Union Investment

Sales Prospectus and Management Regulations and Special Regulations for UniEuroRenta Corporates

Management Company:
Union Investment Luxembourg S.A.
As at: 31 August 2023

In case of discrepancy between the English and German version, the German version shall prevail.

Contents

Management Company, Auditor, Depositary and Sales Agents

Management Company and Central Administration Agent

Union Investment Luxembourg S.A.
3, Heienhaff
L-1736 Senningerberg
Grand Duchy of Luxembourg

Equity capital as at 31/12/2022:
EUR 344.343 million after profit appropriation

LEI of the Management Company

529900FSORICM1ERBP05

Management body of Union Investment Luxembourg S.A.

Executive Board of the Management Company

Maria LÖWENBRÜCK
Member of the Executive Board of
Union Investment Luxembourg S.A.
Luxemburg

Rolf KNIGGE
Member of the Executive Board of
Union Investment Luxembourg S.A.
Luxemburg

Supervisory Board of the Management Company

Dr. Gunter HAUEISEN
Chairman of the Supervisory Board of
Union Asset Management Holding AG
Frankfurt / Main

Dr. Carsten FISCHER
Member of the Supervisory Board of
Union Asset Management Holding AG
Frankfurt / Main

Karl-Heinz MOLL
Independent Member
of the Supervisory Board
Luxemburg

Shareholders of Union Investment Luxembourg S.A.

Union Asset Management Holding AG
Frankfurt / Main

Outsourcing of portfolio management to the following companies belonging to the Union Investment Group:

Union Investment Privatfonds GmbH
Weißfrauenstraße 7
D-60311 Frankfurt / Main

Union Investment Institutional GmbH
Weißfrauenstraße 7
D-60311 Frankfurt / Main

Auditor of the Fund

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator
L-2182 Luxembourg,

(also the auditor of Union Investment Luxembourg S.A.)

Depositary and Main Paying Agent

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Strassen
Grand Duchy of Luxembourg

Equity capital as at 31/12/2022:
EUR 1,168.122 million

Paying and sales agent in the Grand Duchy of Luxembourg

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Strassen
Grand Duchy of Luxembourg

Funds managed by the Management Company

BBBank Nachhaltigkeit Union
Commodities-Invest
FairWorldFonds
Global Credit Sustainable
LIGA-Pax-Cattolico-Union
LIGA-Pax-Corporates-Union
LIGA-Pax-Laurent-Union (2027)
LIGA Portfolio Concept
PE-Invest SICAV
PrivatFonds: Konsequent
PrivatFonds: Konsequent pro
PrivatFonds: Nachhaltig
Quoniam Funds Selection SICAV
SpardaRentenPlus
TraditionsFonds 1872
UniAbsoluterErtrag
UniAnlageMix: Konservativ
UniAsia
UniAsiaPacific
UniAusschüttung
UniAusschüttung Konservativ
UniDividendenAss
UniDuoInvest 1
UniDuoInvest 2
UniDuoInvest 3
UniDuoInvest 4
UniDynamicFonds: Europa
UniDynamicFonds: Global
UniEM Fernost
UniEM Global
UniEM Osteuropa
UniEuroAnleihen
UniEuroKapital
UniEuroKapital Corporates
UniEuroKapital -net-
UniEuropa
UniEuropa Mid&Small Caps
UniEuropaRenta
UniEuroRenta Corporates
UniEuroRenta EmergingMarkets
UniEuroRenta Real Zins
UniEuroRenta Unternehmensanleihen 2028
UniEuroRenta Unternehmensanleihen 2029
UniFavorit: Aktien Europa
UniFavorit: Renten
UniGarantTop: Europa
UniGarantTop: Europa II
UniGarantTop: Europa III
UniGlobal II
UniGlobal Dividende
UniIndustrie 4.0
UniInstitutional Asian Bond and Currency Fund
UniInstitutional Basic Emerging Markets
UniInstitutional Basic Global Corporates HY
UniInstitutional Basic Global Corporates IG
UniInstitutional Convertibles Protect
UniInstitutional Corporate Hybrid Bonds
UniInstitutional EM Corporate Bonds
UniInstitutional EM Corporate Bonds Flexible
UniInstitutional EM Corporate Bonds Low Duration Sustainable
UniInstitutional EM Sovereign Bonds
UniInstitutional EM Sovereign Bonds Sustainable
UniInstitutional Equities Market Neutral
UniInstitutional Euro Subordinated Bonds
UniInstitutional European Bonds & Equities
UniInstitutional European Bonds: Diversified
UniInstitutional European Bonds: Governments Peripherie
UniInstitutional European Corporate Bonds +
UniInstitutional European Equities Concentrated
UniInstitutional German Corporate Bonds +
UniInstitutional Global Convertibles
UniInstitutional Global Convertibles Dynamic
UniInstitutional Global Convertibles Sustainable
UniInstitutional Global Corporate Bonds Short Duration
UniInstitutional Global Covered Bonds
UniInstitutional Global Credit
UniInstitutional Global Credit Sustainable
UniInstitutional Global Equities Concentrated
UniInstitutional High Yield Bonds
UniInstitutional Konservativ Nachhaltig
UniInstitutional Multi Asset Nachhaltig
UniInstitutional Multi Credit
UniInstitutional SDG Equities
UniInstitutional Short Term Credit
UniInstitutional Structured Credit
UniInstitutional Structured Credit High Grade
UniInstitutional Structured Credit High Yield
UniMarktführer
UniNachhaltig Aktien Dividende
UniNachhaltig Aktien Europa
UniNachhaltig Aktien Infrastruktur
UniNachhaltig Aktien Wasser
UniNachhaltig Unternehmensanleihen
UniOpti4
UniProfiAnlage (2024)
UniProfiAnlage (2025)
UniProfiAnlage (2027)
UniRak Emerging Markets
UniRak Nachhaltig
UniRak Nachhaltig Konservativ
UniRent Kurz URA
UniRent Mündel
UniRenta Corporates
UniRenta EmergingMarkets
UniRenta Osteuropa
UniRentEuro Mix
UniReserve
UniReserve: Euro-Corporates
UniSector
UniStruktur
UniThemen Aktien
UniThemen Defensiv

UniValueFonds: Europa
UniValueFonds: Global
UniVorsorge 1
UniVorsorge 2
UniVorsorge 3
UniVorsorge 4
UniVorsorge 5
UniVorsorge 6
UniVorsorge 7
UniZukunft Welt
Volksbank Kraichgau Fonds
Werte Fonds Münsterland Klima

Union Investment Luxembourg S.A. also manages funds pursuant to the Law of 13 February 2007 on specialised investment funds.

Sales Prospectus

This Sales Prospectus ("Sales Prospectus") shall only valid in conjunction with the most recent annual report, which may not be more than 16 months old. If the annual report is more than eight months old, the buyer shall also be provided with the half-yearly report.

Relying on information not included in the Sales Prospectus, or other documents available to the public and to which the Sales Prospectus refers, is prohibited.

In addition, a key information document for packaged retail and insurance-based investment products (“KID”) will be prepared which contains essential information about the investment fund (the “fund”). The currently valid Sales Prospectus and the KID form the legal basis for the purchase of units. When purchasing units, the investor acknowledges the Sales Prospectus, the KID and any changes thereto.

1. The Fund

The investment fund described in this Sales Prospectus is a Luxembourg investment fund established in the form of a fonds commun de placement consisting of transferable securities and other assets. It was established in accordance with Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment as amended (“Law of 17 December 2010”) and meets the requirements of Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (“Directive 2009/65/EC”) as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions (“Directive 2014/91/EU”).

2. Fund Management

The Fund is managed by Union Investment Luxembourg S.A. ("Management Company").

The Management Company complies with the requirements of Directive 2009/65/EC of the European Parliament and of the Council on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS).

The Management Company was established as a public limited company (Aktiengesellschaft) under Luxembourg law on 19 August 1988 for an indefinite period, and details of its establishment were published in the Mémorial C on 27 September 1988. On 1 June 2016, the Mémorial C was replaced by the Recueil électronique des sociétés et associations ("RESA"), the new information platform of the Luxembourg Trade and Companies Register. The Management Company's registered office is in Luxembourg and it is entered in the Luxembourg Trade and Companies Register under number B28679. Its financial year ends on 31 December each year.

The object of the Company, as set out in Article 101 of the Law of 17 December 2010 relating to undertakings for collective investment, as amended, is to form and/or manage one or more undertakings for collective investment and to manage individual investment portfolios in accordance with mandates given by investors on a discretionary, client-by-client basis, where such investment portfolios include one or more of the financial instruments in accordance with Section C of Annex 1 to Directive 2014/65/EU of the European Parliament and Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("Directive 2014/65/EU") ("Financial Instruments") listed in Section B of Annex II to the Law of 5 April 1993 on the financial sector ("Law of 5 April 1993"), as last amended.

As non-core services, the Company may provide investment advice concerning one or more financial instruments listed in Section B of Annex II to the Law of 5 April 1993, as last amended, as well as safekeeping and administration services in relation to units of undertakings for collective investment pursuant to Article 101 of the Law of 17 December 2010, as amended.

Furthermore, pursuant to Article 5 of the Law of 12 July 2013 on alternative investment fund managers, as last amended, the object of the Company is to form and/or manage alternative investment funds and to manage individual portfolios in accordance with mandates given by investors on a discretionary, client-by-client basis, and to manage portfolios, including those held in pension funds and institutions for occupational retirement provision under Article 19(1) of Directive 2003/41/EC and that are consistent within the margin of discretion of the individual mandates given by investors.

As non-core services, the Company may also provide investment advice and safekeeping and administration services in relation to units or shares of undertakings for collective investment pursuant to the Law of 12 July 2013 on alternative investment fund managers, as last amended.

The Company may also engage in all activities which are necessary for the management of these undertakings, as well as conduct all business and take all measures which promote its interests or which are expedient or useful for achieving its purpose, provided these comply with the current version of the Law of 17 December 2010 and/or the Law of 12 July 2013.

By virtue of the agreement which came into force on 1 January 2004, Union Investment Luxembourg S.A., in its function as Central Administration Agent, transferred, under its responsibility and control, various administrative tasks – e.g. the calculation of net asset values, the preparation of regular reports or the calculation of solvency ratios – to Attrax Financial Services S.A. with its registered office at 3, Heienhaff, L-1736 Senningerberg.

Furthermore, the Management Company may, under its own responsibility and control, as well as at its own expense, transfer fund management tasks to other companies belonging to the Union Investment Group, such as Union Investment Institutional

GmbH and Union Investment Private Funds GmbH, both with their registered offices in Frankfurt / Main, in accordance with the applicable provisions of the Grand Duchy of Luxembourg. Fund management tasks include, in particular, the daily implementation of the investment policy, as well as direct investment decisions. The costs for outsourcing the portfolio management are covered by the management fee.

The Management Company is entitled to consult third parties at its own expense on matters concerning portfolio structuring.

The Management Company has undertaken, in accordance with Chapter 15 of the Law of 17 December 2010, to observe the rules of good conduct of Article 111 of the Law of 17 December 2010 at all times within the scope of its activities.

In this context, the Management Company has drawn up a strategy determining how and when voting rights associated with instruments in the funds it manages should be exercised, such that these are used for the sole benefit of the fund or funds in question. A brief description of this strategy can be found on the Management Company's website (which can be accessed via www.union-investment.com) or requested directly from the Management Company.

The Management Company will represent the relevant fund(s) in legal matters in the best interests of the investors. The Management Company will arrange for the investment fund to be credited with the amounts received from enforcing the claims disputed in or out of court for the Fund after deducting and recovering all related costs.

The Management Company is also required to act in the best interest of the funds it manages when executing trading decisions for the funds or forwarding trading orders to be carried out by other establishments. The Management Company must, in particular, take all appropriate measures to achieve the best possible result for the respective fund, taking into account the stock exchange value, costs, speed and likelihood of execution and settlement, the scale and type of the order, as well as all other relevant aspects for the execution of the order. Against this backdrop, the Management Company has established a number of principles allowing it to achieve the best possible result, while also taking into account the above considerations. Information on these principles and significant changes thereto can be found on the Management Company's website (which can be accessed via www.union-investment.com) or requested directly from the Management Company.

In addition, the Management Company must comply with the "Code of Conduct for Luxembourg Investment Funds" published by the ALFI (Association of the Luxembourg Fund Industry, 12, Rue Erasme, L-1468 Luxembourg) and the rules of conduct published by the BVI (Bundesverband Investment und Asset Management e.V., Frankfurt am Main), insofar as these are compatible with Luxembourg law. These guidelines establish a standard of good and responsible conduct in connection with the capital and rights of the investors. They show how capital investment companies and/or management companies fulfil their legal duties to investors, and how they represent their interests with respect to third parties.

The Management Company acts in the best interests of the funds it manages and their investors. The Management Company is aware that conflicts of interest may arise when carrying out its services. It has suitable structures and control mechanisms in place in order to avoid conflicts of interest in accordance with the Law of 17 December 2010 and the applicable management stipulations and the directives of the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier ("CSSF"). The Management Company has for this purpose established principles in order to deal with conflicts of interest. In order to avoid potential conflicts of interest which would be damaging to the interests of the Fund and its investors, the Management Company has suitable measures and processes in place, such as measures for hierarchical and functional separation, measures for preventing and monitoring the exchange of information and measures for managing outsourcing. Conflicts of interest which cannot be avoided despite these measures are notified to the investors on a permanent data carrier.

During the course of its activities, the Management Company is permitted to outsource individual activities and duties to group and external companies. When outsourcing duties to group and external companies, the Management Company shall ensure that said companies have taken the necessary measures to comply with all the requirements to avoid conflicts of interest, as stipulated in the applicable Luxembourg laws and directives, and that such requirements are monitored.

The Management Company has taken measures to protect investors from adverse effects which may arise from frequent trading. 'Frequent trading' means the short-term trading of Fund units, which impairs the Fund's performance due to the volume and frequency of trading through transaction costs accruing at Fund level. Against this backdrop, on the one hand, unit certificate trading is regularly monitored and evaluated, while on the other, internal regulations have been issued for the employees of the Management Company, preventing the sale of Fund units within short time periods.

The Management Company prohibits the practice of market timing, which may harm the interests of the other investors. 'Market timing' is understood to mean subscriptions and redemptions of Fund units at short intervals in order to benefit from time differences and/or any possible weaknesses or flaws in the system for calculating the net asset value. The Management Company reserves the right to refuse orders if it believes that such practices are being conducted.

The Management Company also prohibits the practice of late trading. This refers to subscriptions and redemptions of units after the order acceptance deadline on the relevant trading day at already established or foreseeable closing prices. The Management Company ensures that units are issued and redeemed on the basis of a unit value previously unknown to the investor. If, however, there is a suspicion that an investor is engaging in late trading, the Management Company can reject the buying and selling orders.

Pursuant to Article 1(13)(a) of EU Directive 2014/91/EU and the ESMA/2016/411 Guidelines on sound remuneration policies under the UCITS Directive and AIFMD, UIL summarises its remuneration policies as follows:

UIL's remuneration policy and practices are consistent with and promote sound and effective risk management. They do not

encourage risk-taking that is inconsistent with the risk profiles, fund rules or articles of incorporation of the funds under UIL management, nor do they prevent UIL from acting dutifully in the best interests of the funds. The remuneration policy is in line with the business strategy, objectives, values and interests of UIL, the funds under its management and the investors in such funds, and includes measures to prevent conflicts of interest. Performance is assessed under a multi-year framework that is appropriate for the holding period recommended to investors in the UCITS managed by UIL. This ensures that the assessment is based on the longer-term performance of the fund and its investment risks and that the actual payment of performance-related remuneration components is spread over the same period. The fixed and variable components of total remuneration are appropriately balanced, whereby the proportion of the fixed component thereof is high enough to offer full flexibility with regard to the variable remuneration components, including the possibility to pay no variable component.

The Supervisory Board of UIL has established the principles of the remuneration system and monitors their implementation.

Details of the current remuneration policy, including a description of how remuneration and other benefits are calculated, and the identities of the persons responsible for allocating remuneration and other benefits, can be found under "Rechtliche Hinweise" on the UIL website (www.union-investment.lu). A hard copy will be made available free of charge on request.

The Management Company is represented by its Executive Board. The members of the Executive Board are appointed by the Supervisory Board. The Executive Board is responsible for carrying out the Management Company's transactions. It is responsible for all matters concerning the Management Company, except for those reserved for the Supervisory Board or the General Meeting – in accordance with statutory provisions, the Articles of Association or the rules of procedure for the Executive Board or for the Supervisory Board.

The General Meeting has appointed Mr Dr. Gunter HAUEISEN (Chairman of the Supervisory Board), Mr Dr. Carsten FISCHER and Mr Karl-Heinz MOLL (independent member of the Supervisory Board) as members of the Supervisory Board. The Management Company shall be legally bound by the joint signature of at least two Executive Board members.

3. The Depositary

The Fund's assets are held by the Depositary named in the Special Regulations and the sole Depositary appointed by the Management Company (the "Depositary").

The appointment of the Depositary named in the Special Regulations may be terminated in writing by the Depositary or the Management Company, subject to a three-month notice period. Any such termination shall only take effect once another bank (approved by the appropriate supervisory authority) takes over the duties and functions of the Depositary in accordance with the provisions of the Management Regulations.

The Depositary is a public limited company (Aktiengesellschaft) pursuant to the law of the Grand Duchy of Luxembourg and conducts banking business. It is authorised as a credit institution in accordance with the Law of 5 April 1993 and is regulated by the Commission de Surveillance du Secteur Financier ("CSSF") and the European Central Bank ("ECB").

The rights and obligations of the Depositary are governed by the Law of 17 December 2010, Delegated Commission Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries ("Regulation EU 2016/438"), the Management Regulations, Special Regulations of the Fund and the Depositary Agreement for the Fund as amended. It acts independently and solely in the interest of the investors. In this respect, the Depositary has appropriate measures and procedures for avoiding conflicts of interest, such as measures for hierarchical and functional separation and measures for outsourcing management. Any conflicts of interest that are unavoidable despite these measures are disclosed to investors. The Depositary shall not carry out any asset management or risk management activities for the Fund.

The Depositary function may be performed by a company associated with the management company. In cases where there is a link between the Management Company and the Depositary, they have appropriate structures in order to avoid possible conflicts of interest arising from the link. If conflicts of interest cannot be avoided, they shall be dealt with, monitored and disclosed by the Management Company and the Depositary in order to avoid any negative consequences on the interests of the Fund and its investors.

Under Luxembourg law, the Depositary may delegate depositary duties to third parties. Under such a transfer, specific tasks to carry out one or more key functions in connection with the activities as Depositary may be carried out by an affiliated company of the Depositary, in which the Depositary holds a substantial investment or for which it appoints, for example, members of the Supervisory Board.

The list of sub-custodians currently used by the custodian to make local securities investments ("List of sub-custodians") is disclosed in the Annex to Section 18 "Miscellaneous".

The list of sub-custodians will be updated as required. The updates will be made during the next adjustment of the Sales Prospectus. Investors may request a current up-to-date overview from the Management Company free of charge.

If so requested by the investor from the management company, the latest information shall be provided regarding the identity of the Depositary of the Fund, the description of the obligations of the Depositary as well as the conflicts of interests which may arise, as well as the description of all custodial functions outsourced by the Depositary, a list of the sub-depositaries and/or custodians, specifying any conflicts of interest which could arise from the outsourcing of the duties

The Depositary shall be liable vis-à-vis the Fund and its unitholders for the loss by the Depositary or a third party to which the custody of financial instruments has been delegated.

