specific offers must be obtained from at least two potential counterparties and the most favourable offer in terms of price must be accepted. Deviations from this rule shall be permitted in order to diversify risk or if other contractual components, such as credit quality or the service offering of the counterparty, make the overall offer of the counterparty appear better for the investors. In addition, the requirement to obtain offers from at least two potential counterparties may be waived in exceptional cases if this is in the best interests of the investors. 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-funds' risk profile;
– the counterparty risks associated with derivatives;
– 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 temporarily borrow the equivalent of up to 25% 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 sub-funds' assets

1. The fund management company may not pledge or transfer by way of security for any sub-fund more than 60% of its net assets.

2. The sub-fund 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

I. – World 25 Sustainable
– World 50 Sustainable

1. The following are to be included in the risk diversification provisions:

   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 sub-funds must invest in at least five different target funds.

4. The fund management company may, including derivatives and structured products, invest no more than 10% of a 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 a sub-fund's assets are invested may not exceed 40% of the respective sub-fund's assets, subject to provisions 5 and 6.

5. The fund management company may not invest more than 10% of a sub-fund's assets in sight or time deposits at one and the same bank. This limit includes both investments in bank deposits pursuant to § 8 and liquid assets pursuant to § 9.

6. The fund management company may not invest more than 5% of a sub-fund's 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 respective sub-fund's assets. Where claims from OTC transactions are hedged by collateral in the form of liquid assets in accordance with the provisions of Art. 50 to 55 CISO-FINMA, such claims shall not be taken into account in the calculation of counterparty risk.

7. Investments, deposits and claims pursuant to prov. 4-6 of the same issuer or borrower may not in total exceed 20% of a sub-fund's assets, subject to the higher limits specified in prov. 12 below.

8. Investments pursuant to prov. 4 above in the same group of companies may not in total exceed 20% of a sub-fund's assets, subject to the higher limits specified in prov. 13 below.

9. The fund management company may not invest more than 80% of the assets of a sub-fund in units of the same target fund.

   Where an investment of more than 50% is carried out in one and the same target fund fees may not be cumulated within this target fund, which must ensure complete transparency with regard to investments and fees.

10. 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.

11. The fund management company may not acquire for a sub-fund's assets more than 10% of the non-voting equity, debt and/or money market instruments of a single issuer or more than 49% of the units of other collective investments. The fund management company may acquire for the assets of the sub-funds «- World 25 Sustainable» and «- World 50 Sustainable» up to 60% of the units of «UBS (CH) Manager Selection Fund - Bonds Global XT 2» and «UBS (CH) Institutional Fund – Global Bonds Sustainable». The fund management company may also acquire for the assets of the sub-fund «- World 50 Sustainable» up to 70% of the units of «UBS (CH) Manager Selection Fund - Equities Global XT 1», «UBS (CH) Manager Selection Fund - Equities Global XT 2» and «UBS (CH) Institutional Fund - Equities Global (ex Switzerland) Sustainable» and up to 60% of the units of «UBS (CH) Manager Selection Fund - Equities Global XT 3» and «UBS (CH) Investment Fund - Equities Global Climate Aware II». These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

    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.

12. The restrictions as set out under prov. 10 and 11 above do not apply if the securities and money market instruments are issued or guaranteed by a state or 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.

13. The limit of 10% stipulated in prov. 4 rises, in conjunction with § 8 prov. 3, to 45% if the securities or money market instruments are issued or guaranteed by the Swiss Confederation (Swiss federal government, cantons or municipalities) or a public-law institution in Switzerland, or by international organisations with public-law character to which Switzerland or a European Union member state belongs. The limit of 40% as stipulated in prov. 4 does not apply to the aforementioned securities or money market instruments. The individual limits of prov. 4 and 6 may, however, not be accumulated with this limit of 45%.

14. The fund management company must also comply with the provisions of the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances, taking into account the exceptions listed in 1.15 of the Prospectus. Compliance with these requirements is checked four times a year on a consolidated basis.

II. – World 75 Sustainable
– World 100 Sustainable
– Swiss 25 Sustainable
– Swiss 50 Sustainable
– Swiss 75 Sustainable
– Passive 25 Sustainable
– Passive 50 Sustainable
– Passive 75 Sustainable
– Passive 100 Sustainable

1. The following are to be included in the risk diversification provisions:

   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 sub-funds must invest in at least five different target funds. By way of derogation, the sub-fund «- Passive 100 Sustainable» must invest in at least four different target funds.

