Union Investment

Sales Prospectus

Quoniam Funds Selection SICAV

for the investment company with variable capital
(Société d'Investissement à Capital Variable, SICAV)
As at: 4 October 2023

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

Contents

General information

This Sales Prospectus is published as part of the current offering of shares of Quoniam Funds Selection SICAV (the "Company"), an investment company with variable capital.

In addition, a key information document for packaged retail and insurance-based investment products (“KID”) will be prepared, which contains the essential information about the investment fund (the “Fund”).

The shares offered (the "shares") securitise units in the sub-fund constituting the Company's total net assets. This Sales Prospectus was created exclusively for the offering of shares in sub-funds in existence at the time of publishing this Sales Prospectus. These shares are issued, redeemed and converted at the price resulting from the calculation of the net asset value per share for the corresponding sub-fund (see "Issue of shares", Redemption of shares" and "Conversion of shares").

The Sales Prospectus may not be used as a basis for selling or establishing contact in countries in which the sale of shares is not authorised. This also applies for specific circumstances in which the sale is prohibited. Any potential investor who receives the sales documents or subscription form outside the Grand Duchy of Luxembourg should only construe it as an offer to purchase or subscribe for shares if

- contact is legally established with the potential investor in the corresponding country and without any registration or other formalities; or
- the potential investor has met all formal and legal requirements in the corresponding country and has all the necessary powers.

Prevention of money laundering

The sales agents for the shares 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). "FATF" stands for Financial Action Task Force on Money Laundering.

FATF countries are states that comply with the provisions of the Financial Action Task Force.

Accordingly, subscribers must provide proof of their identity to the sales agent accepting their subscription, conversion or redemption applications by means of an official identification document. The sales agent must request the following identification documents from persons submitting subscription, conversion or redemption applications:

- in the case of private individuals – a certified true copy of their passport or identity card (certified by the sales agent or a local administrative body);
- in the case of companies or other legal persons – a certified true copy of their articles of association, a certified extract from the trade register, a copy of the latest published annual financial statements, the surnames and given names, nationality, date of birth and place of birth and address of beneficial owners.

The sales agents must also comply with all provisions regarding the prevention of money laundering which are applicable in the countries where the Fund is distributed.

The Management Company must ensure that the sales agents strictly comply with the above-mentioned procedures to determine and authenticate investor identity. The Management Company may also require the sales agents at any time to provide evidence that the procedures have been complied with.

The United States of America – The shares were not registered in accordance with the provisions of the United States Securities Act of 1933. For this reason, they may not be sold in the United States of America or its territories.

The Board of Directors of the Company (the "Board of Directors") has taken all necessary precautionary measures to ensure that the information in this Sales Prospectus is free of error and accurate in all key topics. All members of the Board of Directors assume full responsibility in this regard.

Potential investors are advised to gather personal information and make use of the support of their bank and also their financial, legal or tax adviser, in order to obtain comprehensive knowledge of

- possible legal or tax consequences and
- possible exchange restrictions, restrictions on the subscription, holding, redemption, conversion and transfer of shares,
- in the country in which potential investors have their domicile, permanent residence or registered offices.

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.

Any information provided to a person not mentioned in the prospectus shall be deemed inadmissible. The information contained in the Sales Prospectus is correct as of the date of issue; if significant changes are made, the Sales Prospectus will be updated in due course. All potential investors are therefore advised to contact the Company to enquire as to whether there is a new version of the Sales Prospectus.

Sales Prospectus

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.

The provisions of the relevant country apply to the issue, redemption and conversion of shares of Quoniam Funds Selection SICAV.

Shares in the sub-fund mentioned in this Sales Prospectus may not be offered, sold or allocated within the USA.