In the case of a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of an identical type or a corresponding amount to the Fund or the Management Company of the Fund without undue delay. In accordance with the Law of 17 December 2010 and the applicable regulations (in

particular Regulation EU 2016/438), the Depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary is also liable vis-à-vis the Fund and its unitholders for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its statutory obligations.

The liability of the Depositary shall not be affected, taking into consideration the statutory derogations from any transfer of depositary duties to third parties, including any depositary duties that are further delegated to other third parties.

Unitholders in the Fund may invoke the liability of the Depositary directly or indirectly through the Management Company provided that this does not lead to a duplication of redress or to unequal treatment of the unitholders.

The Depositary and the Management Company are aware that there may be conflicts of interest from the transfer of depositary duties and therefore ensure that they themselves and the delegated third parties have taken all necessary measures to comply with the organisational requirements and requirements for avoiding conflicts of interest, as laid down in the applicable Luxembourg laws and regulations, and that they monitor compliance with these requirements.

The following conflicts of interest may arise from the sub-custody:

DZ BANK AG Frankfurt / Main is affiliated with the Depositary. DZ BANK AG Frankfurt / Main holds a substantial investment in the Depositary and appoints members of the Supervisory Board.

The Depositary is not currently aware of any conflicts of interest resulting from the sub-custodies. The Management Company has reviewed this information for plausibility. It is, however, dependent on provision of the information by the Depositary and is unable to verify the accuracy and completeness in detail.

4. Unitholders' legal position

The Management Company invests the money deposited into the Fund in its own name for the collective account of all unitholders, in accordance with the principle of risk diversification, in transferable securities and other legally permissible assets pursuant to Article 41(1) of the Law of 17 December 2010. The money deposited and the assets acquired thereby constitute the Fund's assets, which are kept separate from the Management Company's own assets.

Investment policy and restrictions are outlined in the Management Regulations and Special Regulations in the annex to this Sales Prospectus. The Fund's Management Regulations and Special Regulations are integral parts thereof. The Management Regulations outline the general guidelines for the investment policy, calculation of the unit value, the issue and redemption of units, and charges. They also contain important regulations for unitholders. The Special Regulations, on the other hand, outline the specific characteristics of the Fund.

The unitholders are co-owners of the Fund's assets in proportion to their number of units. Unless otherwise stated in the Special Regulations, their rights are certified in the form of global certificates made out to the investor.

The Management Company informs investors that if it should decide to keep a register of unitholders, each investor will be entitled to exercise the entirety of his rights against the Fund only if the investor is entered into the register of unitholders himself under his own name. If an investor has invested in a fund via an intermediary which invests in its own name on behalf of said investor, the latter may not necessarily be able to assert all of his investor rights directly vis-à-vis the Fund. Investors are advised to seek information regarding their rights.

5. General investment policy guidelines

The Fund's assets are invested in accordance with the principle of risk diversification within the meaning of the rules in Part I of the Law of 17 December 2010 and in accordance with the general investment policy guidelines described in Article 4 of the Management Regulations.

Any differences or additions hereto shall be described in the Fund's specific investment policy guidelines in the Special Regulations.

Investors are advised that no conclusions concerning future performance can be drawn from past performance; such performance may be higher or lower. No guarantee can be given that the objectives of the investment policy will be achieved.

6. General information on derivatives, securities financing transactions and techniques and instruments

Derivatives, security financing transactions, techniques and instruments that meet the investment objectives of the Fund can be used for efficient portfolio management. The following list of derivatives, security financing transactions, techniques and instruments can, where appropriate, be supplemented by the Management Company if other instruments corresponding to the investment objective are placed on the market, which the respective fund may use in accordance with its supervisory and legal provisions.

The contracting parties of derivative financial instruments not traded on any stock exchange or other regulated market ("OTC derivatives") must be first-class financial institutions specialising in such transactions.

The following are viewed as securities financing transactions:

- Securities lending transactions
- Repurchase agreements
- Buy/sell-back transactions or sell/buy-back transactions.

The following is a non-exhaustive list of derivatives, security financing transactions, techniques and instruments that can be used for managing the Fund:

Derivatives

1. Financial futures contracts

Financial futures contracts are unconditionally binding mutual agreements which either authorise or compel contracting parties to buy/sell a certain amount of a certain underlying asset at a pre-determined time (the maturity date) at a price agreed in advance.

2. Forward exchange contracts

   Forward exchange contracts are unconditionally binding agreements for both contracting parties to buy or sell a certain amount of the underlying foreign currencies at a certain time (maturity date) at a price agreed in advance.

3. Options

   An option is the right to buy (a "call option") or sell (a "put option") a particular underlying asset at a pre-determined price ("strike price") on a pre-determined date ("exercise date") or within a predetermined period. The price of a call or put option is the option premium.

4. Swaps

   A swap is a contract between two parties based on the exchange of payment flows, assets, income or risk.

Techniques and instruments used for managing credit risk

5. Credit linked notes (CLN)

   A CLN is a debt security issued by the protection buyer, which is only repaid at the end of the term at the nominal amount if a pre-determined credit event does not occur. Should the credit event occur, the CLN is paid back within a specified period of time after the deduction of an adjustment amount. In addition to the principal amount and the interest thereon, a CLN provides for a risk premium which the issuer pays the investor for the right to reduce the amount to be repaid upon the occurrence of the credit event.

6. Credit default swaps (CDS)

   Basically, a CDS is a financial instrument which enables the credit risk to be separated from the underlying debtor-creditor relationship and therefore makes the separate trading of that risk possible. This usually involves a bilateral agreement set out for a specific time, which stipulates the transfer of defined credit risks (single or portfolio risks) from one contracting partner to another. The seller of the CDS (security provider, protection seller) usually receives a periodic premium (calculated based on the nominal value) from the buyer (security buyer, protection buyer) for taking over the credit risk. This premium depends, among other things, on the quality of the underlying reference debtor(s) (= credit risk).

   A CDS can also be conducted on individual stocks or baskets.

7. Total return swaps (TRS)

   A TRS is a credit derivative as defined in Article 2(7) of Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 04 July 2012 on OTC derivatives, central counterparties and trade repositories where the collateral taker transfers the entire risk of a reference obligation (e.g. an equity index or bond basket whereby in principle all base values pursuant to the Law of 17 December 2010 are permissible) to the collateral provider, involving the transfer of the entire amount of a reference obligation including interest and fee income, gains and losses from price fluctuations and credit losses.

   The Management Company may enter into TRS transactions on behalf of the Fund for hedging purposes and as part of the investment strategy. This includes TRS transactions for efficient portfolio management and to generate additional income, i.e. also for speculative purposes. This may at least temporarily increase the Fund's risk of loss.

   All types of Fund assets permitted in accordance with the Law of 17 December 2010 may be the subject of total return swaps. The percentage of the Fund's assets that may be the subject of total return swaps as a rule and at most is indicated under the heading “Total return swaps” in the overview “Overview of the Fund”. The actual share of the fund volume that is the subject of TRS agreements will be stated in the semi-annual and annual reports. The income from total return swaps – after deducting transaction costs – is allocated entirely to the Fund.

   The contracting parties for TRS are selected using the following criteria:

   Credit institutions and financial services providers established in an EU member state, another EEA signatory state or another state whose prudential rules are considered by the CSSF to be equivalent to those laid down by EU law. In principle, the contracting party must have a minimum credit rating of “Investment Grade”, although this may be waived in duly substantiated exceptional cases. “Investment grade" refers to a rating of "BBB-" or "Baa3" or higher, as part of the creditworthiness check by a rating agency (for example Standard & Poor’s, Moody’s or Fitch). The specific contracting party shall be selected primarily in consideration of the contract conditions offered. The Management Company also monitors the economic circumstances of the relevant contracting party.

Techniques and instruments for efficient portfolio management/security financing transactions

8. Repurchase agreements

   A repurchase agreement is a transaction pursuant to an agreement through which a counterparty sells securities or guaranteed rights to securities, and the agreement contains a commitment to repurchase the same securities or rights – or failing that, of securities with the same characteristics – at a fixed price and at a time fixed by the lender or to be fixed later; rights to securities may be the subject of such a transaction only if they are guaranteed by a recognised exchange which holds the rights to the securities, and if the agreement does not allow one of the counterparties to transfer or pledge a particular security at the same time to more than one other counterparty; for the counterparty that sells the securities, the transaction is a repurchase agreement, and for the other party that acquires it, the transaction is a reverse repurchase agreement.

   Repurchase agreements involve securities, money market instruments or investment units sold by the lender to the borrower, where both borrower and lender are obliged to buy or sell back the sold securities or money market instruments at a price specified when the agreement is concluded

and within a period specified when the agreement is concluded.

The Management Company can conclude repurchase agreements with contract partners which meet the following requirements: It may conclude repurchase agreements with credit institutions and financial service providers with a maximum term of 12 months on behalf of the Fund, provided that the registered office is in an EU member state, in another state party to the EEA or in a third country whose supervisory conditions are considered by the CSSF to be equivalent to those of EU law. In principle, the contract partner must have a minimum credit rating of "Investment grade", but this can be waived in exceptional cases. "Investment grade" means a rating of "BBB-" or "Baa3" or higher, resulting from the analysis of creditworthiness performed by a rating agency (e.g. Standard&Poor's, Moody's or Fitch). Actual contract partners are primarily selected by taking into account the contract conditions offered. The Management Company also monitors the economic circumstances of the relevant contract partners.

The Management Company may transfer the Fund's transferable securities, money market instruments and investment units against compensation to a buyer (simple repurchase agreement) or buy transferable securities under the scope of repurchase agreements within the respective investment limits (reverse repurchase agreement).

The Management Company shall be entitled to terminate the repurchase agreement at any time, except in the case of repurchase agreements with a term of up to one week. Upon termination of a simple repurchase agreement, the Management Company shall be entitled to recall the transferable securities, money market instruments and investment units lent. Termination of a reverse repurchase agreement may lead to either the repayment of the full amount or the accrued cash amount at the current market value. Repurchase agreements are only permissible in the form of genuine repurchase agreements. In these, the lender accepts the obligation to return the transferable securities, money market instruments and investment units at a fixed date or at a date to be determined by the borrower, or to repay the amount in money plus interest.

Assets sold under a repurchase agreement shall be held in custody at the discretion of the lender. Assets purchased under repurchase agreements are held in custody by the Fund Depositary.

Repurchase agreements are undertaken to achieve additional income for the Fund (reverse repurchase agreement) or to temporarily raise additional liquidity in the Fund (simple repurchase agreement).

Income from repurchase agreements shall be credited to the Fund's assets after deduction of the costs related thereto (see Article 13 of the Management Regulations). For arranging, preparing and executing these transactions, the Management Company and other companies belonging to the Union Investment Group receive up to 40% of the gross income. At least 60% of the gross income is credited to the Fund assets.

If repurchase transactions are undertaken, this is stated under the "Securities financing transactions" heading in the overview "The Fund at a glance".

9. Securities lending transactions

   A securities lending transaction is a transaction whereby a counterparty transfers securities, money market instruments and investment units subject to a commitment that the party borrowing the securities, money market instruments and investment units returns equivalent securities at a later date or at the request of the transferring party; For the counterparty transferring the securities, this is a securities lending transaction and for the counterparty to which they are transferred, it is a securities borrowing transaction.

   Securities lending transactions may be entered into by the Management Company to generate additional income for the Fund.

   The Fund may enter into securities lending transactions to generate additional capital or income or to reduce its costs or risks insofar as permissible under the legal provisions, in particular CSSF Circular 08/356 of 4 June 2008 relating to the use of financial techniques and instruments and within the limits laid out therein. The transferable securities, money market instruments and investment units held in the Fund may be transferred to a third party (borrower) as a loan against market-appropriate compensation.

   In this case, "third parties" are generally credit and financial service institutes ("contract partners") with their registered office in an EU member state, in another state party to the EEA or in a third country whose supervisory conditions are considered by the CSSF to be equivalent to those of EU law. In principle, the contract partner must have a minimum credit rating of "Investment grade", but this can be waived in exceptional cases. "Investment grade" means a rating of "BBB-" or "Baa3" or higher, resulting from the analysis of creditworthiness performed by a rating agency (e.g. Standard&Poor's, Moody's or Fitch). Actual contract partners are primarily selected by taking into account the contract conditions offered. The Management Company also monitors the economic circumstances of the relevant contract partners.

   In principle, the Fund must receive a guarantee for securities lending transactions for the entire duration of the transactions, the value of which corresponds to at least the market value of the transferable securities lent. These guarantees must comply with the various requirements stipulated in CSSF Circular 14/592 and include, but are not limited to, liquid funds, fund units, government bonds and bonds of first-class issuers, as well as units of major indices.

   Any collateral received in cash may be reinvested in accordance with aforementioned CSSF Circular 14/592. Should a leverage effect result from this, it must be taken into account in the overall risk limit.

   In order to enter into securities lending transactions, the Fund may either lend directly or via a securities lending system organised by a financial institution. If the securities lending transactions are brokered and settled using a system organised by the financial institution, the provision of col-

lateral may be waived, since the requirements of this system guarantee the protection of the interests of investors.

Income from securities lending transactions is credited to the Fund's assets after deducting the associated costs (see Article 13 of the Management Regulations). At least 60% of the gross income is credited to the Fund's assets. For the initiation, preparation and execution of these transactions, the following companies receive up to 40% of the gross income:
- State Street Bank Luxembourg S.A. (Collateral Management): Up to 5% of the gross income
- DZ PRIVATBANK S.A. (settlement of trades / custody of collateral / control and blocking of securities lent / requirement of securities lending income): Up to 5% of the gross income
- Management Company and other companies belonging to the Union Investment Group (e.g. trading and best execution by portfolio management / transaction register report / central contact person for the collateral manager): at least 30% of the gross income

The assets transferred by way of lending are held in custody at the discretion of the borrower.
All transferable securities, money market instruments and investment units transferred as part of securities lending transactions may be transferred back at any time and all securities lending agreements entered into may be terminated at any time. When a securities lending transaction is concluded, it must be agreed that transferable securities, money market instruments and investment units of the same type, quality and quantity will be transferred back to the Fund within the customary settlement period after the end of the lending transaction. All transferable securities, money market instruments and investment units transferred to an individual borrower or group companies must not exceed 10% of the Fund's assets. When securities lending transactions are settled through a securities lending system organised by a financial institution, the securities lent to a borrower may exceed 10% of the Fund's assets.

The Management Company is not authorised to lend money to third parties on behalf of the Fund.

If securities lending transactions are undertaken, this is stated under the "Securities financing transactions" heading in the overview "The Fund at a glance".

10. Buy/sell-back transactions or sell/buy-back transactions.

A buy/sell-back transaction or sell/buy-back transaction is a transaction whereby a counterparty sells or buys transferable securities or guaranteed rights to transferable securities subject to the commitment to repurchase or resell transferable securities or guaranteed rights with the same features at a specific price and at a future date; This transaction is a buy/sell-back transaction for the counterparty buying the transferable securities or guaranteed rights and a sell/buy-back transaction for the counterparty selling them. Such types of buy/sell-back transactions or sell/buy-back transactions are not included in a repurchase agreement or a reverse repurchase agreement as set out in point 8 above.

The Management Company may enter into securities lending transactions, repurchase agreements and buy/sell-back transactions or sell/buy-back transactions on behalf of the Fund.

It may conclude buy/sell-back transactions or sell/buy-back transactions with credit institutions and financial service providers ("contract partners") with a maximum term of 12 months on behalf of the Fund, provided that the registered office is in an EU member state, in another state party to the EEA or in a third country whose supervisory conditions are considered by the CSSF to be equivalent to those of EU law. In principle, the contract partner must have a minimum credit rating of "Investment grade", but this can be waived in exceptional cases. "Investment grade" means a rating of "BBB-" or "Baa3" or higher, resulting from the analysis of creditworthiness performed by a rating agency (e.g. Standard&Poor's, Moody's or Fitch). Actual contract partners are primarily selected by taking into account the contract conditions offered. The Management Company also follows the economic circumstances of the relevant contract partners.

The Management Company may use the Fund's transferable securities, money market instruments and investment units against compensation as part of buy/sell-back transactions or sell/buy-back transactions. The Fund's entire holdings of securities, money market instruments and investment units may be transferred to third parties as part of a sell/buy-back transaction.

The Management Company may terminate buy/sell-back transactions or sell/buy-back transactions at any time; This does not apply to buy/sell-back transactions or sell/buy-back transactions with a term of up to one week. When terminating a sell/buy-back transaction, the Management Company is entitled to recall the transferable securities, money market instruments and investment units sold as part of the sell/buy-back transaction. Termination of a buy/sell-back transaction may lead to either the repayment of the full cash amount or the accrued cash amount at the current market value of the assets used in the buy/sell-back transaction.

Assets transferred under sell/buy-back transactions shall be held in custody at the discretion of the counterparty. Assets acquired under buy/sell-back transactions are held in custody by the Fund Depositary.

Buy/sell-back transactions or sell/buy-back transactions are entered into to achieve additional income for the Fund or to temporarily raise additional liquidity in the Fund.

Income from buy/sell-back transactions or sell/buy-back transactions shall be credited to the Fund's assets after deduction of the costs related thereto (see Article 13 of the Management Regulations). For arranging, preparing and executing these transactions, the Management Company and other companies belonging to the Union Investment Group receive up to 40% of the gross income. At least 60% of the gross income is credited to the Fund assets.

If buy/sell-back transactions or sell/buy-back transactions are undertaken, this is stated under the "Securities financing transactions" heading in the overview "The Fund at a glance".

Collateral strategy

In cases where the Management Company invests in OTC derivatives or uses security financing transactions or techniques for efficient portfolio management on behalf of the Fund, all collateral provided to the Fund by the relevant counterparty must always fulfil all of the following criteria. All collateral provided by a counterparty:

- must consist of assets that may be acquired on behalf of the Fund pursuant to the Law of 17 December 2010. This collateral includes in particular government bonds, shares, bonds issued by organisations such as the International Monetary Fund, corporate bonds, mortgage bonds, money market instruments and convertible bonds. The residual maturity of such collateral is not restricted.
- must be highly liquid; assets other than cash shall be deemed highly liquid if they can be sold at short notice at a price approaching their true valuation and are traded on a liquid market with transparent pricing.
- is subject to valuation at least once per trading day using the previous day's closing prices. If the market value of collateral received from a counterparty is deducted when calculating the offset amount for the counterparty risk, this shall be after sufficient haircuts. On this basis, and in the event of a shortfall, there will be a daily margin call.
- must originate from issuers with high credit ratings. Where appropriate, further reductions in valuation will be undertaken in accordance with the haircut strategy described below, if the credit rating is less than optimum and prices are volatile.
- may not be issued by an issuer who is himself the contracting party, or a company which has a close links (within the meaning of the Law of 17 December 2010) with the contracting party.
- must exhibit appropriate diversification of risk in terms of countries, markets and issuers. Appropriate diversification in terms of issuer concentration shall be assumed to exist, if the value of the collateral provided by a counterparty and issued by a single issuer does not exceed 20% of the value of the Fund's net assets. If collateral is provided by several counterparties, the value of collateral issued by the same issuer shall be aggregated; its total value must not exceed 20% of the value of the Fund's net assets. Notwithstanding the aforementioned restriction, the Fund may be fully collateralised using various transferable securities and money market instruments which are issued or guaranteed by an EU Member State or its local authorities or by an OECD Member State or by international public bodies to which one or more EU Member States belong. The Fund must hold transferable securities from at least six different issues, with transferable securities of a single issue not exceeding 30% of the Fund's net assets. Correlation aspects are not taken into account in the collateral strategy.
- may not pose any significant operational or legal risks in terms of their management and safekeeping.
- shall be held in safekeeping by a depositary that is subject to effective public supervision and is independent of the provider of the collateral, or shall be legally protected from counterparty default, provided this collateral has not been transferred.
- may be reviewed by the Management Company even without the consent of the collateral provider.
- may be used immediately on behalf of the Fund.
- shall be subject to legal provisions in the event the collateral provider becomes insolvent.