4. The fund management company may, including derivatives and structured products, invest no more than 10% of a 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 a sub-fund's assets are invested may not exceed 40% of that sub-fund's assets, subject to prov. 5 and 6.

5. The fund management company may not invest more than 10% of a sub-fund's assets in sight or time deposits at one and the same bank. This limit includes not only liquid assets pursuant to § 9 but also investments in bank deposits pursuant to § 8.

6. The fund management company may invest no more than 5% of a sub-fund's assets in OTC transactions with one and the same counterparty. Should the counterparty be a bank domiciled in Switzerland or in a member state of the European Union or in another country in which it is subject to supervision equivalent to that in Switzerland, the limit is increased to 10% of the corresponding sub-fund's 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.

7. Investments, deposits and claims pursuant to prov. 4 to 6 above from one and the same issuer or borrower may not exceed 20% of a sub-fund's assets. Such investments are subject to the higher restrictions pursuant to prov. 12 below.

8. Investments according to prov. 4 above from the same group of companies may in total not exceed 20% of the sub-fund's assets, subject to the higher restrictions pursuant to prov. 13 below.

9. The fund management company may invest at most 30% of the sub-fund's assets in units in the same target fund.

   In addition:

   For the sub-fund «- Swiss 25 Sustainable», the fund management company may invest up to 65% and for the sub-fund «- Swiss 50 Sustainable» up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Bond Fund - Bonds CHF Sustainable».

   For the sub-funds «- World 75 Sustainable» and «- World 100 Sustainable», the fund management company may invest up to 49% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Global Climate Aware II».

   For the sub-fund «- Passive 25 Sustainable», the fund management company may invest up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Bonds CHF Inland ESG Passive II».

   For the sub-fund «- Passive 50 Sustainable», the fund management company may invest up to 35% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II».

   For the sub-fund «- Passive 75 Sustainable», the fund management company may invest up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Switzerland ESG Passive All II» and up to 50% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II».

   For the sub-fund «- Passive 100 Sustainable», the fund management company may invest up to 45% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Switzerland ESG Passive All II» and **either** up to 60% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive II» **or** up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Investment Fund - Equities Global Climate Aware (CHF hedged)» **or** up to 40% of the sub-fund's assets in units of the target fund «UBS (CH) Institutional Fund - Equities Global ESG Leaders Passive (CHF hedged) II».

   These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

10. 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.

11. The fund management company may not acquire for a sub-fund's assets 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. For the assets of the sub-fund «- Swiss 50 Sustainable», the fund management company may acquire up to 49% of the units of «UBS (CH) Manager Selection Fund - Equities Switzerland XT 1», «UBS (CH) Investment Fund - Equities Switzerland Quantitative All Cap Sustainable» and «UBS (CH) Manager Selection Fund - Equities Switzerland XT 3». These target funds must have the same redemption frequency. They must not entail an accumulation of fees for investors and must make full transparency possible for the fund management company in respect of investments and fees.

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.

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

13. The limit of 10% stipulated in prov. 4 rises to 35% if the securities or money market instruments are issued or guaranteed by an OECD state, a public-law institution within the OECD or international organizations with public-law character to which Switzerland or a member state of the European Union belongs. The limit of 40% as stipulated in prov. 4 does not apply to the aforementioned securities or money market instruments. The individual limits of prov. 4 and 6 may, however, not be accumulated with this limit of 35%.

14. The limit of 10% stipulated in prov. 4 shall rise to 100% if the securities or money market instruments are issued or guaranteed by an OECD state, a public-law institution within the OECD or by international organizations with public-law character to which Switzerland or a member state of the European Union belongs. In this case, the sub-fund must hold securities or money market instruments consisting of at least six different issues, and no more than 30% of the relevant sub-fund's assets may be invested in securities or money market instruments of the same issue. The limit of 40% as stipulated in prov. 4 does not apply to the aforementioned securities or money market instruments.

    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).

15. In selecting investments for these sub-funds the fund management company complies with the investment regulations for financial investments by retirement benefit plans in the BVG and its implementing ordinances, subject to the mandatory provisions of Swiss legislation on collective investment schemes and the provisions of the present fund contract.