Investment Company

Quoniam Funds Selection SICAV
3, Heienhaff
L-1736 Senningerberg

Management body of the Investment Company:

Board of Directors of the Investment Company

Chairman of the Board of Directors

Dr. Nicolas Ebhardt
Member of the Board of Management of
Quoniam Asset Management GmbH
Frankfurt / Main

Deputy Chairman

Klaus Bollmann
Member of the Board of Management of
Union Investment Institutional GmbH
Frankfurt / Main

Other members of the Board of Directors

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

Assigned 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

Executive Board of the appointed 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 appointed 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

Auditor of the Fund

PricewaterhouseCoopers, Société cooperative,
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 millions

Asset Manager

Quoniam Asset Management GmbH
Westhafen Tower, Westhafenplatz 1
60327 Frankfurt am Main
www.quoniam.com

Main Sales Agent

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

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

The Company

Since its foundation as an investment company for an unlimited period on 5 September 2008, the Company is currently established, pursuant to Part I of the Luxembourg Law of 17 December 2010 on undertakings for collective investment in its current version ("Law of 17 December 2010"), as an "investment company with variable capital" ("SICAV") in an umbrella structure under the name UnionPanAgora Funds Selection SICAV. The Company was registered with the Register of Trade and Companies in Luxembourg under registration number B 141455.

The Articles of Association of the Company were published in the Mémorial C, Recueil des Sociétés et Associations ("Mémorial") on 7 October 2008 and have been deposited with the Trade and Companies Register in Luxembourg for inspection. 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. All amendments to the Articles of Association were published in the Mémorial until 31 May 2016 and amendments to the Articles of Association after that date will be published in the RESA. The amendment to the Articles of Association resulting from the change of name of the Company to Quoniam Funds Selection SICAV is published in the Mémorial on 29 April 2009, another one on 15 October 2009. The Articles of Association also underwent an additional amendment on 21 August 2012, which was published in the Mémorial on 12 September 2012. Furthermore, an amendment was made to the Articles of Association on 28 May 2015, which was published in the Mémorial on 26 June 2015. The last amendment to the Articles of Association was made on 1 April 2021, which was published in the RESA on 23 April 2021. Once amendments have been approved by the general meeting, they become legally binding for all shareholders.

Company capital amounts to the total net assets of all Company sub-funds, which corresponds at all times to the value of the fully paid-up shares of no par value and is expressed in euro (EUR).

The Company appointed Union Investment Luxembourg S.A. as its Management Company in accordance with the requirements of the Law of 17 December 2010. Consequently, the Company is in the form of an externally managed investment company.

The Company's minimum capital is EUR 1,250,000.

The Company offers investors a number of sub-funds, which invest the sub-fund's assets in line with the investment policy described in "The sub-fund at a glance".

Currently, shares in the following sub-funds may be acquired:

Quoniam Funds Selection SICAV-
European Equities

Sub-fund reference currency: EUR
Share classes: Distribution shares EUR A dis and EUR I dis
Accumulation shares: EUR S acc

Quoniam Funds Selection SICAV-
Emerging Markets Equities MinRisk

Sub-fund reference currency: EUR
Share classes: Distribution shares EUR A dis and EUR I dis
Accumulation shares: EUR I acc and USD I acc

Quoniam Funds Selection SICAV-
Global Equities MinRisk

Sub-fund reference currency: EUR
Share classes: Distribution shares EUR hedged A dis and EUR hedged I dis
Accumulation shares: USD I acc

Quoniam Funds Selection SICAV-
Global Credit MinRisk

Sub-fund reference currency: EUR
Share classes: Distribution shares EUR hedged A dis and EUR hedged I dis
Accumulation shares: CHF hedged A acc, CHF hedged I acc, USD hedged I acc and EUR hedged I acc

Quoniam Funds Selection SICAV-
Euro Credit

Sub-fund reference currency: EUR
Share classes: Distribution shares EUR A dis and EUR I dis
Accumulation shares: EUR I acc

Quoniam Funds Selection SICAV-
Global High Yield MinRisk

Sub-fund reference currency: USD
Share classes: Distribution shares EUR hedged A dis and EUR hedged I dis
Accumulation shares: USD hedged I acc and CHF hedged I acc

Quoniam Funds Selection SICAV- Global Credit MinRisk Defensive

Sub-fund reference currency: EUR
Share classes: Distribution shares EUR hedged A dis and EUR hedged I dis

Quoniam Funds Selection SICAV-
Equities Climate Transformation

Sub-fund reference currency: EUR
Share class: Distribution shares EUR A dis
Accumulation shares: EUR I acc

The Company is a single legal entity. The individual sub-funds are independent of each other as regards shareholders. The respective sub-fund's assets may only be used to cover the obligations for that sub-fund.