Collateral in the form of bank account balances shall only be invested in the currency of the balance in the following: blocked accounts with the Depositary or, upon approval by the Depositary, with other credit institutions domiciled in an EU member state or credit institutions domiciled in a third country whose supervisory provisions are deemed by the CSSF to be equivalent to those of EU law; high-quality debt securities issued by the German Federal Government, a German Federal State, the European Union, an EU Member State or its local authorities, another country which is party to the Agreement on the European Economic Area or a third country; money market funds with a short term structure in accordance with the CESR Guidelines (CESR/10-049), or in reverse repurchase agreements with a credit institution ensuring prompt repayment of the accrued balance at all times.

Collateral in the form of assets will not be reused and, in particular, not sold, transferred, pledged or invested.

Any risks related to collateral management, particularly operational and legal risks, will be identified, assessed and controlled by risk management.

Where a counterparty is required to provide collateral due to the use of OTC derivatives, the collateral provided shall be subjected to a percentage reduction to its current market value ("haircut").

The Management Company applies the following haircuts to collateral. The Management Company does, however, reserve the right in the event of significant changes in the market/counterparty position to amend this haircut strategy at any time in order to be able to adequately reflect the impact of the amended assessments on the Fund's assets in terms of risk.

Admissible collateral: Minimum haircut

Equities: 5%

Cash and money market instruments*: 0%

Government bonds: 0-1%

Bonds from supranational organisations (e.g. International Monetary Fund): 1%

Mortgage bonds and borrowers' notes of multilateral development banks: 1%

Corporate bonds: 5%

* Upon receipt of the cash collateral in foreign currencies (as opposed to the Fund currency), a haircut of up to 5% may be applied by the Management Company due to possible currency fluctuations.

The haircuts are agreed with the counterparty in accordance with the haircut strategy followed by the Management Company. When determining the haircuts under the haircut strategy, the Management Company takes account of the asset-class and

instrument-specific characteristics of the assets received as collateral, particularly the creditworthiness of the issuer and the price volatility. Generally, the above also applies to security financing transactions.

Where a haircut is not undertaken in connection with the provision of collateral in securities financing transactions, the collateral provided by the counterparty shall not be counted towards the maximum permitted counterparty risk.

The haircut strategy set out in writing will be regularly reviewed by the Management Company and adjusted where appropriate.

If the Management Company receives more than 30% of the Fund's assets as collateral on behalf of the Fund, the Management Company shall conduct additional appropriate stress tests pursuant to its stress test strategy. It shall ensure that in both normal and exceptional liquidity conditions, regular stress tests are undertaken so that it can assess the liquidity risk associated with the collateral received for the Fund.

Investment of collateral and associated risks

- Bank balances:

  Collateral in the form of bank balances shall be held in the currency of the balance in blocked accounts with the depositary or, with the consent of the depositary, with other credit institutions established in an EU member state or other EEA signatory state, or with other credit institutions established in a non-EU member state whose prudential supervisory provisions are deemed by the supervisory authority to be equivalent to those of EU law, or invested in bonds of high quality issued by the European Union, an EU member state or its local authorities, another EEA signatory state, or a non-EU member state, in money market funds with a short maturity structure in accordance with the circulars issued by the supervisory authority or in reverse repurchase agreements with a credit institution ensuring prompt repayment of the accrued balance at all times.

  Reinvestments of collateral in the aforementioned bonds and short-term money market funds are associated with a risk of price loss. In particular, bond price losses may ensue as a result of the deterioration of the issuer's solvency.

  With respect to bank balances held on a blocked account kept with a credit institution, there is a fundamental risk of loss in the event of the insolvency of the credit institution managing the account. Pursuant to the diversification requirement to be observed by the Management Company, the maximum loss per insolvent credit institution amounts to 20% of the Fund's net assets. If the credit institution managing the account is a member of the protection scheme of the National Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken), then any balances held there are fully protected from loss through the guarantee provided by the aforementioned safety facility.

  Reverse repurchase agreements carry the risk that market movements until the time of repurchase of the transferable security may cause the purchase price paid by the Management Company to no longer reflect the value of the repurchased transferable securities. On the other hand, the Fund then bears a counterparty risk equal to the difference, if the value of the included transferable securities rises higher than the purchase price received by it.

- Other collateral:

  Collateral in the form of transferable securities and money market instruments will not be reused and, in particular, not sold, transferred, pledged or invested.

- Collateral risks:

  Any risks related to collateral management, in particular operational and legal risks, are identified, assessed and controlled by the Management Company's risk management.

7. Issue of units

The Fund’s units shall be issued at the issue price. If units are issued in a country where stamp duties or other charges apply, the issue price shall be increased accordingly.

The Management Company is authorised to issue new units continuously. Nonetheless, the Management Company reserves the right to suspend or terminate the issue of units in accordance with the provisions of the Management Regulations and Special Regulations of the Fund. Any payments already made will, in this case, be refunded immediately.

Units may be acquired from the Management Company, the Depositary and the paying and sales agents listed in this Sales Prospectus. The Management Company ensures that, in all cases, the units are issued on the basis of a unit value unknown to the investor at the time of submission of the subscription order.

The Management Company gives part of the initial sales charge (if collected) and management fee to its distribution partners as sales commission payments for their agency services. The amount of the commission payments will be measured according to the distribution channel used and the fund volume brokered. In this way, a substantial part of the initial sales charge (if charged) and management fee can be passed on to the distribution partners of Union Investment in the form of commission payments. Union Investment also grants its distribution partners further contributions in the form of supportive benefits in kind (e.g. employee training) and, where appropriate, performance bonuses which are likewise connected to the distribution performance of those partners. The granting of such benefits in kind will not conflict with the interests of investors, but are intended to maintain and further improve the quality of services provided by the distribution partners.

Should the laws of a country prescribe lower rates than the sales commissions currently stipulated, the banks of that country can sell fund units with a lower sales commission, which, however, must not be less than the maximum permissible sales commission in that country.

If the Fund units are admitted for official trading on a stock exchange, this will be stated under "The Fund at a glance".

The possibility cannot be ruled out that Fund units will also be traded on other markets (for example: inclusion of the Fund in OTC dealings of a stock exchange).

The market price forming the basis for stock market dealings or trading on other markets is not determined exclusively by the

value of the assets kept in the Fund, but also by supply and demand. This market price can therefore differ from the unit price.

8. Redemption of units

The unitholders are entitled to redeem their units at the redemption price stated in the Fund's Special Regulations at any time through a paying agent, the Depositary or the Management Company. The Management Company ensures that, in all cases, the units are redeemed on the basis of a unit value unknown to the investor at the time of submission of the redemption order.

All other payments to unitholders, particularly distributions in respect of fund units, will also be made through the paying agents, Depositary or Management Company.

9. Calculation of the unit value

In order to calculate the unit value, the value of the Fund's assets minus the liabilities of that fund (the "Fund's net assets") is ascertained on each valuation day within the meaning of the provisions of the Fund's Management Regulations, including the Special Regulations, and is divided by the number of units in circulation.

Further details concerning the calculation of the value of the units can be found in the Management Regulations (particularly Article 8) and the Special Regulations of the Fund.

10. Use of income

The use of income is specified in the Fund's Special Regulations. In accordance with the provisions of Article 11 of the Management Regulations, the ordinary net income, the price gains realised on the Fund’s holdings and other assets may be distributed as dividends.

11. Price publication

The relevant valid issue and redemption prices can be obtained from the Management Company, the Depositary and the paying and sales agents. They are published on the Management Company's website which can be accessed via www.union-investment.com.

12. Charges

The Management Company is entitled to receive an appropriate fee for the management of the Fund and to determine the resulting fees for other service providers commissioned for the Fund.

For further details, please refer to the provisions in Article 13 of the Management Regulations and Article 25 of the Special Regulations, as well as to "The Fund at a glance".

13. Taxes

Taxation of the Fund's assets and earnings

The Fund's assets are currently subject to a "taxe d'abonnement" of up to 0.05% p.a. in the Grand Duchy of Luxembourg, payable quarterly on the respective reported Fund's net assets at the end of the quarter. Insofar as the Fund's assets are invested in other Luxembourg investment funds that are already subject to the taxe d'abonnement, the portion of the Fund's assets invested in such Luxembourg investment funds is exempt therefrom.

Income from the investment of the Fund's assets will not be taxed in Luxembourg. However, it may be subject to withholding or other tax in the countries in which the Fund's assets are invested. Neither the Management Company nor the Depositary will obtain individual or collective receipts for such taxes.

With Council Directive 2003/48/EC on taxation of savings income in the form of interest payments ("Savings Directive"), the EU Member States agreed on mutual assistance for the collection of income tax on interest paid in one Member State to individuals resident for tax purposes in another Member State. To that end, an automatic exchange of information was stipulated between the national tax authorities. Since 1 January 2015, Luxembourg has not participated in the automatic exchange of information agreed between the other States. Instead, a withholding tax on interest income was introduced in Luxembourg, which recently amounted to 35% and was paid anonymously to the Luxembourg tax authorities.

Since 1 January 2015, the Grand Duchy of Luxembourg has been automatically exchanging information pursuant to Directive 2003/48/EC and abstains from the withholding tax procedure. Consequently, any interest payments payable within the scope of Directive 2003/48/EC are pursuant to the automatic exchange of information.

The next stage towards the introduction of automatic information exchange is the amendment of Council Directive 2011/16/EU of the Council of 15 February 2011 on administrative cooperation in the field of taxation ("Administrative Cooperation Directive"). With this Directive, the OECD standard for the automatic exchange of information on financial accounts is incorporated into EU law.

The scope of the revised Administrative Cooperation Directive is broader than that of the Savings Directive and includes interest, dividends and other income as well as account balances and other proceeds from the sale of financial assets.

Since the Administrative Cooperation Directive is based on a transparency approach ("look-through" approach), it applies not only to individuals, but also to

(i) legal entities;

(ii) associations that have been granted legal capacity but that do not have the legal status of a legal entity, and

(iii) other legal arrangements subject to the taxes covered by the Administrative Cooperation Directive.

The automatic information exchange introduced with the amended Administrative Cooperation Directive relates to information regarding taxable periods as from 1 January 2016. Communication of the information takes place every year within nine months after the end of the calendar year or the corresponding reporting period to which the information relates.

Investors who are not resident in and/or do not maintain a business establishment in the Grand Duchy of Luxembourg are not required to pay any further income, inheritance or wealth tax in the Grand Duchy of Luxembourg in respect of their units or of

income deriving from their units. They are subject to national tax regulations.

Natural persons who are resident in the Grand Duchy of Luxembourg for tax purposes are required to pay a withholding tax of 10% on interest income accrued there after 1 July 2005 and paid after 1 January 2006, in accordance with the Luxembourg Law of 23 December 2005 implementing the Directive. Under certain circumstances, investment fund interest income may also be subject to such a withholding tax. At the same time, the Grand Duchy of Luxembourg abolished wealth tax.

Unitholders are recommended to seek advice about the laws and regulations (such as those concerning the tax system and foreign exchange control) which are valid for the subscription, purchase, holding and sale of units, as well as for receiving earnings at their place of origin, residence and/or stay. The additional sales documents required by law in the individual distribution countries may contain information on the tax regulations applicable to the subscription, purchase and sale of units, as well as to the receipt of income in these distribution countries. Despite this information, unitholders are recommended to seek individual advice from an external third party, particularly through the services of a tax adviser.

14. General risk information

The Management Company may, subject to the principle of risk diversification and within the framework of the investment restrictions in Article 4(4) of the Management Regulations, invest up to 100% of the Fund's net assets in the transferable securities of a single issuer.

The following general risk information must also be observed:

General

The assets in which the Management Company invests for the account of the Fund are associated with risks as well as opportunities for growth in value. Losses can occur if the market value of the assets decreases compared to the cost price. If investors sell Fund units at a time when the value of assets in the Fund has decreased compared to when the units were purchased, they will not get back the capital they invested in the Fund, either in whole or in part. Despite the fact that each fund aims to achieve constant growth, this cannot be guaranteed. However, the investor's risk is limited to the amount invested. Investors are not obliged to provide any supplementary funding in addition to the money invested.

Additional risks may be incurred by the concentration of investments in certain assets or markets. A fund is then particularly dependent on the way those assets or markets develop. Furthermore, inflation constitutes a devaluation risk for all assets.

In observance of the investment principles and restrictions laid down in the Law of 17 December 2010 and the Management Regulations and Special Regulations, which provide for a broad framework for the Fund, the actual investment policy can also be geared towards acquiring assets by, for example, focusing on only a few sectors, markets or regions/countries. Such concentration on a few specific investment sectors may offer special opportunities which, however, are matched by corresponding risks (e.g. narrow markets, high volatility within specific economic cycles).

Additional risk notes can be found in the Fund's Special Regulations and in "The Fund at a glance" below.

Capital market risk

The development of the market values of financial products particularly depends on capital market development, which is in turn influenced by the general situation of the global economy, as well as the economic and political conditions in individual countries. General price trends, particularly on stock markets, can also be affected by irrational factors such as mood swings, opinions and rumours. Fluctuations in prices and market values may also be caused by changes in interest rates, exchange rates or issuer credit ratings.

Interest rate risk

Investing in fixed-rate transferable securities is connected with the possibility that the current interest rate at the time of issuance of a transferable security could change. If the current interest rate increases compared to the interest at the time of issuance, fixed-rate transferable securities will generally decrease in value. In contrast, if the current interest rate falls, the price of fixed-rate transferable securities increases. These developments mean that the current yield of fixed-rate transferable securities roughly corresponds to the current interest rate. However, such fluctuations may have different consequences, depending on the (residual) maturity of fixed-rate transferable securities. On the one hand, fixed-rate transferable securities with short maturities bear lower price risks than those with long maturities. On the other hand, fixed-rate transferable securities with short maturities generally have smaller yields than those with long maturities.

Money market instruments tend to involve lower price risks due to their short maturity of up to a maximum of 397 days.

Risk of negative deposit rates

The Management Company invests the liquid assets of the Fund with the Depositary or other banks on behalf of the Fund. An interest rate is often agreed for these bank balances that corresponds to the European Interbank Offered Rate (“Euribor”), less an applicable margin. If the Euribor falls below the agreed margin, this will lead to negative interest rates on the corresponding account. Depending on developments with the ECB interest rate policy, short, medium and long-term bank balances may all generate a negative interest rate. Accordingly, investments of liquid funds based on an interest rate other than the Euribor and investments of liquid funds in a foreign currency that take account of the interest rates of foreign central banks may lead to negative interest rates.

Country or transfer risk

A country or transfer risk arises for example when a foreign debtor, despite being solvent, may be unable to make payments in the required currency, on time or even at all, due to a lack of transfer capability or transfer readiness of their country of domicile, or may only be able to make such payments in another currency. As a result, payments to which the Fund is entitled, may, for example, be made in another currency or in one which is not (or no longer) convertible due to foreign exchange restrict-

ions, or these payments may even not be made at all. If the debtor pays in another currency, this position will be subject to the currency risk described in this Chapter.

Investments in emerging markets

Investing in emerging markets (rapidly developing economies/emerging countries) entails particular risks, such as political changes, exchange rate fluctuations, lack of stock exchange controls, taxes, foreign capital investment restrictions and transfer risk, as well as capital markets which show slim market capitalisation and might tend to be volatile and non-liquid.

Investments in Russia

Where appropriate, the Fund may, in accordance with its investment policy, invest in transferable securities of Russian issuers. The Russian stock exchange (OJSC "Moscow Exchange MICEX-RTS") is a "regulated market" within the meaning of Article 4(1.1)(a) of the Management Regulations (General investment policy guidelines). To implement the Fund's investment policy, investments can only be made in transferable securities of Russian issuers which have been admitted to or are traded on the aforementioned stock exchanges.

Transferable securities held in safekeeping in Russia pose certain risks with respect to ownership and safekeeping, because proof of legal claim to shares is kept in the form of delivery by book-entry. This means that, in contrast to common practice in Europe, ownership is proven via an entry in the books of a company or an entry in a Russian registration office. Since this registration office is neither subject to any real state supervision nor liable vis-à-vis the depositaries, there is a danger that the Fund might lose the registration and ownership or Russian transferable securities due to carelessness, negligence or fraud.

Settlement risk

Particularly in the case of investing in unlisted transferable securities, there is the risk that settlement through a transfer system may not be carried out according to expectations, because of a payment or delivery which was delayed or not made as agreed.

Default/Counterparty risk

The default of an issuer or counterparty may produce a loss for the Fund. Issuer risk refers to the impact of particular developments concerning a given issuer that affect the price of a transferable security, in addition to the influence exerted by general trends in capital markets. Even when assets are carefully selected, losses due to the financial collapse of issuers cannot be ruled out. The counterparty of a contract concluded for the account of the Fund may default either wholly or partly (counterparty risk). This applies to all contracts concluded for the account of the Fund.

Currency risk

If Fund assets are invested in currencies other than the fund currency, the Fund will receive any income, reimbursements or proceeds from such investments in this other currency. If this currency decreases in value relative to the Fund currency, the value of such investments will also fall, resulting in a drop in the value of the Fund.

Custody risk

The custody of assets, particularly abroad, is associated with a risk of loss, which can result from the insolvency, breach of duty of care or wrongful conduct of the Depositary, a sub-depositary or a sub-custodian.

With respect to bank balances kept with a credit institution, there is a fundamental risk of loss if the credit institution managing the account becomes insolvent. Pursuant to the diversification requirement to be observed by the Management Company, the maximum loss per insolvent credit institution amounts to 20% of the Fund's net assets. If the credit institution managing the account is a member of the protection scheme of the National Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken), then any balances held there are fully protected from loss through the guarantee provided by the aforementioned safety facility.

Liquidity risk

Assets which have not been admitted to the official market on a stock exchange or are not incorporated into an organised market may also be acquired for the Fund. The purchase of such assets is associated with the risk of illiquidity premiums which may result in considerable price fluctuations of the Fund's assets, such that problems may arise especially when such assets are sold on to third parties. Problems of this sort may also occur in connection with assets that are authorised for trading on a stock exchange or included on an organised market.

The Management Company has laid down the following written principles and procedures enabling it to monitor liquidity risks: Taking into account the investment strategy set out in Article 20 “Investment Policy” of the Special Regulations, the Fund's liquidity profile is as follows:
The liquidity profile of a fund is determined by its structure in terms of the assets and liabilities contained in the Fund, as well as the investor structure of the Fund. The Fund's liquidity profile thus results from this information, taken as a whole. In connection with the assets and liabilities of the Fund, the liquidity profile of the Fund is based on liquidity estimates for each of the individual investment instruments and their contribution to the portfolio. For each investment instrument, a range of factors such as trading volumes or instrument category are taken into account, as well as qualitative analyses where appropriate. The Management Company has established the redemption principles set out in Article 7 “Redemption of Units” of the Management Regulations. The Management Company monitors the liquidity risks at Fund level in a multi-stage process. Liquidity information is produced both for the underlying investment instruments in the Fund and for cash inflow and outflow. In addition to ongoing monitoring of the liquidity situation based on indicators, scenario-based simulations are undertaken. These examine the effects that different assumptions about asset liquidity in the Fund will have on the capacity to handle the simulated cash outflows. Both quantitative and qualitative factors will then be used to produce an overall estimate of the Fund's liquidity risk.