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

§ 16 Calculation of net asset values and application of swinging single pricing

1. Each sub-fund's 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 (valuation net asset value). The individual sub-fund's assets are not calculated on days when the stock exchanges or markets in the sub-fund's main investment countries are closed (e.g. bank and stock exchange holidays).

    However, on days on which no units are issued or redeemed, the fund management company may calculate the net asset value per unit («non-negotiable net asset value»), e.g. if the last calendar day of a month falls on a day specified in prov. 5.2 of the appendix. Such non-negotiable net asset values may be published. However, they may be used only for performance calculations and performance statistics (in particular to compare against the benchmark) or for commission calculations, and must under no circumstances be used as the basis for subscription and 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 are 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 recognised 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 valuation price of such investments is based on the respective interest rate curve. The valuation based on the interest curve comprises an interest rate component and a spread component. The following principles shall be applied: For each money market instrument, the closest rates of interest to the residual term shall be interpolated. The rate of interest thus established shall be converted into a market rate, adding a spread which reflects the creditworthiness of the underlying borrower. This spread is adjusted in the event of a significant change in the borrower's credit rating.

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 class represents the percentage constituted by the unit class concerned of the market value of the sub-fund 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 0.01 of a unit of the accounting currency of the individual sub-fund.

7. The percentages of the market value of a sub-fund's net assets (sub-fund assets less liabilities) which are to be attributed to each unit class shall be determined for the first time upon the initial issue of multiple unit classes (if they are issued simultaneously) or the initial issue of an additional unit class, on the basis of the inflows to the sub-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 distributions;

   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 assets of a sub-fund.

8. If, on any one order day, the sum of subscriptions and redemptions of units in a sub-fund results in a net inflow or outflow, the sub-fund's valuation net asset value will be increased or reduced accordingly (swinging single pricing). The maximum valuation adjustment is basically 2% of the net asset value. However, in the event of exceptional circumstances, the fund management company may decide to temporarily apply an adjustment by more than 2% of the prevailing net asset value for every sub-fund and/or valuation day, if it sufficiently substantiates that the adjustment is justified in view of prevailing market conditions and in the best interests of investors. A temporary adjustment will be calculated in accordance with the procedure set out by the fund management company. Existing and new investors will be informed of the sufficiently substantiated decision on the application of this temporary measure and of its expiry by announcement in the umbrella fund's official medium of publication. The supervisory authority will also be notified. A modified valuation net asset value covers the incidental costs (bid-offer spreads, standard market brokerage fees, fees, levies etc) which arise on average from the investment of the part of the net inflow or sale of the part of the assets corresponding to the net outflow. The adjustment will result in an increase of the valuation net asset value if net movements result in an increase in the number of units in the sub-fund. Conversely, the adjustment results in a reduction of the valuation net asset value if net movements lead to a reduction in the number of units. The valuation net asset value calculated on the basis of swinging single pricing is thus a modified valuation net asset value as set out in the first sentence of this paragraph.

§ 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. In the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 18. The issue and redemption price must be paid with a value date of three days following statement of the issue and redemption price. The day the net asset value is calculated is not included.

   Incidental costs relating to the purchase and sale of investments (in particular, bid/ask spreads, brokerage fees at standard market rates, commissions, taxes, fees and duties) and incurred on average by the respective 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. 8 of the fund contract.

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 sub-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-fund is no longer able to transact its business;

   d. large-scale unit redemptions take place that could significantly jeopardise the interests of the remaining investors in this sub-fund.

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, sub-sections a to c.

V. Remuneration and incidental costs

§ 18 Remuneration and incidental costs charged to investors

1. Upon the issue of units, investors may be charged an issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad, which in total shall not exceed 2.5% of the net asset value. The current maximum applicable rate is stated in the prospectus.