The Company is managed by a Board of Directors of at least three members, who do not need to be shareholders. They are elected for a maximum period of six years. The members of the Board of Directors are elected by the shareholders' general meeting. The shareholders' general meeting also determines the number of members, the remuneration and the term of office of the members of the Board of Directors. The members of the Board of Directors are elected by a majority of the shares present or represented. Any member of the Board of Directors may, at any time, be dismissed and/or replaced by a decision of the general meeting without reason. In the event of the removal of a serving member of the Board of Directors, the remaining members of the Board of Directors may temporarily occupy this position. The shareholders shall make a final decision concerning such a nomination at the next general meeting.

The Board of Directors has undertaken to comply with the ALFI Code of Conduct for Luxembourg Investment Funds published by the ALFI (Association of the Luxembourg Fund Industry, 12, Rue Erasme, L-1468 Luxembourg). The ALFI Code of Conduct formulates a framework of fundamental principles and recommendations for the governance of Luxembourg investment funds.

The Board of Directors may, at any time, launch new sub-funds and/or liquidate existing sub-funds and may also launch new share classes with specific features within a sub-fund. These share classes may differ, inter alia, in terms of their cost structure, their minimum investment requirement, sub-fund currency and distribution policy. The Sales Prospectus shall be updated if a new sub-fund or a new share class is launched.

The Company is set up for an indefinite period. There are no maximum restrictions on company capital. The Company's financial year ends each year on 30 September. The first financial year started on the date of establishment and ended on 30 September 2009. The first half-yearly report was published on 31 March 2009 and the first audited annual report was published on 30 September 2009.

Shareholders' legal position

The shareholders are co-owners of the respective sub-fund's assets in proportion to their number of shares.

In accordance with Luxembourg law and the stipulations of these Articles of Association, each share of a sub-fund and a class – regardless of the net asset value per share of the class within a sub-fund – is entitled to one vote at the general meeting. Only whole shares have voting rights. A shareholder may issue a written authorisation to be represented at the shareholders' general meeting by another person, who does not have to be a shareholder and may be a member of the Board of Directors.

Decisions concerning the interests of shareholders are made at a general meeting, and the resolutions concerning the special rights of the shareholders of a specific sub-fund are also made at the general meeting of this sub-fund.

Unless otherwise stipulated by law and the Company's Articles of Association, the resolutions of the general meeting are passed by a simple majority of the shares present or represented at this meeting.

The general meeting is convened by the Board of Directors. A general meeting may also be convened at the request of shareholders representing at least one fifth of the company capital.

The annual general meeting is held, pursuant to Luxembourg law, at the Company's registered office in Luxembourg on 27 (twenty seventh) November of each year at 11:00. If this is not a business day in Luxembourg, the annual general meeting shall take place on the next business day.

Other shareholders' meetings may be held at those locations and at those times described in the corresponding invitation.

The term "business day" refers to banking days in Luxembourg, i.e. any day on which the banks are open during their usual business hours.

If bearer shares have been issued, the invitation to attend the meeting shall, in accordance with legal provisions, be published in the RESA, in one or more Luxembourg daily newspapers and in other newspapers as stipulated by the Board of Directors. If all shareholders are present or represented and declare that they were duly convened and have knowledge of the agenda circulated for the session, the general meeting may be held without an invitation.

The Board of Directors informs shareholders that if it should decide to keep a share register, each shareholder will be entitled to exercise the entirety of his rights against the Company and/or respective sub-fund, in particular the right to take part in shareholders' meetings, only if the shareholder is entered into the share register of the respective sub-fund himself under his own name. If a shareholder has invested in a sub-fund via an intermediary which invests in its own name on behalf of said shareholder, the latter may not necessarily be able to assert all of his shareholder rights directly vis-à-vis the Company and/or respective sub-fund. Shareholders are advised to seek information regarding their rights.