The Management Company regularly reviews these principles and updates them as appropriate. The Management Company defines appropriate limits for the liquidity and non-liquidity of the Fund. Periodic fluctuations are possible. The Management

Company takes preventive liquidity measures and has a liquidity control procedure in place to assess the quantitative and qualitative risks of positions and proposed investments that could have a material impact on the liquidity profile of the Fund's portfolio. These procedures aim at implementing the existing and continuously updated knowledge and experience of the Management Company about the liquidity of the assets in which the Fund has invested or proposes to invest, including (where appropriate) information about trading volumes, price sensitivity, and – depending on the case – about the spread of individual assets in both normal and exceptional liquidity conditions. The Management Company conducts regular stress tests, currently at least once per year, which it can use to assess the liquidity risks of the Fund. The Management Company conducts these stress tests based on reliable, up-to-date quantitative information or – if required – qualitative information. These include the investment strategy, redemption periods, payment obligations and periods during which assets may be sold, as well as specific information about general investor behaviour and market developments, where appropriate. The stress tests simulate a situation of lacking liquidity of the assets in the Fund, as well as atypical redemption requests. They cover market risks and their effects, including the effects of margin calls, collateral calls or credit lines. They also take account of valuation sensitivities under stress conditions. Furthermore, they are performed with a frequency appropriate for the Fund and take account of the investment strategy, liquidity profile, investor profile and redemption principles of the Fund.

Legal and tax risk

The legal and tax requirements of the Fund may change in a manner which is unpredictable and cannot be influenced.

Risks in connection with exercising shareholders' rights

The Management Company itself represents the shareholders' rights (voting rights) at general meetings or authorises third parties to do so. The market practice prevalent in some countries of blocking registered holdings may result in a performance disadvantage for the Fund or investor.

Risk of change in investment policy

Amendments to the investment policy within the investment spectrum permitted for the Fund may bring about a material change in the risks associated with the Fund.

Risk of change to the risk profile

The investor must accept that the specified risk profile of the Fund may change at any time. Details are provided in section 15 entitled "Risk profile of the Fund".

Amendments to Sales Prospectuses and the Management Regulations and Special Regulations; dissolution or merger

In the Fund's Management Regulations, the Management Company reserves the right to amend the Management Regulations and/or Special Regulations with the consent of the Depositary and the approval of the competent Luxembourg supervisory authority (see also Article 15 of the Management Regulations entitled "Amendments"). Furthermore, in accordance with the Management Regulations, it may completely liquidate the Fund or merge it with another UCITS managed by it or by another management company (see Article 12 of the Management Regulations entitled "Duration and liquidation of the Fund and the merging of funds"). The risk for the investor therefore means, for example, that he may be unable to keep to his planned holding period.

Risk of redemption suspension

Investors may, as a matter of principle, request the redemption of their units from the Management Company on any valuation day. However, the Management Company may temporarily suspend the redemption of units should extraordinary circumstances occur, and may redeem the units at a later point at the price valid on said date (see Article 9 of the Management Regulations "Suspension of the calculation of the unit value" and Article 7 of the Management Regulations "Redemption of units"). This price may be lower than the price before the suspension of the redemption of units.

The Management Company may also be compelled in particular to suspend redemption if one or more funds whose units were acquired for the Fund suspend the redemption of units on their part.

Risks related to derivative transactions

The purchase and sale of options, as well as the conclusion of futures or forward contracts or swaps, entail the following risks:

- Potential losses may occur from the use of derivatives which, under some circumstances, cannot be predicted and may even exceed the initial payments.
- Changes to the value of the underlying instruments can diminish the value of an option right or futures or forward contract. If the value is reduced to nil and the derivative thus becomes worthless, the Company may be forced to relinquish the acquired rights. The Fund may also suffer losses due to changes in the value of an asset underlying a swap.
- A liquid secondary market for a specific instrument may be absent at a given time. An item in derivatives may not be neutralised (entered into) in economic terms under certain circumstances.
- A necessary quid-pro-quo transaction (closing out) is associated with costs.
- The leveraging effect of options may have a greater impact on the Fund's assets than the direct purchase of the underlying instruments. The risk of loss may be impossible to determine at the time of concluding the transaction.
- The purchase of options carries the risk that the option may not be exercised because the prices of base values do not progress as expected, such that the option premium paid by the Fund is forfeited. The sale of options entails the risk that the Fund may be required to accept assets at a higher market price than the current one or to deliver assets at a lower market price than the current one. The Fund would then suffer a loss amounting to the difference in price less the option premium.
- Futures and forward contracts are associated with the risk that the Management Company may be obliged, for the account of the Fund, to bear the difference between the price at the time of concluding the transaction and the market price at the time of settlement or maturity. This

would cause the Fund to suffer losses. The risk of loss is impossible to determine at the time of concluding the futures or forward contract.

- Predictions made by the Management Company regarding the future performance of assets, interest rates, prices and currency markets may ultimately prove to be incorrect.
- It may not be possible to buy or sell the assets underlying the derivatives at an appropriate time, or it may be necessary to buy or sell at an inappropriate time.

The following risks may arise in the case of transactions with OTC derivatives:

- There may be no organised market, such that the Management Company cannot sell the financial instruments acquired on the OTC market for the account of the Fund or can only sell them with difficulty.
- Any quid-pro-quo transaction (offsetting) may be difficult, impossible or associated with significant costs due to individual agreements.

Derivatives may be used either for hedging capital market risks or for investment purposes. Similarly to the direct investment in transferable securities, this may increase exposure to equity, interest rate change, credit and currency risks. Such exposure may not necessarily be reflected in the relevant assets of a fund; however, the conclusion of such transactions may increase the Fund's risks.

Risks in relation to securities lending transactions

If the Management Company grants a loan involving transferable securities, money market instruments or investment units on behalf of the Fund, it transfers these securities, instruments or units to a borrower who, at the end of the lending agreement, returns transferable securities, money market instruments or investment units of the same type, quantity and quality (securities lending transaction). Although the borrower is required to provide collateral equalling at least the market price of the loaned assets, plus any revenues arising therefrom and a surcharge whose amount is in line with market standards, and this borrower is also obliged to provide additional collateral, there remains the risk, in the event of the deterioration of the economic situation, that the Fund may not be adequately covered due to value changes in the collateral and/or the loaned assets. There is also a risk that a borrower does not meet an obligation to provide collateral through additional funding, meaning that the existing entitlement to a return is not fully covered if the contracting party defaults. In these cases, there is a counterparty risk amounting to the underhedging. If collateral is held at an establishment other than the Fund's depositary, there is also a risk that if the borrower defaults, it may not be possible to realise the securities immediately or to the fullest extent.

If the Management Company receives cash collateral for the account of the Fund, there is a non-payment risk with respect to the relevant credit institution managing the account.

The Management Company is not able to dispose of loaned assets during the duration of the transaction. If the asset depreciates throughout the duration of the transaction and the Management Company wants to sell the asset as a whole, it must terminate the lending transaction and wait for the usual settlement cycle to transfer the loaned assets to the custodian account of the Fund before a sales order can be issued which may result in a loss for the Fund during this period.

Risks associated with repurchase agreements

If the Management Company transfers securities, money market instruments or investment units under repurchase agreements for the account of the Fund, it is selling them and is obligated to buy them back at the end of an agreed term for a surcharge. The buy-back price to be paid by the seller at the end of the term, including surcharge, is stipulated on concluding the transaction. Repurchase agreements carry the risk that market movements until the time of repurchase of the transferable security may cause the purchase price paid by the lender to no longer reflect the value of the repurchased transferable securities. The lender then bears a counterparty risk equal to the difference, if the value of the included transferable securities falls below the purchase price paid by him. On the other hand, the borrower then bears a counterparty risk equal to the difference, if the value of the included transferable securities rises higher than the purchase price received by him.

To avoid a contracting party defaulting during the term of a repurchase agreement, the Management Company must ensure that sufficient collateral is provided. Should the contracting party default, the Management Company has the right to liquidate the collateral provided. This can give rise to a risk of loss for the Fund in that the collateral provided is no longer sufficient to fully cover the Management Company's entitlement to a return rising prices for the securities, money market instruments or investment units transferred in the repurchase agreement. Coverage for the aforementioned counterparty risk requires a separate agreement between the Management Company and the relevant counterparty. The Management Company has entered into such agreements with all relevant counterparties for repurchase agreements. These agreements stipulate that the aforementioned counterparty risk of repurchase transactions needs to reach a minimum level for collateral to be required. Collateral will, in that case, be provided through a securities transfer. Therefore, the counterparty risk borne by the Fund in connection with repurchase agreements in transferable securities will not exceed the aforementioned minimum amount.

Counterparty risk may also exist if the Management Company has provided collateral to the counterparty, who has come to have excess coverage due to changes in the value of collateral and/or the transferable securities underlying the repurchase agreement, but the Management Company is not entitled to demand the return of the collateral because the aforementioned minimum amount has not been reached or the counterparty refuses to return the collateral in violation of the contract.

Notwithstanding the above, the extent of counterparty risk may not exceed 5% of the Fund's assets or 10% of the Fund's assets if the contracting party is a credit institution established in a member state or, where the registered office of the credit institution is in another state, or credit institutions domiciled in a third country whose supervisory provisions are deemed by the CSSF to be equivalent to those of EU law.

If the Management Company receives cash collateral for the

account of the Fund, there is a non-payment risk with respect to the relevant credit institution managing the account.

If the transferable securities, money market instruments or investment units included in the repurchase agreement should depreciate in value during the course of the contract and the Management Company should wish to sell these in order to limit its losses, then it can only do so by exercising the right of early termination. Any early termination of an agreement may have financial consequences for the Fund. In these cases, the Fund may also suffer a loss due to the fact that the Management Company must wait for the completion of the customary process of transferring the transferable securities, money market instruments or investment units to the custody account of the Fund before being able to issue a selling order. The surcharge to be paid at the end of the term could also be higher than the income generated by the Management Company by reinvesting the cash funds held.

Should the Management Company acquire transferable securities, money market instruments or investment units under repurchase agreements, it buys these and must sell them back at the end of a term. The repurchase price (plus a surcharge) shall be determined when the transaction is concluded. Transferable securities, money market instruments or investment units acquired under repurchase agreements shall serve as collateral for providing liquidity to the contracting party. Any increase in the value of the transferable securities, money market instruments or investment units shall not accrue to the Fund.

Risks associated with buy/sell-back transactions or sell/buy-back transactions

Buy/sell-back transactions or sell/buy-back transactions carry the risk that market movements may cause the agreed purchase price or sale price of the assets used in the buy/sell-back transaction or sell/buy-back transaction to no longer reflect the market value.

Risks associated with total return swaps

Total return swaps are exposed to the credit risk and price risk of the underlying asset. They are also exposed to market and counterparty risks, where the counterparty risk cannot be isolated and simultaneously the market risk structure of the Fund's assets may change.

Risks associated with receiving collateral

The Management Company receives collateral in return for derivative transactions, security financing transactions and total return swaps. Derivatives, loaned transferable securities, money market instruments and investment units or transferable securities, money market instruments and investment units included in a repurchase agreement may increase in value. If this is the case, the collateral received may no longer be enough to fully cover the entitlement of the Management Company against the counterparty for delivery or return.

The Management Company may invest cash collateral in blocked accounts, high-quality government bonds or money market funds with a short duration structure. However, the credit institution where the bank balances are held might default. Government bonds and money market funds could decrease in value. At the end of the agreement, the invested collateral could no longer be fully available, despite the Management Company's obligation to return it in the original amount on behalf of the Fund. In this case, the Fund shall have to bear the losses sustained on the collateral.

Risks in relation with investment units

The risks of investment units acquired for the Fund (target fund units) are closely connected with the risks for the assets in those funds or the investment strategies pursued by them. However, these risks can be reduced by diversifying the assets in the fund whose units are being acquired, as well as through diversification within this Fund.

The target funds can pursue the same or diverging investment strategies. In this way, risks can build up and possible opportunities can cancel each other out.

It is not possible for the Management Company to control the management of external target funds. Their investment decisions do not necessarily have to conform to the assumptions or expectations of the Management Company.

Sustainability risks

Sustainability risks are environmental, social or corporate governance events or conditions, which may actually or potentially have a material adverse effect on the value of the Fund's
investment. Sustainability risks are part of the already known risk types such as market risk, liquidity risk, counterparty risk and operational risk and can influence the materiality of these risks.

I. Consideration of sustainability risks by Union Investment

a. Investment decisions

Investment decisions at Union Investment are made on the basis of a fundamental research process. The principle of ESG integration is also integrated into all investment decisions. ESG integration is the systematic consideration of sustainability factors in the key steps of the investment process. Sustainability factors include environmental, social and employee concerns, respect for human rights and the fight against corruption and bribery.
The integration of sustainability factors into the fundamental research process at Union Investment is generally ensured by an ESG Committee. it deals with, inter alia, specific companies, sectors and countries that are of particular relevance for risk, return and valuation considerations due to concrete events and/or structural trends from a sustainability perspective. The Committee issues binding investment signals and recommendations relevant to all asset classes concerned and all portfolio managers.

b. Inclusion of sustainability risks in investment decisions

Sustainability analysts and portfolio managers analyse the main sustainability risks for a given sector or asset class, thereby expanding the traditional fundamental analysis to include financially relevant sustainability risks.
The results of the ESG analysis and individual sustainability factors are documented. Union Investment's portfolio managers have access to this documentation and can view and measure the sustainability risks of portfolios and base their investment decisions on them.
In order to reduce sustainability risks, portfolio management

seeks constructive dialogue with the issuers in which investments are made. The aim is to actively influence issuers with regard to opportunities and risks that may be associated with sustainability factors.

c. Impact on returns

Taking sustainability factors into account can have a significant impact on the performance of an investment over the long term. Issuers with poor sustainability standards may be more vulnerable to event, reputational, regulatory, litigation and technology risks. These sustainability-related risks can have, inter alia, an impact on the operating business, on the brand or company value and on the continued existence of the company or investment. The occurrence of these risks may lead to a negative valuation of the investment, which in turn may have an impact on the returns of the Fund.

II. Consideration of sustainability risks by outsourcing companies

The information provided by the company entrusted with the portfolio management of the Fund on the way in which sustainability risks are incorporated into the investment process and on the possible extent of the impact of sustainability risks on returns is identical to that provided by the Management Company.

15. Risk profile of the Fund

The existing assessment regarding the risk profile of the Fund is expressed by the Management Company in the following risk classes:

- Low risk
- Moderate risk
- Increased risk
- High risk
- Very high risk, up to the complete consumption of capital

Risk classes are allocated on the basis of an internal model, which takes account of the risk factors of the Fund based on the investment policy described in this Sales Prospectus and the risks inherent to the Fund. However, not all potential risks are taken into account (see section 14 entitled "General risk information"), since some of the risks presented (e.g. inflation risks) are not only influenced by the investment policy described in the Fund's Sales Prospectus, but are also exposed to other factors. Against this backdrop, the internal model used only evaluates the risks specified below: share price risk (market risk), interest rate risk, corporate risk (counterparty risk), currency risk, real estate risk, commodity risk, private equity risk, hedge fund risk, high yield risk, emerging markets risk (country and transfer risk), sector risk (concentration risk), leverage risk (risk regarding derivative transactions), liquidity risk, counter-trend market risk.

An analysis is carried out on the Fund to determine the extent to which it is exposed to the individual risk factors used. The results are then analysed, leading to an assessment of the Fund's risk profile. In this, the following applies: the greater a risk factor, the more likely it is to have an influence on the performance of the Fund.

It should be noted that in such an assessment, the respective risks are weighted differently. The weighting and assessment of risk is carried out on the basis of a retrospective view. This means that risks contained in the Fund may actually affect its performance more significantly than is expressed by the assessment carried out on the risk profile. This is particularly the case when any risks contained in the Fund have a more severe effect than was observed in the past.

In addition, it must be considered that assigning a risk class through consideration of the risk factors in accordance with the aforementioned internal model is not appropriate for funds with certain characteristics. Against this backdrop, guarantee funds and value-protected funds are, for example, classified as having moderate risk. However, absolute return and multi-asset funds are assessed on the basis of a value-at-risk limit and then assigned to a risk class.

For the aforementioned reasons, it should be noted that the weighting of the individual risk factors, as well as the extent of each risk factor, may change over time due to new market conditions. Investors must therefore take into account that the allocation to a specified risk class may change over time. In particular, this may be the case when new market conditions persistently demonstrate that the individual risk factors should be weighted or assessed differently.

Therefore, the assessment of the Fund's risk profile is not a guarantee for any actual gains or losses incurred by the Fund.

If the standard model described above is not used for the allocation of the Fund to a risk class, the model used for the Fund in derogation from this is described in more detail in the "The Fund at a glance" overview of the Sales Prospectus under the section entitled "Risk profile of the Fund".

Differences between the risk profile in the Sales Prospectus and the Key Information Document

In the KID for the Fund or for its unit classes, which must be prepared based on the implementation of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs Regulation), Commission Delegated Regulation (EU) 2017/653 of 8 March 2017 supplementing Regulation (EU) No 1286/2014 (Delegated Regulation to the PRIIPs Regulation) and Commission Delegated Regulation (EU) 2021/2268 of 6 September 2021 amending Delegated Regulation (EU) 2017/653 from 1 January 2023 in addition to the Sales Prospectus, a total risk indicator will be shown in the section entitled "What risks are involved and what could I get in return". This indicator includes a number of risk classes on a scale of 1 to 7. A classification is made on this scale solely based on previous volatility or, in cases where this volatility cannot be calculated, a total risk indicator of 6 or 7 is assigned across the board in accordance with Annex II of the Delegated Regulation to the PRIIPs Regulation. If there is insufficient unit price history, the volatility must be determined using suitable benchmarks. The indicator is also supplemented by a description of the risks that are material and are not adequately identified by the indicator.

The assessment of the Fund's risk profile shown in the overview "The Fund at a glance" under "Risk profile of the Fund" is not comparable with the information shown in the section entitled "What risks are involved and what could I get in return?" in the KID. In addition, the explanations given therein on other risks, which do not directly affect the classification, but may nevertheless be of significance for the Fund or the unit class, may differ from the risk information stated in the Sales Prospectus.

Summary of significant differences:

- Unlike the 1-7 scale used in the KID, the classification used by the Management Company in the Sales Prospectus has a total of five risk classes.
- The Management Company allocates to a risk class in the Sales Prospectus by default on the basis of a (scoring) model in which certain risk factors of a fund are taken into account. The weighting and assessment of these risks varies and is carried out on the basis of a retrospective view. Assigning a risk class deviating from the standard is possible if this is appropriate and reference is made to this separately. The KID, on the other hand, is solely based on volatility.
- Due to the different approaches for determining and explaining the risk profile to be disclosed in the KID and in the Sales Prospectus, the reported risks also differ with regard to content.

16. Risk profile of the typical Investor

The various recommendations published within the framework of the KID were determined on the basis of past performance data. Different rolling periods were analysed in order to obtain evidence as to whether, in the majority of cases, an investment performed well within the respective reporting period (excluding issue or redemption expenses and custody fees). The recommendation derived from this can therefore only provide an indication, and not a guarantee, of any future success with respect to the investment performance. Due to capital market developments, this may lead to losses, despite compliance with the approved recommendation.

By way of derogation from the foregoing, recommendations for guarantee funds, term funds and funds with larger capital preservation periods relate to the guarantee date, the maturity date or the end of the capital preservation period, because the investment policy for these funds is aligned with these dates, and experience has shown that on these dates, it can be assumed that the minimum objective of the investment policy will be achieved. For funds with short capital preservation periods, the recommendation is based on the past performance data of the asset mix inherent to the product.