2. When units are redeemed, investors are not charged any redemption commission.

§ 19 Remuneration and incidental costs charged to the sub-funds' assets

1. For the administration, asset management and distribution in respect of the sub-funds, as well as for all tasks of the custodian bank such as the safekeeping of the respective sub-fund's assets, taking care of payment transactions and the other responsibilities as set out in § 4, the fund management company shall charge the respective sub-funds a maximum annual flat fee or commission based on the sub-funds' net assets as stated below, which is charged to the individual sub-fund's assets pro rata temporis each time the relevant sub-fund's net asset value is calculated and paid at the end of the relevant quarter (flat fee).For the individual sub-funds and unit classes, this flat fee amounts to a maximum of:

– World 25 Sustainable:

Class «U» units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a)	2.16%
Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.08%
Class "D" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2.16%

– World 50 Sustainable:

Class "U" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a)	2.16%
Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.08%
Class "D" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2.16%

– World 75 Sustainable:

Class "U" units Flat fee charged by the fund management company for administration, Asset management, distribution and remuneration of the custodian bank (p.a)	2.16%
Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.08%

Class "D" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2.16%

– World 100 Sustainable:

Class "U" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a)	2.16%
Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.08%
Class "D" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2.16%

– Swiss 25 Sustainable:

Class "U" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a)	2.16%
Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.08%
Class "D" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2.16%

– Swiss 50 Sustainable:

Class "U" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a)	2.16%
Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.08%
Class "D" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2.16%

– Swiss 75 Sustainable:

Class "U" units Flat fee charged by the fund management company for administration, Asset management, distribution and remuneration of the custodian bank (p.a)	2.16%
Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.08%
Class "D" units Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2.16%

– Passive 25 Sustainable:

Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%

Units in unit class "UBS key4" Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%

– Passive 50 Sustainable:

Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%
Units in unit class "UBS key4" Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%

– Passive 75 Sustainable:

Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%
Units in unit class "UBS key4" Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%

– Passive 100 Sustainable:

Class "Q" units Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%
Units in unit class "UBS key4" Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1.30%

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

2. The following remuneration and incidental costs of the fund management company and the custodian bank, which are also charged to the assets of the respective sub-fund, are not included in the flat fee or commission:

   a. Costs for the purchase and sale of investments, specifically standard brokerage fees, commissions, taxes and duties. By way of derogation, these costs incurred in connection with the purchase/sale of units when settling issues and redemptions of units, which are covered by the application of swinging single pricing as set out in § 16 prov. 7 .

   b. Fees paid to the supervisory authority for the foundation, amendment, liquidation or merger of the relevant sub-funds;

   c. Annual fee paid to the supervisory authority;

   d. Fees paid to external auditors for annual audits and for certificates in connection with the foundation, amendment, liquidation or merger of the relevant sub-funds;

   e. Fees paid to legal and tax advisors in connection with the foundation, amendment, liquidation or merger of the fund and for the general representation of the interests of the relevant sub-funds and its investors;

   f. The costs of publishing the net asset value of the relevant sub-funds and all costs associated with notifications to the investors, including translation costs, where such costs were not necessitated by misconduct on the part of the fund management company;

   g. The costs of translating the prospectuses with integrated fund contracts as well as the semi-annual and annual reports;

   h. The costs of printing legal documents as well as the semi-annual and annual reports of the umbrella fund and the sub-funds;

   i. Costs paid for the possible registration of the relevant sub-funds with a foreign supervisory authority, in particular commission and translation costs charged by the foreign supervisory authority as well as the compensation of the representative or paying agent abroad;

   j. Costs in connection with the exercising of voting and creditors' rights by the umbrella fund or the relevant sub-funds, including fees for external advisors;

   k. Costs and fees associated with intellectual property registered in the name of the umbrella fund or the relevant sub-funds or rights of use by the umbrella fund or the relevant sub-funds;

   l. All costs which arise from the performance of extraordinary measures to protect the interests of investors by the fund management company, the asset manager of collective investments or the custodian bank;

   m. Third-party costs (e.g. attorneys' fees and custodian bank fees) arising from participation in class actions in the interest of investors may be charged to the fund assets by the fund management company. Furthermore, the fund management company may charge all administrative costs, provided these can be proven and are reported and included in the disclosure of the fund's TER.

3. The costs according to 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. Remuneration is only charged to the sub-funds which receive a specific benefit. Costs which cannot be unequivocally attributed to a particular sub-fund are charged to each individual sub-fund in proportion to its share of fund assets.

6. If the fund management company acquires units in other collective investment schemes for the specified sub-fund that are managed directly or indirectly by the fund management company itself or a company to which it is related by virtue of common management or control or by a significant direct or indirect interest (related target funds), it may not charge any issuing or redemption commissions of the related target funds to the sub-funds.

   The management fee charged by the target funds in which sub-fund assets are invested may not exceed 2.16% p.a., factoring in any retrocessions and discounts which may be due. The annual report shall indicate the maximum rate for the management fee of the target funds invested in, factoring in any retrocessions and discounts.