The Management Company, the Central Administration Agent and the Main Distributor

The Board of Directors has appointed Union Investment Luxembourg S.A. (the “Management Company” or “UIL”) as the main distributor and has entrusted it with fund management and central administration. The delegation of these duties does not affect the effectiveness of supervision by the Company. In particular, this does not prevent the Company from acting in the best interests of the shareholders. The Management Company is responsible for carrying out the delegated functions for the 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 is entitled to consult third parties at its own expense on matters concerning portfolio structuring. It may transfer its duties, in whole or in part, to qualified third parties at its own initiative and under its own responsibility.

The Management Company was established as a public limited company (Aktiengesellschaft) under Luxembourg law on 19 August 1988 for an indefinite period. Its registered office is in Luxembourg City. Its financial year ends on 31 December of each year. The Articles of Association of the Management Company were published in the Mémorial on 31 March 2008. Amendments to the Articles of Association were published in the Mémorial on 13 March 2012. The Management Company is a subsidiary of Union Asset Management Holding AG, Weißfrauenstraße 7, D-60311 Frankfurt am Main.

The object of the Management 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 of the

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.

The Management Company, in its capacity as central administration company, is responsible for carrying out the central administration activities for the Company. These central administration activities mainly include domiciling, calculation of net asset values, accounting of the sub-funds and the preparation of regular reports. Union Investment Luxembourg S.A. has delegated, under its own 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.

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 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 rules 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.

In this context, the Management Company has drawn up a strategy determining how and when voting rights associated with instruments in the funds/investment companies it manages should be exercised, such that these are used for the sole benefit of the funds/investment companies 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 shall represent the relevant sub-fund(s) in legal matters in the best interests of investors. The Management Company shall credit to the sub-fund’s assets the amounts received for disputed claims settled judicially or extrajudicially for the sub-fund, following deduction and settlement of all costs thus incurred.

The Management Company is also required to act in the best interest of the funds/investment companies it manages when executing trading decisions for those funds/investment companies, 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/investment company, 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 aspects relevant to order execution. 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.

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/investment company shares 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/company shares after the order acceptance deadline on the respective trading day at already established or foreseeable closing prices. The Management Company ensures that units/company shares are issued and redeemed on the basis of a unit/share 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.

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.

The Management Company has appointed Quoniam Asset Management GmbH as the investment manager ("Investment Manager") at its own expense and under its own responsibility. The Investment Manager is responsible for the day-to-day implementation of the respective sub-fund's investment policy. This task must be carried out whilst observing the principles of the investment policy and the investment restrictions, as stipulated by the Board of Directors and in the Law of 17 December 2010, as well as under the supervision and control of the Management Company. The Investment Manager is responsible to the Management Company for the tasks delegated to it.

The Investment Manager is authorised to select brokers and traders to carry out transactions using the Company's assets. The Investment Manager is also responsible for investment decisions and placing orders.

The Investment Manager has the right to obtain advice from third parties, particularly from various investment advisers, at its own cost and under its own responsibility.

With the approval of the Company/Management Company, the Investment Manager may transfer its tasks to third parties, in whole or in part, the cost of which it will bear in full. The Sales Prospectus will be amended in the event of such a transfer.

The Investment Manager bears all costs incurred in connection with the services it provides to the Company. Commissions for brokers, transaction fees and other transaction costs arising in connection with the purchase and sale of assets are borne by the respective sub-fund.

Quoniam Asset Management GmbH is a limited liability company under German law with its registered office in Frankfurt / Main.

The Management Company implements a risk management procedure, enabling it to monitor and measure, at any time, the risk associated with the investment positions as well as its share in the overall risk profile of the investment portfolio of its sub-funds under management. In particular, the Management Company must not rely automatically and exclusively on ratings issued by credit rating agencies pursuant to Article 3(1)(b) of Regulation (EC) No 1060/2009 of the European Parliament and the Council of 16 September 2009 on credit rating agencies, in order to assess the creditworthiness of the Fund's assets. It reports regularly to the Commission de Surveillance du Secteur Financier ("CSSF") on the risk management procedure it implements.