17. General information

All announcements to unitholders will be published for the Grand Duchy of Luxembourg on the homepage of the Management Company's website at www.union-investment.com, and also in a daily newspaper (currently the "Tageblatt") if legally required, subject to the publication of announcements as described herein and in the Management Regulations. The Sales Prospectus (including the Management and Special Regulations), the KID and the annual and semi-annual reports can be obtained free of charge from all paying agents and sales agents.

The Management Company has established procedures to deal with any complaints from unitholders in an appropriate and timely manner. Further information on these procedures can be viewed on the Management Company's website (which can be accessed via www.union-investment.com) or requested directly from the Management Company.

The Depositary Agreement mentioned in this Sales Prospectus can be examined free of charge at the Management Company, the Depositary and all paying agents.

The Fund may be dissolved at any time in accordance with Article 12 of the Management Regulations under the conditions stated therein.

The Management Company shall announce its intention to extend the term of term funds or merge a term fund at least 30 days beforehand, in accordance with Article 12(7) of the Management Regulations.

In the Grand Duchy of Luxembourg, notices to unitholders of this sort are published on the Management Company's website at www.union-investment.com, as well as in the "Tageblatt".

The Management Company may amend the Sales Prospectus. The Management Company may also, in agreement with the Depositary, amend the Management Regulations and/or the Special Regulations (in whole or in part) at any time in the interests of unitholders, in accordance with Article 15 of the Management Regulations. These amendments are made public in accordance with legal provisions. The annual accounts of the Management Company and the Fund's assets are audited by an auditor appointed by the Management Company.

18. Miscellaneous

1. The Management Regulations and the Special Regulations of the Fund are subject to the law of the Grand Duchy of Luxembourg. In particular, the provisions of the Law of 17 December 2010 apply, in addition to the provisions set out in the Management Regulations and Special Regulations. This is also the case for legal relations between the unitholders, the Management Company and the Depositary.
2. Any legal dispute between unitholders, the Management Company and the Depositary is subject to the jurisdiction of the appropriate court in the Grand Duchy of Luxembourg.
3. The German text of the Management Regulations and the Special Regulations is the authoritative version, unless expressly stated otherwise in the respective Special Regulations or in "The Fund at a glance".
4. This Sales Prospectus, the information contained herein and all Union Investment Luxembourg S.A. funds are not intended for distribution in the United States of America (USA), or for distribution to or in favour of US citizens, on account of US supervisory restrictions. This applies to persons who are US nationals or who are domiciled and/or subject to taxation in the USA. This regulation also applies to partnerships and corporations which have been formed in accordance with the

laws of the USA or a federal state, territory or dependency of the USA.

5. The Fund's sales agents shall comply with the provisions of Luxembourg or equivalent legal and regulatory provisions to combat money laundering and terrorism, which are based on Directive 2005/60/EC of the European Parliament and the Council on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, as well as the related FATF standards ("International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation", FATF Recommendations).

   In this context, they are required to determine and check the identity of the investor using relevant information and official identification documents.

   Furthermore, the sales agents must observe all provisions which are in force in the relevant distribution countries, in order to prevent money laundering and the financing of terrorism.

   The Management Company may, at any time, check their compliance with these provisions and request that action is taken with regard to any findings.

6. Should any information essential for assessing units be incorrect or incomplete, the buyer may demand that the Management Company, or the agent having sold the units, as joint and several debtor, take back the units against reimbursement of the price paid by the purchaser. If the buyer no longer owns the units at the time he learns of such incorrectness or incompleteness, he can demand payment of the sum by which the amount paid by him exceeds the redemption price of the unit at the time of sale. The claim becomes statute-barred one year from the date the buyer learns of the incorrectness or incompleteness of the Sales Prospectus; at the latest, however, three years from entering into the purchase agreement.

19. Data protection

Detailed data protection information as well as information regarding the definition and handling of personal data can be found on the Internet at www.union-investment.com or on the Management Company's website (www.union-investment.lu) under the heading "Data protection" (http://union-investment.lu/startseite-luxemburg/datenschutzhinweise).

List of sub-custodians

AO Unicredit Bank
Attrax Financial Services S.A.
Banco BNP Paribas Brasil S.A.
Bank Hapoalim B.M.
BNP Paribas Securities Services Athen Branch
BNP Paribas Securities Services Milano Branch
BNP Paribas Securities Services S.A. Australia Branch
Brown Brothers Harriman & Co
Ceskoslovenska Obchodni Banka AS
Citibank Canada
Citibank Europe plc Hungarian Branch Office
Citibank Europe plc Luxembourg Branch
Citibank NA London Branch
Citi Handlowy (Bank Handlowy w Warszawie S.A.)
Clearstream Banking S.A. Luxembourg
Credit Suisse (Schweiz) AG
Deutsche Bank SAE
DZ BANK AG DEUTSCHE ZENTRAL-GENOSSENSCHAFTSBANK
DZ PRIVATBANK (Schweiz) AG
DZ PRIVATBANK S.A. Niederlassung Stuttgart
Euroclear Bank SA/NV
Euroclear Bank SA/NV w/Irland
Euroclear Bank SA/NV w/Mexico Anleihen
Euroclear Bank SA/NV w/Peru
Hongkong & Shanghai Banking Corp Manila Branch
Hongkong & Shanghai Banking Corp Singapore Branch
Hongkong & Shanghai Banking Corporation Limited
Hongkong & Shanghai Banking Corporation Ltd. Seoul Branch
HSBC Bank (Vietnam) Ltd.
HSBC Bank Egypt S.A.E.
HSBC Bank Malaysia Berhad
HSBC Bank Middle East Ltd. Doha Branch
HSBC Bank Middle East Ltd. Dubai
HSBC Bank Middle East Ltd. Kuwait City Branch
HSBC Saudi Arabia
Islandsbanki HF.
MUFG Bank Ltd.
PT Bank HSBC Indonesia
Quintet Private Bank (Europe) S.A.
Raiffeisenbank International AG
Raiffeisen Schweiz Genossenschaft
Skandinaviska Enskilda Banken
Skandinaviska Enskilda Banken AB Helsinki Branch
Skandinaviska Enskilda Banken Copenhagen Branch
Skandinaviska Enskilda Banken Oslo Branch
Standard Chartered Bank (China) Ltd.
Standard Chartered Bank (HK) Ltd.
Standard Chartered Bank (Pakistan) Ltd.
Standard Chartered Bank (Taiwan) Ltd.
Standard Chartered Bank Colombo Branch
Standard Chartered Bank Côte D'Ivoire S.A.
Standard Chartered Bank Dhaka Branch
Standard Chartered Bank Ghana PLC
Standard Chartered Bank Johannesburg Branch
Standard Chartered Bank Kenya Ltd.
Standard Chartered Bank Mumbai Branch
Standard Chartered Bank Nigeria Ltd.
Standard Chartered Bank (Singapore) Limited
Turk Ekonomi Bankasi AS
Unicredit Bank Austria AG
Unicredit Bank Serbia A.D.
Unicredit Bank S.A.

Management Regulations

Preamble

These Management Regulations shall enter into force on 1 January 2023. They replace the previous version of 3 August 2020.

They were filed with the Luxembourg Trade and Companies Register and a notice of deposit was at the latest from the 24 January 2023 published on the Recueil Electronique des Sociétés et Associations ("RESA"), the information platform of the Luxembourg Trade and Companies Register.

These Management Regulations set out the general principles for UniEuroRenta Corporates (the "Fund"), a fund established and managed by Union Investment Luxembourg S.A. pursuant to Part I of the Luxembourg Law of 17 December 2010 ("Law of 17 December 2010") relating to undertakings for collective investment in the form of a fonds commun de placement. The Fund is subject to supervision by the Commission de Surveillance du Secteur Financier ("CSSF").

The specific characteristics of the Fund will be described in the Special Regulations of the Fund, which may contain supplementary and different rules compared with the individual provisions of the Management Regulations. In addition hereto, the Management Company provides a summary (“The Fund – An Overview”) containing the current and special information. This overview is an integral part of the Sales Prospectus. A KID will also be prepared containing essential information about the Fund. The key investor information document (“KIID”) will be replaced by the key information document for packaged retail investment products and insurance investment products (“KID”) from 1 January 2023.

Unitholders participate in the Fund with equal rights and in proportion to the number of units held.

The Management Regulations and the Special Regulations jointly constitute, as coherent elements, the contractual terms applicable to the Fund.

Article 1 The Fund

1. The Fund is a legally dependent fund (fonds commun de placement) consisting of transferable securities and other assets (the "Fund assets"), managed in accordance with the principle of risk diversification. The Fund's assets less the liabilities attributable to the Fund (the "Fund's net assets") must reach the equivalent of at least EUR 1.25 million within six months of the Fund being approved. The Fund is managed by the Management Company. The Fund's assets are held in custody by the Depositary.
2. The contractual rights and obligations of the holders of the units ("unitholders"), the Management Company and the Depositary are regulated in the Management Regulations and in the Special Regulations of the Fund, both of which are drawn up by the Management Company with the consent of the Depositary.

   By purchasing a unit, each unitholder acknowledges the Management Regulations, the Special Regulations of the Fund and all amendments thereto.

Article 2 The Management Company

1. The Management Company is Union Investment Luxembourg S.A. (the "Management Company").
2. The Management Company manages the Fund in its own name, but in the exclusive interest and for the collective account of the unitholders. The management mandate covers the exercising of all rights directly or indirectly associated with the Fund’s assets.
3. The Management Company shall determine the investment policy of the Fund, taking account of the legal and contractual investment restrictions. The Executive Board of the Management Company can entrust one or more of its members, as well as other natural or legal persons, with the implementation of the everyday investment policy.
4. The Management Company can consult investment advisers at its own responsibility, and may in particular seek the counsel of an investment committee. The Management Company shall bear the costs therefor, unless otherwise stated in the Special Regulations of the Fund.
5. The Management Company employs a risk management process enabling it to monitor and assess the risk connected with investment holdings as well as their share in the total risk profile of the investment portfolio of the funds it manages at any time. In particular, the Management Company may not exclusively and automatically make use of ratings issued by credit rating agencies within the meaning of Article 3(1)(b) of Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies to assess the creditworthiness of the Fund assets. It must also report regularly to the Commission de Surveillance du Secteur Financier ("CSSF") on the risk management process applied.

   In this context, the Management Company manages its funds in accordance with the various statutory and supervisory requirements that are currently in force.

   By using suitable methods as part of the risk management process, the Management Company ensures that the overall risk of managed funds associated with derivatives does not exceed the total net value of their portfolios.

   To this end, the Management Company employs the following methods:

   - Commitment approach:

     With the "commitment approach" method, positions

from derivative financial instruments are converted into their underlying equivalents using the Delta approach.

Any netting and hedging effects between derivative financial instruments and their underlying assets are therefore taken into account, and their total may not exceed the net asset value of the Fund.

- Value at risk (VaR) approach:

  The VaR is a statistical technique used to indicate a portfolio's possible loss over a specific time frame which, given a certain probability, will not be exceeded.

  - Relative VaR approach:

    With respect to the relative VaR approach, the VaR of the Fund must not exceed the VaR of a reference portfolio by more than twice as much. The reference portfolio is essentially an accurate reflection of the Fund's investment policy.

  - Absolute VaR approach:

    With respect to the absolute VaR approach, the VaR of the Fund must not exceed a limit set by the Management Company.

    For funds that use the VaR approach to determine the overall risk associated with derivatives, the Management Company must also determine the sum of the nominal values or equivalent values of all relevant derivatives and estimate the expected average value (leverage effect) in relation thereto. This estimate may vary from the actual value (depending on the respective market situation) and may either be too high or too low. The investor is therefore advised not to draw any conclusions about the risk level of the Fund from this information.

    The methods used to determine the overall risk associated with derivatives and, where applicable, the disclosure of the reference assets and determination of an expected average value of the sum of the nominal values or equivalent values of all relevant derivatives of managed funds are specified in "The Fund at a glance"

    The risk management procedure implemented by the Management Company is also used to check whether the future obligations arising from derivative transactions are sufficiently covered.

    In addition, the procedure is deployed to conduct, with reasonable accuracy, a fair value evaluation of OTC derivatives during the entire term.

    Furthermore, it determines the amounts for the investment restrictions defined in Article 4, 2.1–2.5 of the Management Regulations within the framework of the aforementioned commitment approach.

6. Subject to the conditions and restrictions defined by the CSSF, the Management Company employs techniques and instruments involving transferable securities and money market instruments, provided such techniques and instruments are used in the interests of efficient portfolio management.

   If such transactions relate to the use of derivatives, then the conditions and restrictions must be in agreement with the provisions of the Law of 17 December 2010.

   The Management Company may not under any circumstances deviate from the investment objectives of the Fund in these transactions.

7. Pursuant to Article 1(13)(a) of EU Directive 2014/91/EU and the ESMA/2016/411 Guidelines on sound remuneration policies under the UCITS Directive and AIFMD, UIL summarises its remuneration policies as follows:

   The remuneration policies and practices of UIL are compatible with sound and effective risk management and conducive thereto. They do not encourage risk-taking that is inconsistent with the risk profiles, fund rules or Articles of Incorporation of the funds managed by UIL, nor do they prevent UIL from acting dutifully in the best interests of the funds. The remuneration policy is in line with the business strategy, objectives, values and interests of UIL, the funds under its management and the investors in such funds, and includes measures to prevent conflicts of interest. Performance is assessed under a multi-year framework that is appropriate for the holding period recommended to investors in the UCITS managed by UIL. This ensures that the assessment is based on the longer-term performance of the fund and its investment risks and that the actual payment of performance-related remuneration components is spread over the same period. The fixed and variable components of the total remuneration are appropriately balanced, whereby the proportion of the fixed component of the total remuneration is high enough to provide complete flexibility with regard to the variable remuneration components, including the possibility of waiving the payment of a variable component.
   The Supervisory Board of UIL has established the principles of the remuneration system and monitors their implementation.

   Details of the current remuneration policy, including a description of how remuneration and other benefits are calculated, and the identities of the persons responsible for allocating remuneration and other benefits, can be found under “Rechtliche Hinweise” on the UIL website (www.union-investment.lu). A hard copy will be made available free of charge on request.

Article 3 The Depositary

1. The Management Company has appointed a single depositary ("Depositary") for the Fund by written agreement ("Depositary") ("Depositary Mandate"). The Depositary is named in the Special Regulations.
2. The rights and obligations of the Depositary are governed by the Law of 17 December 2010, Delegated Commission Regulation (EU) 2016/438 of 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and of the Council with regard to obligations of depositaries (“Regulation EU 2016/438”), the Management Regulations, Special Regulations of the Fund and the Depositary Agreement for the Fund as amended. It acts

independently and solely in the interests of investors. In this respect, the Depositary has appropriate measures and procedures for avoiding conflicts of interest, such as measures for hierarchical and functional separation and measures for outsourcing management. Any conflicts of interest that are unavoidable despite these measures are disclosed to investors. The Depositary shall not carry out any asset management or risk management activities for the Fund.

The Depositary function may be performed by a company associated with the management company. In cases where there is a link between the Management Company and the Depositary, they have appropriate structures in order to avoid possible conflicts of interest arising from the link. If conflicts of interest cannot be avoided, they shall be dealt with, monitored and disclosed by the Management Company and the Depositary in order to avoid any negative consequences on the interests of the Fund and its investors.

The Management Company and Depositary are entitled to terminate the Depositary mandate at any time in keeping with the relevant Depositary agreement. If the Depositary mandate is terminated, the Management Company is obliged, within two months, and with the approval of the appropriate supervisory authority, to appoint another bank as Depositary, as otherwise the termination of the Depositary mandate will necessitate the liquidation of the Fund pursuant to Article 12(3)(b) of the Management Regulations. Until such time, the existing Depositary will protect the interests of the unitholders by fully performing its duties as Depositary.

3. The Depositary
   a) ensure that the sale, issue, repurchase, redemption and cancellation of units of the Fund are carried out in accordance with the applicable statutory provisions and the procedure set out in the Management Regulations and the Special Regulations;
   b) ensure that the Fund's unit value is calculated in accordance with the applicable statutory provisions and the procedure set out in the Management Regulations and the Special Regulations;
   c) carry out the instructions of the Management Company, unless they conflict with the applicable statutory provisions or the Management Regulations and the Special Regulations;
   d) ensure that in transactions involving the assets of the Fund any consideration is remitted to the Fund within the usual time limits;
   e) ensure that Fund income is applied in accordance with the applicable statutory provisions and the procedure set out in the Management Regulations and the Special Regulations.
4. The Depositary shall ensure that the cash flows of the Fund are properly monitored, and, in particular, that all payments made by, or on behalf of, investors upon the subscription of units of the Fund have been received, and that all of the cash of the Fund has been booked in cash accounts that are:
   a) are opened in the name of the Fund, of the Management Company acting on behalf of the Fund, or of the Depositary acting on behalf of the Fund;
   b) are opened at an entity referred to in points (a), (b) and (c) of Article 18(1) of Commission Directive 2006/73/EC of 10 August 2006 implementing Directive 2004/39/EC of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive ("Directive 2006/73/EC") and
   c) maintained in accordance with the principles set out in Article 16 of Directive 2006/73/EC.

   Where the cash accounts are opened in the name of the Depositary acting on behalf of the Fund, no cash of the entities referred to above and none of the own cash of the Depositary shall be booked on such accounts.
5. Custody of the Fund assets will be carried out by the Depositary as follows:
   a) For financial instruments in accordance with Annex I, Section C of Directive 2014/65/EU of the European Parliament and Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("Directive 2014/65/EU ") ("Financial Instruments") that can be held in custody, the following applies:
      - The Depositary shall hold in custody all financial instruments that may be registered in a financial instruments account maintained at the Depositary and opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary;
      - for this purpose, the Depositary shall ensure that all financial instruments that can be registered in a financial instruments account maintained at the Depositary and opened in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Directive 2006/73/EC, that were opened in the name of the Management Company are registered in the Depositary's books so that the financial instruments can be clearly identified as belonging to the Fund at all times;
   b) for other assets, the Depositary shall:
      - verify the ownership by the Fund, or by the Management Company of the Fund, of such assets by assessing whether the Fund or the Management Company acting on behalf of the Fund holds the ownership based on information or documents provided by the Fund or by the Management Company of the Fund and, where available, on external evidence;
      - maintain a record of those assets for which it is satisfied that the Fund or the Management Company of the Fund holds the ownership and keep that record up to date.

   The Depositary shall provide the Management Company, on a regular basis, with a comprehensive inventory of all of the assets of the Fund.

6. The assets held in custody by the Depositary shall not be reused by the Depositary, or by any third party to which the custody function has been delegated, for their own account. Reuse comprises any transaction of assets held in custody including, but not limited to, transferring, pledging, selling and lending.

   The assets held in custody by the Depositary are allowed to be reused only where:

   a) the reuse of the assets is executed for the account of the Fund,

   b) the Depositary is carrying out the instructions of the Management Company on behalf of the UCITS,

   c) the reuse is for the benefit of the Fund and in the interest of the unitholders and

   d) the transaction is covered by high-quality and liquid collateral received by the Fund under a title transfer arrangement.

   The market value of the collateral shall, at all times, amount to at least the market value of the reused assets plus a premium.

7. In case of insolvency of the Depositary and/or a third party domiciled in the European Union to whom custody of assets of the Fund has been transferred, assets of the Fund held in custody may not be distributed among, or used for the benefit of, creditors of the Depositary and/or third party.

8. The Depositary may delegate its depositary duties under point 5 above of this Article to another company (sub-custodian) in accordance with the statutory provisions. Sub-custodians may, in turn, delegate the depositary duties transferred to them in accordance with the statutory provisions. The Depositary may not transfer the duties described in points 3 and 4 above of this Article to third parties.