VI. Financial statements and audits

§ 20 Financial statements

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

   – World 25 Sustainable: Swiss franc (CHF)
   – World 50 Sustainable: Swiss franc (CHF)
   – World 75 Sustainable: Swiss franc (CHF)
   – World 100 Sustainable: Swiss franc (CHF)
   – Swiss 25 Sustainable: Swiss franc (CHF)
   – Swiss 50 Sustainable: Swiss franc (CHF)
   – Swiss 75 Sustainable: Swiss franc (CHF)
   – Passive 25 Sustainable: Swiss franc (CHF)
   – Passive 50 Sustainable: Swiss franc (CHF)
   – Passive 75 Sustainable: Swiss franc (CHF)
   – Passive 100 Sustainable: Swiss franc (CHF)

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

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 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. 4.

§ 21 Audits

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

VII. Appropriation of net income

§ 22

1. The net income of the sub-funds (incl. profit carried forward) is distributed annually to the investors in the accounting currency within four months of the close of the financial year.

   The fund management company may make additional interim distributions from the income.

2. Up to 30% of the remaining net income (incl. the income carried forward from earlier financial years) can be carried forward to new account. The distribution may be waived and the entire net income may be carried forward to new account for the relevant sub-fund if:

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

3. 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 medium or electronic medium mentioned in the prospectus. A change in the official publication must be specified in the official publication.

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 publishes the issue and redemption prices or the net asset value (modified valuation net asset value when swinging single pricing pursuant to § 16 prov. 8 has been applied) for all unit classes of the relevant sub-fund together with the note «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 are published shall be specified in the prospectus.

4. The prospectus with integrated fund contract, the Key Investor Information Document and/or the key information document and the current annual and semi-annual reports may be obtained free of charge from the fund management company, custodian bank and from any distributor.

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-fund 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:

      – the investment policy, investment techniques, risk diversification and the risks associated with the investment;
      – the appropriation of net income and capital gains from the sale of assets and rights;
      – the type, value and method of calculating any remuneration, issuing and redemption commission and incidental costs relating to the purchase and sale of investments (brokerage fees, costs, duties) which may be charged to the fund's or sub-fund's assets or to the investors;
      – the conditions of redemption;
      – 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 are incurred by the sub-funds or the funds or the investors, subject to the provisions pursuant to § 19 prov. 2 ltrs. b, d and e.

3. If it is anticipated that the merger shall take more than one day, the supervisory authority may authorise 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 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 shall publish notice of proposed amendments to the fund contract in accordance with § 23 prov. 2 as well as the proposed merger and its schedule together with the merger plan. This notice shall be made

at least two months before the planned date of the merger in the official publication of the participating sub-funds or fund in question. Such notice shall advise investors that they may lodge an objection to the proposed amendments to the fund contract with the supervisory authority within 30 days of receiving notice, or request redemption of their units in cash.

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-fund or fund being acquired.

§ 25 Conversion into another legal form

1. The fund management company may, with the consent of the custodian bank, 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 exchange 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 § 23 para. 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 auditor of the investment fund or the SICAV (if different) will verify the proper execution of the conversion and report thereon to the Fund Manager, the SICAV and FINMA.
7. The fund management company will immediately notify FINMA of the completion of the conversion and forward to FINMA the 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 individual sub-funds by terminating the fund contract without notice.

3. The individual sub-funds may be dissolved by order of the supervisory authority, for example if a sub-fund does not have assets of at least five million Swiss francs (or the equivalent) no later than one year after its launch, or a longer period specified by the supervisory authority at the request of the custodian bank and the fund management company.

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

5. 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, investors may lodge objections with the supervisory authority within 30 days of the 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 of this fund contract (including merger of unit classes), investors may also request redemption of their units in cash subject to the period stipulated under the 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. This fund contract takes effect on 22 February 2023.

4. This fund contract replaces the fund contract dated 20 July 2022.

5. In approving the fund contract, FINMA shall examine only the provisions pursuant to Art. 35a (1) lit a-g CISO and shall establish their compliance with the law.

UBS Fund Management (Switzerland) AG
Aeschenvorstadt 1
CH-4051 Basel

UBS Switzerland AG
Bahnhofstrasse 45
CH-8001 Zürich

www.ubs.com