Against this background, the Management Company monitors its sub-funds in accordance with the currently valid, legally applicable and regulatory requirements.

As part of its risk management procedure and using appropriate methods, the Management Company ensures that the overall derivative-related risk of the sub-funds under management does not exceed the overall net value of its portfolio.

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.

  At the same time, netting and hedging effects between derivative financial instruments and their underlyings are taken into account, and their sum must not exceed the sub-fund's net asset value.

- 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 the relative VaR approach, the sub-fund's VaR must not exceed a reference portfolio's VaR by more than double the amount. At the same time, the reference portfolio is basically a true reflection of the sub-fund's investment policy.

- Absolute VaR approach:

  With the absolute VaR approach, the sub-fund's VaR must not exceed a certain limit set by the Management Company.

Regarding sub-funds for which the overall derivative-related risk is determined using the VaR approach, the Management Company also ascertains the sum of the nominal values and/or equivalent values of all relevant derivatives and estimates in this regard an anticipated average value (leverage effect). Depending on the prevailing market situations, this estimated value may deviate from the actual value and may be exceeded or not achieved. Investors are advised that no conclusions regarding risk to the sub-fund can be drawn from this.

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 sub-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 is used to ascertain the calculated amounts for the fixed investment restrictions within the framework of the aforementioned commitment approach. Said restrictions are outlined in point 2(a)–(g) of the Chapter entitled "General investment policy guidelines".

In accordance with Article 1(13)(a) of 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 and the ESMA/2016/411 Guidelines on sound remuneration policies under the UCITS Directive and AIFMD, UIL summarises their 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 Depositary

1. The Company has appointed a single depositary ("Depositary") for the Company's assets by written agreement ("Depositary Agreement") ("Depositary Mandate"). The Depositary is DZ PRIVATBANK S.A., Luxembourg. 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").
2. The rights and obligations of the depositary are governed by the Law of 17 December 2010, delegated (EU) Directive 2016/438 of the Commission dated 17 December 2015 supplementing Directive 2009/65/EC of the European Parliament and Council in relation to the obligations of Depositaries ("EU Directive 2016/438"), the Articles of Association of the company, the Sales Prospectus and the Depositary agreement in their latest applicable versions. The Depositary acts independently and exclusively in the interests of the investors. In this respect, the Depositary has appropriate measures and processes in place in order to avoid conflicts of interest, such as measures for hierarchical and functional separation and measures for managing outsourcing. Conflicts of interest which cannot be avoided despite these measures are disclosed to the investors. The Depositary does not perform any duties in relation to the investment management or risk management of 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 Company and Depositary are entitled to terminate the Depositary mandate any time in keeping with the particular Depositary agreement. If the Depositary mandate is terminated, the 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 Company pursuant to the section "Liquidation of the Company and its sub-funds, and merger of sub-funds" of the Sales Prospectus. Until such time, the existing Depositary will protect the interests of the shareholders by fully carrying out its duties as Depositary

3. The Depositary
   a) ensure that the sale, issue, repurchase, redemption and cancellation of Company shares are carried out in accordance with the applicable statutory provisions and the procedure set out in the Articles of Association;
   b) ensure that the net asset value per share is calculated in accordance with the applicable statutory provisions and the procedure set out in the Company's Articles of Association;
   c) carry out the instructions of the Company or the Management Company, unless they conflict with the applicable statutory provisions or the Company's Articles of Association;
   d) ensure that in transactions involving the assets of the Company, any consideration is remitted to the Company within the usual time limits;
   e) ensure that Company income is applied in accordance with the applicable statutory provisions and the procedure set out in the Company's Articles of Association.
4. The Depositary shall ensure that the Company's cash flows are properly monitored, and, in particular, that all payments made by, or on behalf of, investors upon the subscription of Company shares have been received, and that all of the Company's cash has been booked in cash accounts that are:
   a) opened in the name of the Company or in the name of the Depositary acting on behalf of the Company;
   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 Company, 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 Company's 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 Company are registered in the Depositary's books so that the financial instruments can be clearly identified as belonging to the Company at all times;
   b) for other assets, the Depositary shall:
      - verify the ownership by the Company of such assets by assessing whether the Company holds the ownership based on information or documents provided by the Company and, where available, on external evidence;
      - maintain a record of those assets for which it is satisfied that the Company holds the ownership and shall 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 Company.
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 Company or of the Management Company acting on behalf of the Company,
   c) the reuse is for the benefit of the Company and in the interest of the shareholders and
   d) the transaction is covered by high-quality and liquid collateral received by the Company 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 Company has been transferred, assets of the Company 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 to another company (sub-custodian) in accordance with the statutory provisions. 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 Depositary may not transfer the duties described in points 3 and 4 above to third parties.