   The sub-custodians currently used by the Depositary for local securities investments are set out in the "List of sub-custodians" in the Annex to Chapter 18 of the Sales Prospectus.

9. The Depositary shall be liable vis-à-vis the Fund and its unitholders for the loss by the Depositary or a third party to which the custody of financial instruments has been delegated.

   In the case of a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of an identical type or a corresponding amount to the Fund or the Management Company of the Fund without undue delay. In accordance with the Law of 17 December 2010 and the applicable regulations (in particular Regulation EU 2016/438), the Depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

   The Depositary is also liable vis-à-vis the Fund and its unitholders for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its statutory obligations.

   The liability of the Depositary shall not be affected, taking into consideration the statutory derogations from any transfer of depositary duties to third parties, including any depositary duties that are further delegated to other third parties.

   Unitholders in the Fund may invoke the liability of the Depositary directly or indirectly through the Management Company provided that this does not lead to a duplication of redress or to unequal treatment of the unitholders.

10. The Depositary and the Management Company are aware that there may be conflicts of interest from the transfer of depositary duties in accordance with point 8 of this Article and therefore ensure that they themselves and the delegated third parties have taken all necessary measures to comply with the organisational requirements and requirements for avoiding conflicts of interest, as laid down in the applicable Luxembourg laws and regulations, and that they monitor compliance with these requirements.

    The following conflicts of interest may arise from the sub-custody:

    DZ BANK AG Frankfurt / Main is affiliated with the Depositary. DZ BANK AG Frankfurt / Main holds a substantial investment in the Depositary and appoints members of the Supervisory Board.

    The Depositary is not currently aware of any conflicts of interest resulting from the sub-custodies.

    The Management Company has reviewed this information for plausibility. It is, however, dependent on provision of the information by the Depositary and is unable to verify the accuracy and completeness in detail.

11. In carrying out its functions, the Management Company and the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Fund and its investors.

    The Depositary shall not carry out activities with regard to the Fund or the management company acting on behalf of the Fund that may create conflicts of interest between the Fund, the investors in the Fund, the Management Company and itself. This does not apply if the Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks, and the potential conflicts of interest are properly identified, managed, monitored and disclosed to the investors of the Fund.

Article 4 General investment policy guidelines

The investment objectives and the specific investment policy of the Fund are laid down on the basis of the following general guidelines and supplementary diverging guidelines in the Special Regulations of the Fund.

1.1 The Fund's investments may only consist of one or more of the following asset types:

   a) transferable securities and money market instruments listed or traded on a regulated market within the mean-

ing of Directive 2004/39/EC of the European Parliament and the Council of 21 April 2004 on markets in financial instruments;

b) transferable securities and money market instruments traded on another regulated market in an EU member state, which operates regularly and is recognised and open to the public;

c) transferable securities and money market instruments officially listed on a stock exchange of a non-EU member state or on another regulated market in a non-EU member state which is recognised, open to the public and operates regularly, provided they are officially listed or traded on markets belonging to the following geographical regions:

. North America

. South America

. Australia (including Oceania)

. Africa

. Asia

and/or

. Europe.

Transferable securities are understood to be securities within the meaning of Article 1(34) of the Law of 17 December 2010. In particular, units in closed-end undertakings for collective investment that comply with the provisions of Article 2(2)(a) and (b) of Directive 2007/16/EC or Article 2 of the Grand-Ducal Regulation of 8 February 2008 transposing this directive into Luxembourg law are classified as transferable securities within the meaning of the aforementioned definition.

d) recently issued transferable securities and money market instruments, provided:

. the terms of issue include an undertaking that an application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognised and open to the public, provided they are officially listed or traded on markets belonging to the following geographical regions:

- North America
- South America
- Australia (including Oceania)
- Africa
- Asia

and/or

- Europe

and

. the admission is effected at the latest within one year of issue;

e) units of undertakings for collective investment in transferable securities ("UCITS") permitted in accordance with Directive 2009/65/EC and/or other undertakings for collective investment ("UCI") within the meaning of Article 1(2)(a) and (b) of Directive 2009/65/EC, regardless of whether they are established in an EU member state, provided:

. such other UCI have been approved in accordance with statutory rules subjecting them to supervision which, in the opinion of the CSSF, is equivalent to that which applies under EU law, and that adequate provision exists for ensuring cooperation between authorities;

. the level of protection afforded to unitholders of the other UCIs is equivalent to the level of protection enjoyed by the unitholders of a UCITS and, in particular, the rules governing separate safekeeping of fund assets, borrowing, lending and short selling of transferable securities and money market instruments meet the requirements of Directive 2009/65/EEC;

. the business operations of the other UCI are the subject of annual and half-yearly reports that permit an assessment to be made of the assets and liabilities, income and transactions arising during the reporting period;

. the UCITS or other UCIs whose units are to be acquired may, in accordance with their respective Management Regulations or Articles of Association, invest a maximum of 10% of their assets in units of other UCITS or UCIs;

f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU member state or, if the registered office of the bank is in a non-EU member state, is subject to official supervisory rules which, in the view of the CSSF, are equivalent to those under Community law;

g) derivative financial instruments ("derivatives"), including equivalent cash-settled instruments, which are traded on one of the regulated markets referred to in (a), (b) or (c), and/or derivatives which are dealt over the counter ("OTC derivatives"), provided that:

. the underlying assets consist of instruments within the meaning of Article 41(1) of the Law of 17 December 2010 or financial indices, interest rates, foreign exchange rates or currencies in which the UCITS may invest in accordance with the investment objectives stated in its founding documents;

. the counterparties to OTC derivative transactions are institutions which are subject to prudential supervision, and belong to the categories approved by the CSSF, and

. the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or settled at any time by means of a quid-pro-quo transaction at the appropriate market price at the Fund's initiative;

h) Money market instruments which are not traded on a regulated market and which fall under Article 1 of the Law of 17 December 2010, provided the issue or the issuer of these instruments is already subject to rules affording protection for the investments and investors, and provided they are:

- issued or guaranteed by a central, regional or local corporation or the central bank of an EU member state, the European Central Bank, the EU or the European Investment Bank, a non-EU member state or, in the case of a federal state, a constituent state of the federation, or by public international body, to which at least one EU member state belongs, or
- issued by an undertaking whose transferable securities are traded on the regulated markets described in (a), (b) or (c),
- issued or guaranteed by an establishment which is subject to prudential supervision in accordance with EU law, or an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those applicable under EU law, or
- issued by other issuers belonging to a category approved by the CSSF, provided that investor protection rules apply to investments in such instruments which are equivalent to those of the first, second and third indents and provided the issuers constitute either a company with capital amounting to at least ten million euros (EUR 10,000,000), which prepares its annual accounts in accordance with the provisions of the Fourth Council Directive 78/660/EEC, or form an entity within a group encompassing one or more listed companies and is responsible for its financing, or an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

1.2 However, the Fund may not:

a) invest more that 10% of its net assets in transferable securities and money market instruments other than those stated in 1.1 above;

b) acquire either precious metals or certificates representing them.

In addition, the Fund may hold liquid assets in the form of investment accounts (current accounts) and overnight money, which, however, may only be of an accessory nature. In general, the investment in liquid assets is limited to 20% of the net fund assets, however, if the net fund assets are deemed appropriate due to exceptionally unfavourable market conditions, the net fund assets may be held in liquid assets in excess of this limit within the legally permissible limits (short-term) and thereby deviate from this investment limit in the short term.

2. Investment limits

2.1 The Fund may invest a maximum of 10% of its net assets in transferable securities or money market instruments of a single issuer. The Fund may invest a maximum of 20% of its net assets in deposits with a single issuer. The default risk for transactions of the Fund in OTC derivatives may not exceed 10% of its net assets if the counterparty is a credit institution within the meaning of Article 41(1)(f) of the Law of 17 December 2010; in other cases, this figure is 5%.

2.2 The total value of the transferable securities and money market instruments of issuers in which a fund invests more than 5% of its net assets may not exceed 40% of the value of its net assets. This restriction does not apply to deposits and transactions in OTC derivatives with financial institutions which are subject to prudential supervision.

Notwithstanding the individual limits stated in 2.1, the Fund may not combine the following if this leads to an investment of more than 20% of its net assets with the same institution:

- transferable securities or money market instruments issued by such institution
- deposits made with such institution; or
- OTC derivatives acquired from such institution.

2.3 The upper limit stated in the first sentence of 2.1 shall be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities, by a non-EU Member State or by public international bodies to which one or more EU Member States belong.

2.4 The upper limit stated in the first sentence of 2.1 shall be raised to a maximum of 25% for certain debt securities if these are issued by a credit institution with its registered office in an EU Member State that is subject by law to special public supervision designed to protect bondholders. In particular, income from the issue of these bonds shall be invested in compliance with the legal provisions in assets that provide adequate cover for the liabilities resulting therefrom during the entire term of the bonds and are primarily issued for priority repayment of capital and interest in the event of bankruptcy of the issuer.

If the Fund invests more than 5% of its net assets in bonds within the meaning of the 2.4, which are issued by a single issuer, then the total value of such investments may not exceed 80% of the value of the net assets of the Fund.

2.5 The transferable securities and money market instruments referred to in 2.3 and 2.4 shall not be taken into account when applying the investment limit of 40% stipulated in 2.2.

The limits specified in 2.1, 2.2, 2.3 and 2.4 may not be cumulative; for this reason, investments in transferable securities or money market instruments of one and the same issuer made pursuant to 2.1, 2.2, 2.3 and 2.4 or in deposits with such issuer or in derivatives of same may not exceed 35% of the net assets of the respective fund.

Companies belonging to the same group of companies for the purposes of consolidated accounts, as defined in Directive 83/349/EEC or in accordance with recognised international accounting principles, shall be treated as a single body for the calculation of the investment limits in 2.1–2.6.

On a cumulative basis, the Fund may invest up to 20% of its net assets in the transferable securities and money market instruments of a single corporate group.

2.6 Investments in derivatives are added to the limits in 2.1-2.5 above, with the exception of index-based derivatives.

3.1 Notwithstanding the investment limits set out in 6.1–6.3, the upper limits for investments in equities and/or debt securities of a single issuer specified in 2.1–2.6 are a maximum of 20%, if the aim of the Fund's investment strategy according to its founding documents is to replicate a particular equity or debt securities index recognised by the CSSF, under the following conditions:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- the index is published in an appropriate manner.

3.2 The limit laid down in 3.1 is increased to 35% if justified by exceptional market conditions, and in particular on regulated markets where certain transferable securities or money market instruments are highly dominant. Investment up to this upper limit is only possible with a single issuer.

4. Notwithstanding 2.1–2.6, the Fund may invest up to 100 % of its net assets in accordance with the principle of risk diversification in transferable securities and money market instruments belonging to, issued or guaranteed by an EU member state or its local authorities or by an OECD member state or by international public bodies to which one or more EU member states belong.

The fund in question must hold transferable securities from at least six different issues, with transferable securities of a single issue not exceeding 30% of the net assets of the respective fund.

5.1 A fund may acquire units of other UCITS and/or other UCI within the meaning of Article 41(1)(e) of the Law of 17 December 2010, provided that it does not invest more than 20% of its net assets in units of a single UCITS or other UCI.

For the purposes of application of this investment restriction, each sub-fund of a UCI with several sub-funds is treated as a separate issuer, provided that the principle of separation of the liabilities of the individual sub-funds toward third parties is guaranteed.

5.2 Investments in units of UCI other than UCITS may not exceed a total of 30% of the Fund's net assets.

If a fund has acquired units of another UCITS and/or other UCI, the assets of the UCITS or other UCI in question are not taken into account in respect of the upper limits referred to Article 43 of the Law of 17 December 2010.

5.3 If a fund acquires units of other UCITS and/or other UCI which are managed directly or indirectly by the same Management Company or another company with which the Management Company is associated on the basis of common management or control or a substantial direct or indirect holding, then the Management Company or the other company may not charge any fees for the subscription or redemption of units of the UCITS or other UCI for the Fund.

If the Fund invests a substantial portion of its assets in units of other UCITS and/or UCI, then its prospectus must contain information stating the maximum management fees to be charged both to the fund in question as well as to the other UCITS and/or UCI in which it intends to invest. In its annual report, the UCITS provides information on the maximum amount of the management fee charged both to the Fund, as well as to the other UCITS and/or UCI in which it invests.

6.1 The Management Company may not, in respect of any of the investment funds that it manages subject to Part I of the Law of 17 December 2010, acquire units with voting rights which would enable it to exercise a significant influence over the management of an issuer.

6.2 The Management Company may also acquire the following maximum amounts for the Fund:

- 10% of the non-voting shares of a single issuer;
- 10% of the debt securities of a single issuer;
- 25% of the units of a single UCITS and/or other UCI with the meaning of Article 2(2) of the Law of 17 December 2010;
- 10% of the money market instruments of a single issuer.

The investment limits stated under the second, third and fourth bullet points may be disregarded if the gross amount of debt securities or money market instruments or the net amount of units issued cannot be calculated at the time of purchase.

6.3 Points 6.1 and 6.2 shall not apply to:

a) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;

b) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;

c) transferable securities and money market instruments issued by public international bodies to which one or more EU Member States belong;

d) shares a fund holds in the capital of a company incorporated in a country outside the European Union, which invests its assets mainly in transferable securities of issuers with their registered office in that country, where under the legislation of that country, such a holding represents the only way in which the und can invest in the transferable securities of issuing bodies of that country. However, this exception only applies if the investmentpolicy of the company in the country outside the European Union observes the limits laid out in Articles 43, 46 and 48(1) and (2) of the Law of 17 December 2010. If the limits set out in Articles 43 and 46 of the Law of 17 December 2010 are exceeded, Article 49 of the Law of 17 December 2010 shall apply accordingly.

7.1 Funds do not necessarily have to follow the investment limits set out in this section when exercising subscription rights linked to transferable securities or money market instruments which are part of their assets.

While ensuring observance of the principle of risk diversification, recently authorised funds may, during a period of six months following their approval, deviate from the provisions of Articles 43, 44, 45 and 46 of the Law of 17 December 2010.

7.2 If the limits mentioned in 7.1 are exceeded unintentionally or due to the exercise of subscription rights, the Fund must attach top priority in its sales to normalising the situation, taking into consideration the best interests of the unitholders.

8.1 The Management Company and the Depositary may not take out loans on behalf of the investment fund.

However, the Fund may acquire foreign currencies via a Back-to-back loan.

8.2 By way of exception to 8.1, the Fund may take out loans equivalent to 10% of its net assets, if such loans are taken out on a temporary basis.

9.1 Notwithstanding the provisions in points 1.1 and 1.2 as well as Article 42 of the Law of 17 December 2010, neither the Management Company nor the Depositary may grant loans or act as surety for third parties on behalf of the investment fund.

9.2 Point 9.1 does not prohibit the acquisition of transferable securities, money market instruments or other financial instruments that are not fully paid-up within the meaning of section 1.1(e), (g) and (h) by the respective bodies.

10. Short sales of transferable securities, money market instruments or other financial instruments listed in 1.1(e), (g) and (h) above may not be carried out by management companies or depositaries on behalf of the investment fund.

The assets of the Fund may not be pledged or otherwise encumbered, transferred or assigned as collateral, unless this involves borrowing within the meaning of 8.2 or the provision of security to fulfil capital fund or further cover commitments within the framework of a settlement of transactions with financial instruments.

Article 5 Fund units and unit classes

1. Unless otherwise provided in the Special Regulations, units in the Fund are certified in the form of global certificates. Investors have no claim to delivery of physical units. Units are issued to three decimal places.
2. All units in the Fund generally have the same rights and from the date of issue are equally entitled to the income, price gains and liquidation proceeds of their particular unit class.
3. The Special Regulations of the Fund may provide for various unit classes for the Fund, which differ with regard to certain characteristics such as use of income, management fees, initial sales charge or other characteristics.

   Further details concerning unit classes shall be given in the Special Regulations for the particular fund, if applicable.

   If an investor subscribing to units exclusively in classes reserved for institutional investors is awarded or maintains the status of an institutional investor by causing or maintaining an error through the presentation of objectively or subjectively false facts or through the suppression of the true facts or loses this status and fails to return the subscribed units immediately, the investor must compensate the Fund for any financial and fiscal consequences.

   If an investor no longer meets the requirements to retain the status of institutional investor, the Management Company may buy back or arrange to redeem all units held by the investors without prior notice.
4. Units may be issued and redeemed and payments made in respect of units by the Management Company, the Depositary and any paying agent.
5. If there are several unit classes for the Fund, the unit value is calculated (Article 8) for every unit class by dividing the value of the Fund's assets attributable to a class by the amount of units in that unit class in circulation on the trading day.

Article 6 Issue of units and restriction on the issue of units

1. Units are issued at the issue price and under the conditions determined in the Special Regulations of the Fund. When issuing units, the Management Company shall take due care to comply with the laws and regulations of all countries in which units of the Fund are offered for sale.
2. The Management Company may, at any time, reject subscription applications at its own discretion or temporarily restrict, suspend or permanently terminate the issue of units for the Fund if this is in the interests of all the unitholders, for the protection of the Management Company, for the protection of the Fund, in the interests of the investment policy or if the specific investment objectives of the Fund appear to be under threat.
3. Subscription orders are accepted on each day which is both a bank business day and a trading day in Frankfurt / Main ("trading day"). Units are acquired at the issue price on a particular trading day.

   Subscription orders reaching the Management Company before 16:00 (Luxembourg time) on a trading day are settled on the basis of the unit value of that trading day. The calculation of the unit value for a trading day is calculated on the valuation day in accordance with Article 8(1), so that the corresponding settlement for the investors is also made on the valuation day.

   Subscription orders received on a trading day after 16:00 (Luxembourg time) shall be deemed to have been received on the following trading day and shall be settled on the basis of the unit value on the following trading day. Since the unit value for the following trading day will not be calculated until the next valuation day, a corresponding settlement for the investors will only be made on the next valuation day.

   The Management Company guarantees that the units shall be issued on the basis of a unit value not known to the investor at the time of submission of the subscription application.
4. The issue price is payable in the fund currency within three valuation days after the corresponding trading day.
5. Immediately after receipt of the issue price by the Depositary, the units are allocated by the Depositary on behalf of the Management Company.
6. The Depositary shall pay back, without delay and without

charging interest, payments made for subscription orders which are not realised.

7. The Management Company may accept full or partial subscriptions in kind at its own discretion. In this case, the subscription in kind must be in accordance with the investment policy and the restrictions of the fund. These investments will also be audited by the auditor assigned by the Management Company.

Article 7 Redemption of units

1. The unitholders of the Fund are entitled, at any time, to request redemption of their units at the redemption price laid down in the Special Regulations of the Fund and under the terms and conditions determined therein. Such redemptions shall only take place on a trading day.
2. Redemption orders shall be accepted on any trading day. The redemption of units takes place at the redemption price on a particular trading day.

   Redemption orders reaching the Management Company before 16:00 (Luxembourg time) on a trading day are settled at the unit value on that trading day. The calculation of the unit value for a trading day is calculated on the valuation day in accordance with Article 8(1), so that the corresponding settlement for the investors is also made on the valuation day.

   Redemption orders received on a trading day after 16:00 (Luxembourg time) shall be deemed to have been received on the following trading day and shall be settled at the unit value on the following trading day. Since the unit value for the following trading day will not be calculated until the next valuation day, a corresponding settlement for the investors will only be made on the next valuation day.

   The Management Company ensures that in all cases the units will be redeemed based on a unit value unknown to the investor at the time of submission of the redemption order.
3. The redemption price is paid within three valuation days after the appropriate trading day, unless stated otherwise in the Special Regulations.
4. Subject to the prior approval of the Depositary, the Management Company is only entitled to carry out comprehensive redemptions that cannot be covered using the Fund's liquid funds and authorised borrowing once the corresponding assets of the Fund have been sold without delay. Investors who have offered their units for redemption shall be informed of any suspension in the redemption of units, as well as the resumption thereof, without delay and in an appropriate manner.
5. The Depositary is only obliged to make payment insofar as there are no legal provisions, such as exchange control regulations or other circumstances beyond the Depositary's control, prohibiting the transfer of the redemption price to the country of the applicant.
6. The Management Company may buy back units for the Fund unilaterally in return for payment of the redemption price, if the Fund deems this necessary in the interests of the unitholders or to protect the Management Company.
7. The Management Company may, at its discretion, accept redemptions against benefits in kind at the request of the investor. In this event, such redemptions may not have any negative effect on other investors and shall be verified by the auditor commissioned by the Management Company.

Article 8 Calculation of the unit value

1. The value of a unit (the "unit value") is denominated in the currency stipulated in the Special Regulations of the Fund (the "fund currency").

   It is calculated, under the supervision of the Depositary, by the Management Company or a third party commissioned by it on every day following a trading day which is both a bank business day and a trading day in Frankfurt / Main (the "valuation day"). The value is calculated by dividing the Fund's net assets by the number of its units in circulation on the trading day.
2. The Fund's net assets will be calculated according to the following principles:

   a) Transferable securities, money market instruments, derivative financial instruments ("derivatives") and other investments officially quoted on a stock exchange are valued at the latest available trade price which provides a reliable valuation on the trading day preceding the valuation day. If transferable securities, money market instruments, derivative financial instruments ("derivatives") and other investments are officially listed on several stock exchanges, the stock exchange with the highest liquidity will be the definitive one.

   b) Transferable securities, money market instruments, derivative financial instruments ("derivatives") and other investments which are not officially listed on a stock exchange but which are traded on another regulated market shall be valued at a price no less than the bid price and no more than the offer price of the trading day preceding the valuation day, which the Management Company considers to be the best possible price at which the transferable securities, money market instruments, derivative financial instruments ("derivatives") and other investments could be sold.

   c) Shares/units of other UCITS and/or UCI are, in principle, set at the last redemption price established prior to the valuation day, or the latest available trade price which provides a reliable valuation.

   d) Derivative financial instruments not officially listed on a stock exchange, and which are not traded on another regulated market (OTC derivatives), are valued in a reliable and verifiable manner on a daily basis, using a number of constant principles. At the initiative of the Company, they can be sold at their fair value, settled or closed by means of a quid-pro-quo transaction at any time.

   e) Cash held at banks and term deposits will be valued at face value plus interest.

f) Amounts due (e.g. deferred interest claims and liabilities) shall, in principle, be rated at the nominal value.

g) If these prices are not fair market prices, are not available and if no prices are set for financial instruments other than those listed under (a)–(f) or these financial instruments are not traded on a regulated market, then said financial instruments and all other assets shall be valued at their current market value, which shall be established in good faith by the Management Company on the basis of generally accepted valuation rules verifiable by the auditors (e.g. suitable valuation models taking account of current market conditions).

h) Insofar as this is expressly stated in the Special Regulations, the valuations of the interest-bearing investments referred to in (a) or (b) with a remaining term of less than six months will be successively geared to the repayment price; in such cases, the resultant investment yields shall remain constant. Variable interest-bearing investments shall, in principle, be valued according to the linear forward rate method. After purchase, the forward projection line for every security shall be calculated. The purchase price shall be written up or down on the basis of that line until the repayment date. In the event that market conditions undergo substantial changes the valuation basis for individual investments may be adjusted to bring them into line with market yields.

i) Insofar as this is expressly stated in the Special Regulations, the interest income up to the third valuation day (inclusive) after the specific trading day shall be included in the valuation, allowing for the corresponding costs. If the Special Regulations determine a number of valuation days differing from Article 6(4), within which the issue price is payable after the corresponding trading day, the interest income for the number of valuation days after a particular trading day shall be included in the valuation, allowing for the corresponding costs.

j) Investments denominated in a currency other than that of the Fund shall be converted into the fund currency at the exchange rate of the trading day preceding the valuation day, ascertained on the basis of WM/Reuters-Fixing at 17:00 (16:00 GMT). Profits and losses from foreign exchange transactions concluded shall on each occasion be added or subtracted. By way of exception to the aforementioned letter a), exchange-traded futures on currency exchange rates shall be valued at the rate determined at 17.00 (16.00 GMT).

3. If various unit classes are established for the Fund, in accordance with Article 5(3) of the Management Regulations, the calculation of the unit value shall have the following characteristics:

a) The unit value shall be calculated separately for every unit class according to the criteria stated in section 1 of this article.

b) Cash inflow based on the issue of units increases the unit class participation rate in the total value of the Fund's net assets. Cash outflow based on redemption of units decreases the unit class participation rate in the total value of the Fund's net assets.

c) In the event of a distribution, the unit value of class A units conferring entitlement to distributions shall be reduced by the distribution amount. At the same time, the percentage of unit class A in relation to the total value of the Fund's net assets is reduced, while the percentage of unit class T without distribution rights in the entire Fund's net assets is increased.

4. An income adjustment can be carried out for each fund.

5. With comprehensive redemption applications, which cannot be covered using the Fund's liquid funds and authorised borrowing, the Management Company may specify the unit value based on the price on the valuation day on which it carries out the required sale of transferable securities; this also applies to subscription orders for the Fund which are submitted on the same day.

6. Should extraordinary circumstances occur which make a valuation according to the above-mentioned criteria seem impossible or improper, the Management Company is authorised to comply with other valuation rules determined by it on the basis of good faith and generally recognised valuation rules verifiable by auditors, in order to achieve a proper valuation of the Fund's assets.

7. The Management Company can reduce the unit value by the way of a unit split by issuing bonus units.

Article 9 Suspension of the calculation of the unit value

1. The Management Company is authorised to temporarily suspend calculation of the unit value for the Fund if and as long as circumstances exist which necessitate such suspension and if the suspension is justifiable in the interests of the unitholders, especially:

a) during any period (apart from normal weekends or holidays) in which a stock exchange or another market, on which a significant part of the Fund's assets are officially listed or traded, is closed, or in which trading on that stock exchange or a market is suspended or restricted;

b) in emergencies, if the Management Company does not have access to the Fund's assets or is unable to freely transfer the countervalue of the asset purchases or sales, or to calculate the unit value in a due and orderly fashion;

c) if disruptions in the communications network, or any other reason, make it impossible to calculate the value of a considerable part of the net assets either quickly or sufficiently.

2. The Management Company shall publish the suspension or resumption of calculating the unit value without delay in at least one daily newspaper in those countries in which units of the Fund have been admitted for public distribution, and shall inform all unitholders who have offered units for redemption.

Article 10 Financial year and audit of annual accounts

1. The financial year of the Fund is specified in its Special Regulations.
2. The annual accounts of the Fund will be audited by an auditor appointed by the Management Company.

Article 11 Use of income

1. The use of income of the Fund is specified in its Special Regulations.
2. Distributions can be paid in cash or in the form of bonus units. Any fractions remaining may be paid out in cash.
3. Ordinary earnings from interest and/or dividends minus costs ("ordinary net earnings") as well as net realised price gains can be used for distributions. Furthermore, unrealised price gains as well as other assets can also be paid as distributions, provided that the Fund's net assets do not, as a result of the distribution, fall below the minimum level pursuant to Article 1(1) of the Management Regulations.
4. Distributions are paid out on the basis of the units issued on the date of distribution.
5. Only class A units carry entitlement to distributions if there are the unit classes under Article 5(3) of the Management Regulations. In the case of a distribution of bonus units under section 2, those bonus units shall be allocated to unit class A.

Article 12 Duration and liquidation of the Fund and the merging of funds

1. The duration of the Fund is specified in the Special Regulations.
2. Notwithstanding Article 12(1), the Fund may, at any time, be liquidated by the Management Company, unless a provision in the Special Regulations states otherwise.
3. Liquidation of the Fund shall be obligatory in the following instances:
   a) if the duration of the Fund set out in the Special Regulations comes to an end;
   b) if the Depositary Mandate is terminated and no new Depositary mandate is given within the legal or contractual deadlines;
   c) if the Management Company is wound up or dissolved for any reason;
   d) if the Fund's assets fall below a quarter of the minimum level stated in Article 1(1) of the Management Regulations for more than six months;
   e) in other cases provided for in the Law of 17 December 2010 or in the Special Regulations of the Fund.
4. The Management Company can dissolve existing funds or merge them with another fund in accordance with section 7, if since the time of their launch, significant economic and/or political changes have occurred or the Fund's assets fall below the equivalent of EUR 50 million.

   In the two months preceding the time of the liquidation of a fund established for a definite period, the Management Company shall wind up said fund. As a result, the assets will be sold, claims collected, and liabilities paid off.

   The regulation in Section 5 also applies to all amounts not claimed after the completion of liquidation proceedings.
5. If a situation occurs which leads to the liquidation of the Fund, the issue of units shall be discontinued. Redemption shall continue to be possible, but the liquidation costs shall be taken into account in the redemption price. The Depositary shall distribute the liquidation proceeds minus the liquidation costs and fees ("net liquidation proceeds"), on the instructions of the Management Company or, if applicable, the receivers appointed by it or by the Depositary, among the unitholders of the Fund according to their stake.

   Any net liquidation proceeds not collected by unitholders on completion of the liquidation proceedings shall, if required by law, be converted into euro and deposited by the Depositary after the completion of liquidation proceedings for the unitholders with the Caisse de Consignation in Luxembourg. This sum shall then be forfeited if it is not claimed within the statutory period of 30 years.
6. Neither the unitholders nor their heirs, legal successors or creditors can request the liquidation or division of the Fund.
7. Upon decision by the Management Company, funds may be merged in accordance with the stipulations contained in Chapter 8 of the Law of 17 December 2010, whereby the Fund, in accordance with Article 1(20) of the Law of 17 December 2010, is transferred to another existing fund or is merged with one or several funds into a new fund. A transfer or merger may, for example, take place if the management of the Fund can no longer be economically guaranteed or in the event of a change in the economic or political situation. The Management Company may also decide to merge another existing fund into the Fund.

   If funds are merged, the Management Company shall notify the unitholders of the Fund of the intention to merge by issuing a corresponding notice within the meaning of Article 72(2) of the Law of 17 December 2010 at least 30 days in advance. The unitholders will then have the right for 30 days to redeem or request repayment of their units at the unit value without any further costs, or possibly exchange them for units of another fund with a similar investment policy which is managed by the Management Company or another company, and with which the Management Company is associated on the basis of joint management or control or a significant direct or indirect holding. This right shall be effective from the date on which the unitholders of the absorbed and the absorbing funds have been informed of the planned merger, and expires five banking days before the date of calculation of the exchange ratio.

   Notwithstanding the above, the Executive Board of the Management Company reserves the right, in accordance with Article 73(2) of the Law of 17 December 2010, to temporarily

suspend the issue, redemption or repurchase of units if such a suspension appears to be justified in order to protect the unitholders.

Article 13 General costs

1. In addition to the costs stated in the Fund's Special Regulations, the following costs can be charged to the Fund:
   a) costs arising in connection with the acquisition and disposal of assets (e.g. transaction costs);
   b) costs for the preparation, official review, depositing and publication of the Fund's regulations, possible amendment proceedings, other agreements and regulations connected with the Fund (such as sales or licence contracts), as well as the settlement costs and costs of approval procedures at the appropriate offices;
   c) Costs for the preparation, printing and dispatch of sales prospectuses, KID as well as annual and interim reports and other announcements to unitholders in the relevant languages, costs of publication of issue and redemption prices, plus all other announcements;
   d) administrative costs, including the cost of associations (apart from administrative costs connected with the preparation and implementation of a merger);
   e) potential costs of rate-hedging transactions;
   f) a reasonable part of the costs of advertising and of those directly connected with offering and selling units;
   g) costs for legal advice incurred by the Management Company or Depositary if acting in the interests of unitholders (apart from the costs for legal advice connected with the preparation and implementation of a merger);
   h) costs and possible taxes levied on the assets, income and expenses of the Fund;
   i) costs of any stock exchange listing(s) and the fees of supervisory authorities and/or costs of registering the units for public distribution in various countries, and of representatives (including tax representatives) and paying agents in countries where the units have been admitted for public distribution;
   j) costs for the rating of the Fund by internationally recognised rating agencies;
   k) costs of dissolving a fund class or the Fund;
   l) Costs for arranging, preparing and conducting transactions with OTC derivatives and securities financing transactions including collateral management.

   VAT shall be added to the costs listed in the Special Regulations of the Fund and those listed under (a)-(l) of this Article as applicable.
2. The Management Company may, where applicable, receive a performance fee per calendar day from the Fund as stated in "The Fund at a glance", to the value of the amount by which the performance of the units in circulation exceeds the performance of the benchmark index.
3. In addition, the costs in “The Fund at a glance” may, where applicable, be charged to the Fund for the provision of analysis materials or services by third parties with respect to one or more financial instruments or other assets or with respect to the issuers or potential issuers of financial instruments or in close connection with a particular industry or market.
4. In addition, the Management Company, in its function as the Management Company of the Fund, may benefit from soft commissions (e.g. broker research, financial analyses, market and price information systems) in connection with trading transactions. Said commissions are used in the interests of unitholders when making investment decisions. Transactions of this type cannot be conducted with natural persons (these can be found in the annual report of the Fund); the service providers concerned may trade only in the interests of the Fund, the services provided must be directly associated with fund activities, and the Executive Board of the Management Company must be continuously updated on any such soft commissions received. The Management Company undertakes to provide unitholders upon request with further details of any payments in kind received.

Amounts paid as remuneration and costs shall be shown in the annual reports.

All costs and remuneration shall first be charged to the current income, then to capital gains and only then to the fund assets.

Costs and processing charges connected with acquiring or selling assets shall be included in the cost price or deducted from the sales proceeds.

Article 14 Limitation period

Claims by the unitholders against the Management Company or the Depositary can no longer be legally asserted once a period of five years has elapsed from the date of the claim. This is without prejudice to the provisions of Article 12(5) of the Management Regulations.

Article 15 Amendments

1. The Management Company can at any time wholly or partially amend the Management Regulations and/or Special Regulations with the consent of the Depositary.
2. If the benchmark applied by a fund when calculating the performance fee is no longer available, the Management Company is entitled to choose another index that corresponds to the original index. Investors will be notified by means of a notice.

Article 16 Publications

1. The original version of the Management Regulations and the Special Regulations, and any potential amendments thereto, shall be lodged with the Luxembourg Trade and Companies Register and a notice of deposit shall be published on the RESA.
2. The issue and redemption prices can be obtained from the Management Company, the Depositary and the paying and sales agents.

3. The Management Company shall draw up a Sales Prospectus, a KID, an audited annual report and a semi-annual report for the Fund in accordance with the legal provisions of the Grand Duchy of Luxembourg.
4. The documents of the Fund referred to in section 3 above can be obtained by unitholders free of charge from the registered office of the Management Company, the Depositary and each paying and sales agent.
5. The liquidation of the Fund shall be published by the Management Company in the RESA and in at least two national daily newspapers, one of which is a Luxembourg newspaper, in accordance with Article 12 of the Management Regulations and statutory regulations.

   Subject to the approval by the CSSF on a case-by-case basis and any conflicting provisions in the countries in which the Fund is sold, one of the two aforementioned mandatory publications in national daily newspapers may also be replaced by an Internet publication on a website which can be accessed by the unitholders of the Fund.

Article 17 Applicable law, jurisdiction and contractual language

1. The Management Regulations and the Special Regulations of the Fund are subject to the law of the Grand Duchy of Luxembourg. In particular, the provisions of the Law of 17 December 2010 shall apply in addition to the provisions set out in the Management Regulations and Special Regulations. This is also the case for legal relations between the unitholders, the Management Company and the Depositary.
2. Any legal dispute between unitholders, the Management Company and the Depositary is subject to the jurisdiction of the appropriate court in the Grand Duchy of Luxembourg.
3. The German text of the Management Regulations and the Special Regulations is the authoritative version, unless expressly stated otherwise in the respective Special Regulations or in "The Fund at a glance".
4. If there are conceptual definitions which need to be interpreted, but which are not contained in these Management Regulations, then the provisions of the Law of 17 December 2010 shall apply. This shall apply in particular to definitions contained in Article 1 of the Law of 17 December 2010.

Article 18 Entry into force

Unless otherwise stated, the Management Regulations, the Special Regulations and any amendments thereto shall enter into force on the date they are signed.

The signature of the Depositary shall be appended in respect of the Depositary function assumed in each particular case. The name of the Depositary is stated in the Special Regulations.

Luxembourg, 1 January 2023

The Management Company
Union Investment Luxembourg S.A.

The Depositary
DZ PRIVATBANK S.A.

Special Regulations UniEuroRenta Corporates

For the Fund, the Management Regulations dated 1 January 2023, deposited with the Luxembourg Trade and Companies Register and with the notice of deposit published on the information platform Recueil Electronique des Sociétés et Associations ("RESA") of the Luxembourg Trade and Companies Register, form an integral part together with any future amendments.

Supplementary or deviating regulations of the following Special Regulations shall apply, which come into effect on 31 August 2023. They replace the previous version of 1 January 2023. Notice of the filing of these Special Regulations with the Luxembourg Trade and Companies Register shall be published in the RESA no later than 29 September 2023.

The Fund is subject to supervision by the Commission de Surveillance du Secteur Financier ("CSSF").

Article 19 Investment objective

The aim of the investment policy of UniEuroRenta Corporates (the "Fund") is to generate an adequate yield on the capital invested while at the same time taking economic and political risks into consideration.

Investors are advised that no conclusions concerning future performance can be drawn from past performance; such performance may be higher or lower. No guarantee can be given that the objectives of the investment policy will be achieved.

Article 20 Investment policy

The Fund's assets are predominantly invested in corporate bonds, bank bonds, convertible bonds and bonds with warrants, as well as other interest-bearing transferable securities (including zero bonds and, provided these are considered transferable securities pursuant to Article 41 of the Law of 17 December 2010, in asset-backed securities, such as collateralised debt obligations, collateralised bond obligations, collateralised swap obligations and other similar securities). These are mainly traded on stock exchanges or other regulated markets in OECD member states, which are recognised, open to the public and operate regularly. The Fund may also make use of the techniques and instruments for the management of credit risks outlined in section 6 of the Sales Prospectus.

The assets acquired for the Fund are primarily denominated in EUR. The Fund may make use of the techniques and instruments for hedging against currency risks.

The Fund invests a maximum of 10% of its net assets in other UCITS or UCI within the meaning of Article 4, point 1.1(e) of the Management Regulations.

Article 21 Fund currency, issue and redemption price of units

1. The currency of the Fund is the euro (EUR).
2. Units shall be issued on each trading day. The issue price is the unit value in accordance with Article 8 of the Management Regulations plus an initial sales charge of up to 3% of the unit value. The initial sales charge will be paid to the Management Company and the sales agent and may be staggered according to the volume of the purchase order. The issue price may be increased by fees or other charges payable in the particular countries where the Fund is distributed.
3. The redemption price in the unit value.

Article 22 Units

1. Units are exclusively evidenced by global certificates. There will be no right to the delivery of physical units. The physical units (unit certificates) in circulation shall be converted at the expense of the Management Company into dematerialised units pursuant to the procedure described in Article 22(3) of the Special Regulations by 31 March 2017 (end of conversion period). This procedure constitutes a mandatory conversion within the meaning of the Law of 6 April 2013 on dematerialised transferable securities ("Law of 6 April 2013").Unconverted unit certificates must be deposited by the bearer of the unit certificates with the depositary appointed by the Management Company within the meaning of Article 2 of the Law of 28 July 2014 regarding immobilisation of bearer shares and units and the keeping of the register of registered shares and the register of bearer shares ("Law of 28 July 2014"). DZ PRIVATBANK S.A., 4, rue Thomas Edison, L-1445 Luxembourg-Strassen, has been appointed as depositary. The Depositary holds in safe custody the unit certificates on behalf of the respective unitholder; the investor is the holder of the unit certificates. In addition, the Depositary maintains a register thereof. The unitholder shall, upon written request, be issued with a proof of deposit as well as all other entries that concern him. Any sale of unit certificates shall be asserted by a proof of transfer of ownership which the Depositary enters into the same register. To this end, the Depositary may accept any document or information that provides proof of transfer of ownership from the seller to the purchaser. Failure to deposit unit certificates by 18 February 2015 will result in unitholder rights associated with said unit certificates being suspended until they have been deposited.Provided that distribution claims have not expired, any distributions will be deferred until the date of the deposit, without incurring interest payments.Unit certificates not received by the Depositary by 18 February 2016 shall be cancelled. The countervalue of the cancelled unit certificates shall be deposited at the Caisse de Consignation in Luxembourg until someone able to prove legal ownership claims the surrender thereof.
2. Class A units (distributing), C (accumulating) and M (primarily reserved for institutional clients) are issued. All units of a single class have equal rights.
3. Unit certificates may be presented for redemption or for

conversion into units evidenced by global certificates.On the written request of the unitholder, the unit certificates deposited with the Depositary may be converted (dematerialised) into units evidenced by global certificates at the expense of the Management Company until 31 March 2017 (end of the conversion period) and be posted to a securities account in the name of the unitholder. After the conversion period has expired, the remaining unit certificates not dematerialised at the request of the unitholder will be credited to a securities account under the name of the issuer of the unit certificates (Union Investment Luxembourg S.A.) and thus converted into units evidenced by global certificates (dematerialised). The act of crediting these unit certificates to the securities account opened in the name of the issuer does not entitle the latter to ownership of the rights to these unit certificates. On the written request of the unitholder after the conversion deadline, these shall be transferred from the issuer's securities account to a securities account in the name of the unitholder.

Article 23 Use of income

1. The interest and dividend income collected in the Fund as well as other ordinary income less costs shall be distributed at the discretion of the Management Company for the units of the classes A and M. Income from class C is reinvested.
2. Apart from ordinary net income, the Management Company can distribute capital gains, proceeds from the sale of subscription rights and/or other non-recurring earnings minus capital losses, as well as other assets either wholly or partially in cash or as bonus units in accordance with Article 11(3) of the Management Regulations.

Article 24 Depositary

The Depositary is DZ PRIVATBANK S.A., Luxembourg.

Article 25 Costs for the management and safekeeping of the Fund´s assets

1. The Management Company is entitled to receive an annual management fee of up to 0.8% of the Fund's net assets, which is calculated on the basis of the Fund's net assets per calendar day during a given month and payable on the first valuation day of the following month.
2. Furthermore, the Management Company receives an annual flat fee of up to 0.2% p.a. of the Fund's net assets per calendar day. The flat fee shall cover the following payments and expenses:
   a) depositary fee;
   b) custody and depository fees for the safekeeping of assets, in line with standard banking practice;
   c) auditors' fees;
   d) costs of appointing voting proxies;
   e) Costs of central administration activities, such as fund accounting and reporting system.

   The flat fee shall be calculated on the basis of the Fund's net assets per calendar day during the month in question and is payable on the first valuation day of the following month.

Article 26 Financial Year

The financial year ends each year on 30 September.

Article 27 Duration of the Fund

The Fund is set up for an indefinite period.

Senningerberg,

The Management Company
Union Investment Luxembourg S.A.

Strassen,

The Depositary
DZ PRIVATBANK S.A.

The Fund at a glance

Fund	UniEuroRenta Corporates
Currency	EUR
Securities ID No./ISIN code class A	940637 / LU0117072461
Securities ID No./ISIN code class C	792615 / LU0136786182
Securities ID No./ISIN code class M	940638 / LU0117073196
Distribution class M	primarily institutional clients
Investment objective	The investment objective is, by an active management approach, to generate an adequate yield on the capital invested while at the same time taking economic and political risks into consideration. **Investors are advised that no conclusions concerning future performance can be drawn from past performance; such performance may be higher or lower. No guarantee can be given that the objectives of the investment policy will be achieved.**
Active management approach	The assets to be acquired for this Fund are identified on a discretionary basis by means of a consistent investment process ("active management"). To implement active management, Union Investment has established a research process. In this process, companies of potential interest are analysed by the portfolio management, particularly on the basis of data bank analyses, company reports and personal impressions. The portfolio management makes decisions regarding the purchase or sale of a security in compliance with the statutory and contractual rules. The reasons for purchasing or selling may be, inter alia, the current market situation, changes in reporting on a company, or cash flow within the Fund. Possible risks are also taken into account when making investment decisions. Risks can be accepted when the relationship between risk and reward is considered positive. The Fund does not reproduce any securities index and its investment strategy is not based on emulating the development of one or many indices. The investment strategy is in fact based on a benchmark (100% ICE BofA EMU Corporate Total Return Index), in which an attempt is made to surpassing its performance. As a result of active over- and underweighting of individual securities on the basis of current capital market assessments, the fund management may deviate significantly from this benchmark, both positively and negatively. The extent to which the portfolio holdings may deviate from the benchmark is limited by the investment strategy. This may limit the possibility of surpassing the benchmark. In addition, investments may be made, at any time, in securities that are not part of the benchmark. As the Fund's assets and their weightings may differ significantly from the securities which are included in the benchmark, the performance of the Fund may also differ significantly from the performance of the benchmark.
Consideration of the principal adverse impacts of investment decisions on sustainability factors in accordance with Article 7 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	The consideration of the principal adverse impacts of investment decisions on sustainability factors is not part of this Fund's investment strategy. However, as part of the acquisition and ongoing analysis of the Fund's assets, these effects are taken into account as part of the general due diligence obligations of the Management Company and in the risk analysis. Explanations on the consideration of the principal adverse impacts of investment decisions of the Management Company on sustainability factors are published in the corresponding statement on the homepage of the Management Company on the Internet under (Legal Notices | Union Investment (union-investment.lu)).
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.
Investment policy	The Fund's assets are predominantly invested in corporate bonds, bank bonds, convertible bonds and bonds with warrants, as well as other interest-bearing transferable securities (including zero bonds and, provided these are considered transferable securities pursuant to Article 41 of the Law of 17 December 2010, in asset-backed securities, such as collateralised debt obligations, collateralised bond obligations, collateralised swap obligations and other

	similar securities). These are mainly traded on stock exchanges or other regulated markets in OECD member states, which are recognised, open to the public and operate regularly. The Fund may also make use of the techniques and instruments for managing credit risks, which are outlined in section 6 of the Sales Prospectus. The assets acquired for the Fund are primarily denominated in EUR. The Fund may make use of the techniques and instruments for hedging against currency risks. The Fund invests a maximum of 10% of its net assets in other UCITS or UCI within the meaning of Article 4, point 1.1(e) of the Management Regulations.
Total Return Swaps	The Management Company usually expects 0 to 20% of the Fund's assets to be the subject of total return swaps. However, this is only an estimated value that may be exceeded in individual cases. In total, no more than 35% of Fund assets may be the subject of these transactions.
Securities financing transactions	Repurchase agreements: the Management Company will not engage in repurchase agreements for the account of the sub-fund. Securities lending transactions: the Management Company will not engage in securities lending transactions for the account of the sub-fund. In suitable market phases and taking into account the sub-fund's investment strategy, 80% of the sub-fund's assets (in the form of securities, money market instruments and investment units) may be transferred to third parties as securities lending for an indefinite period. The Management Company expects that, as a general rule, between 40 and 60% of the sub-fund's assets will involve securities lending transactions. However, this is only an estimated value that may be exceeded in individual cases. The actual part of the sub-fund volume subject to securities lending transactions is listed in the relevant semi-annual and annual reports. Buy/sell-back transactions or sell/buy-back transactions: the Management Company will not enter into any buy/sell-back transactions or sell/buy-back transactions for the account of the sub-fund.
Risk profile of the Fund	The Management Company has allocated the Fund to the second-lowest of five risk categories. The Fund therefore has a moderate risk. In order to increase its value, the Fund may carry out transactions in options, financial futures and forward contracts, forward exchange contracts, swaps, techniques and instruments for managing credit risks or techniques and instruments for efficient portfolio management. The aforementioned transactions may also be used for hedging purposes. In this regard reference is also made to Chapter 6 of the Sales Prospectus: "General information on derivatives, security financing transactions, techniques and instruments" and to Chapter 14: "General risk information". The relative VaR approach is used for monitoring and measuring the overall risk associated with derivatives. The corresponding benchmark portfolio is composed of ist ICE BofA EMU Corporate Total Return Index (comparison assets). The expected average sum of the nominal values or equivalent values of all relevant derivatives (leverage effect) has been estimated to be 115% of the Fund's volume.
Risk profile of the typical Investor	The Fund is suitable for investors who wish to take advantage of the opportunity to invest in corporate bonds and who are willing to accept reasonable risks for higher earnings. The Fund is not suitable for investors looking for guaranteed returns. Investors are advised to refer to specific recommendations from the current KID.
Currency risks for euro investors	The assets acquired for the Fund are primarily denominated in EUR. The Fund may make use of the techniques and instruments for hedging against currency risks.
Use of the Fund's income of classes A and M	Distributing
Use of the income of class C	Accumulating
Certification of classes A, C and M	Global certificates
Initial issue price per unit of class A	EUR 45.00
Initial issue price per unit of class C	EUR 25.00
Initial issue price per unit of class M	EUR 10,000.00

Minimum initial investment (class M)	EUR 100,000.00. The Management Company is authorised to accept lower amounts at its discretion.
Depository	DZ PRIVATBANK S.A.
Costs borne by unitholders	Dummy
Initial sales charge for class A	3%
Initial sales charge for class C	3%
Initial sales charge for class M	Not applicable
Costs which can be reimbursed from the Fund's assets	Dummy
Management fee for class A*)	0.6% p.a. calculated on the basis of the Fund's net assets per calendar day.
Management fee for class C *)	0.8% p.a. calculated on the basis of the Fund's net assets per calendar day.
Management fee for class M *)	0.4% p.a. calculated on the basis of the Fund's net assets per calendar day.
Performance fee for classes A, M and C	A performance fee is remuneration given as an additional performance incentive for fund management. The remuneration is only paid if the performance of the fund or a unit class is better than its benchmark in the accounting period (outperformance). The conditions under which a performance fee may be withdrawn can be found in the following letters a) to f): a) Definition of "performance fee" The Management Company may, in addition to the remuneration and fees pursuant to Article 25 of the Special Regulations, receive a performance fee for the management of the Fund per unit issued of up to 25% of the amount by which the unit value performance exceeds the performance of the benchmark index at the end of an accounting period (outperformance of the benchmark index, i.e. positive deviation of the unit value performance from the benchmark performance, hereinafter also referred to as “positive benchmark deviation”), but in total not more than 2.5% of the average net asset value of the Fund or any unit class in the accounting period calculated from the calendar-day values. The costs charged to the Fund are deducted from the fund's performance before the comparison is made in order to determine the outperformance or are generally taken into account when reporting the fund's performance. These costs may not be deducted from the performance of the benchmark index before the comparison. If the performance of the unit value at the end of an accounting period falls short of the performance of the benchmark index (underperformance relative to the benchmark index, i.e. negative deviation of the unit value performance from the benchmark performance, hereinafter also referred to as "negative benchmark deviation"), the Management Company shall not receive a performance fee. In line with the calculation of the performance fee in the case of a positive benchmark deviation, an underperformance amount per unit value is now calculated on the basis of the negative benchmark deviation and carried forward to the next accounting period as a negative carryforward. The negative carryforward is not limited by a maximum amount. For the next accounting period, the Management Company will receive a performance fee only if the amount calculated on the basis of the positive benchmark deviation at the end of this accounting period exceeds the negative carryforward from the preceding accounting period. In this case, the fee entitlement is calculated from the difference between both amounts. If the amount calculated from the positive benchmark deviation does not exceed the negative carryforward from the previous accounting period, both amounts are offset. The remaining underperformance amount per unit value will be carried forward again into the next accounting period as a new negative carryforward. If there is again a negative benchmark deviation at the end of the next accounting period, the existing negative amount carried over shall be increased by the underperformance amount calculated on the basis of this negative benchmark deviation. In the annual calculation of the fee entitlement, any underperformance amounts of the five preceding accounting periods are taken into account. If there are less than five previous accounting periods for the Fund, all previous accounting periods are taken into account. b) Definition of "accounting period" The accounting period begins on 1 October and ends on 30 September of each calendar year. The first accounting period began on 1 October 2014 and end on 30 September 2015. c) Benchmark index

ICE BofA EMU Corporate Total Return Index (ER00) will be defined as benchmark index.
The administrator of the aforementioned benchmark index, MSCI Limited, has been entered into a public register listing reference value administrators and reference values at the European Securities and Markets Authority (ESMA).
If the benchmark index should cease to apply or substantially change, the Management Company shall, on the basis of a sound written plan laying down the measures to be adopted, determine another appropriate index to replace the one stipulated. Said plan can be viewed free of charge at the Management Company's registered office and in the countries where the Fund is distributed.

d) Calculation of unit value development

The unit value development is calculated using the BVI method. The BVI method is an internationally recognised standard method for calculating the performance of investment funds. It enables a simple, understandable and accurate calculation. Performance is defined as the percentage change between the value of the invested assets at the start and end of the investment period. In the calculation, any distributions are converted (theoretically) into new fund units so as to enable performance comparisons between distributing and reinvesting funds.

e) Provisions

On the basis of the results of a daily comparison, provision for any accrued performance fee shall be made in the Fund for each unit in circulation or a provision already booked shall be reversed accordingly. Dissolved provisions revert to the Fund. A performance fee may be paid out only if appropriate provisions are made.

f) Consideration of the unit value performance

The performance fee may also be drawn upon if the unit value at the end of the accounting period is less than the unit value at the start of the accounting period (negative unit value performance).

g) Example for the calculation of a performance fee

The following diagram describes the basic procedure for withdrawing a performance fee:

A) Deduction of a performance fee in the event of positive performance of the Fund and (less) positive performance of the benchmark index

A performance fee may be deducted if the positive performance of the Fund exceeds the positive performance of its benchmark index ("outperformance").

Example 1:
The Fund achieved ten percent growth during the accounting period. In contrast, the growth in value of the underlying benchmark index was only seven percent during the accounting period. The following calculations result from taking these assumptions into account:

i) Calculation of the outperformance:

Performance of the fund	10 %	
less performance of the benchmark index	-7 %	
= Outperformance of the fund in the accounting period		3 %

ii) Offset of an existing loss carried forward:
The loss carried forward from the previous five years amounts to 1.2 percent, for example.
The Fund's outperformance during the accounting period as calculated in i) above is adjusted by the illustrative loss carried forward, resulting in a remaining outperformance of 1.8 percent:
3.0 percent – 1.2 percent = 1.8 percent remaining outperformance.

iii) Calculation of the performance fee:
Remaining outperformance 1.8 percent * Deduction rate of performance fee at 25 percent = 0.45 percent

iv) Accounting for the agreed upper limit:
The amount of a performance fee is limited to a maximum of 2.5 percent (upper limit). In the example, the percentage value of 0.45 percent calculated in iii) is below the agreed upper

limit of 2.5 percent and can be deducted from the Fund assets.
The aforementioned calculation takes place on each valuation day (of the unit value) and a performance fee is accordingly demarcated daily from the Fund assets – i.e. is included in the unit value.
The timing of the deduction of a defined performance fee has no impact on the unit value due to the ongoing adjustment of the provision.

B) Deduction of a performance fee in the event of negative performance of the Fund and negative performance of the benchmark index

A performance fee may also be deducted if the Fund performs negatively, but this performance is less negative than the performance of its benchmark index ("outperformance").

Example 2:
The Fund incurred a loss of two percent (-2%) during the accounting period. In contrast, the loss recorded by the underlying benchmark index was five percent (-5%) during the accounting period. The following calculations result from taking these assumptions into account:

i) Calculation of the outperformance:

Performance of the fund	-2 %	
less performance of the benchmark index	-5 %	
= Outperformance of the fund in the accounting period		3 %

ii) Offset of an existing loss carried forward:
The loss carried forward from the previous five years amounts to 1.2 percent, for example.
The Fund's outperformance during the accounting period as calculated in i) above is adjusted by the illustrative loss carried forward, resulting in a remaining outperformance of 1.8 percent:
3.0 percent – 1.2 percent = 1.8 percent remaining outperformance.

iii) Calculation of the performance fee:
The calculation of the performance fee as well as the consideration of the agreed upper limit are carried out as described under point A), example 1, under iii) and iv).

C) Deduction of a performance fee in the event of positive performance of the Fund and (more) positive performance of the benchmark index

A performance fee cannot be deducted if the positive performance of the Fund is less than the positive performance of its benchmark index ("outperformance").

Example 3:
The Fund achieved 2 percent growth during the accounting period. In contrast, the growth in value of the underlying benchmark index was, however, 5 percent during the accounting period. The following calculations result from taking these assumptions into account:

i) Calculation of the outperformance:

Performance of the fund	2 %	
less performance of the benchmark index	5 %	
= Outperformance of the fund in the accounting period		-3 %

ii) Offset of an existing loss carried forward:
In view of the fact that no (or a negative) outperformance has been achieved, the existing loss carried forward increases by 3 percent.

iii) Calculation of the performance fee:
In view of the fact that no outperformance has been achieved, no performance fee is charged.

iv) Accounting for the agreed upper limit:
In view of the fact that no performance fee is being charged, it is not necessary to take the upper limit into account.

Costs for the provision of analysis materials or services by third parties*)

none

Flat fee *)	Furthermore, the Management Company receives an annual flat fee of 0.1% p.a. of the Fund's net assets per calendar day. The flat fee shall cover the following payments and expenses: a) Depositary fee; b) custody and depository fees for the safekeeping of assets, in line with standard banking practice; c) auditors' fees; d) costs for appointing voting proxies; e) costs of central administration activities, such as fund accounting and reporting system. The flat fee shall be calculated on the basis of the Fund's net assets per calendar day during the month in question and is payable on the first valuation day of the following month.
Taxe d'abonnement classes A, C and M	0.05% p.a.
Launch date of Fund / Date of first payment	1 April 1993
Financial Year	1 October – 30 September
First financial year	1 April 1993 – 30 September 1994
Reports	First unaudited report: 30 September 1993 First half-yearly report: 31 March 1994 First annual report: 30 September 1994
Stock exchange listing	Not planned
Distribution countries (class A)	Grand Duchy of Luxembourg, Germany, Austria, Switzerland
Distribution countries for class C	Grand Duchy of Luxembourg, Germany, Italy, Spain, Switzerland
Distribution countries (class M)	Grand Duchy of Luxembourg, Germany, United Kingdom, Italy, The Netherlands, Austria, Switzerland
Publication	
Management Regulations and Special Regulations	The notice of deposit of the Management Regulations and Special Regulations with the Luxembourg Trade and Companies Register will be published on the information platform Recueil Electronique des Sociétés et Associations ("RESA").

*) For all other matters, reference is made to Article 13 ("General costs") of the Management Regulations and to the Special Regulations.

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