Sub-custodians may, in turn, delegate the depositary duties transferred to them in accordance with the statutory provisions.

The list of sub-custodians currently used by the Depositary to make local investments in securities (“list of sub-custodians”) can be found at the end of the chapter on “General risk information".

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

9. The Depositary shall be liable vis-à-vis the Company and its shareholders 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 Company without undue delay. In accordance with Law of 17 December 2010 as well as applicable directives, in particular Directive EU 2016/438, the Depositary cannot be held liable if it can be proved that the loss was attributable to external events which could not reasonably be monitored and the consequences of which could not have been avoided despite appropriate efforts.

   The Depositary is also liable vis-à-vis the Company and its shareholders 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.

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

10. The Depositary, the Company 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 Company, the Management Company and the Depositary shall act honestly, fairly, professionally, independently and solely in the interests of the Company and its shareholders.

    The Depositary shall not carry out activities with regard to the Company or the Management Company acting on behalf of the Company that may create conflicts of interest between the Company, the shareholders, 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 shareholders.

General investment policy guidelines

The respective sub-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 below.

Any differences or additions hereto shall be set out in the specific investment policy and guidelines for the respective sub-fund in "The sub-fund at a glance".

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.

1. Permitted investments of the Company

1.1 Investments by a UCITS may only consist of:

a) transferable securities and money-market instruments listed or traded on a regulated market;

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 that are officially listed on a stock exchange in a third country or traded on another regulated market in a third country which is recognised, open to the public and operates regularly;

d) recently issued transferable securities and money market instruments, provided their terms of issue include an undertaking that an application will be made for admission to official listing to a stock exchange or another regulated market which is recognised, open to the public and operates regularly and that this admission is secured within one year of the issue date.

   The transferable securities and money market instruments referred to in (c) and (d) above shall be officially listed or traded in North America, South America, Australia (including Oceania), Africa, Asia and/or Europe;

e) units of UCITS permitted in accordance with Directive 2009/65/EC and/or other UCIs within the meaning of Article 1(2)(a) and (b) of Directive 2009/65/EC, with registered office in an EU Member State or a third country, provided that

   - such other UCI shave been approved in accordance with statutory rules subjecting them to supervision which, in the opinion of the Commission de Surveillance du Secteur Financier ("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 UCI is equivalent to the level of protection enjoyed by the unitholders of a UCITS and, in particular, the rules governing separate safekeeping of 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 UCI in which units are to be acquired may invest a maximum of 10% of its assets in units of other UCITS or UCI in accordance with its founding documents,

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 stated in the Articles of Association is in a third country, is subject to official supervisory rules which, in the view of the CSSF, are equivalent to those under Community law;

g) derivative financial instruments, including equivalent cash-settled instruments, which are traded on one of the regulated markets referred to in (a), (b) or (c) above, and/or derivative financial instruments 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 Company 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 Company'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, if the issue or the issuer of these instruments is already regulated for the purpose of protecting investors and deposits, and provided they are:

   - issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a third country or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
   - issued by an undertaking whose transferable securities are traded on the regulated markets described in (a), (b) or (c) above, or
   - 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 bodies belonging to the categories approved by the CSSF, provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, second or third bullet points and provided that the issuer is a company whose capital and reserves amount (le capital et les réserves) to at least ten million euros (EUR 10,000,000) and which presents and publishes its annual financial statements in accordance with Fourth Council Directive 78/660/EEC, or which is an entity which, within a group of companies that includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles that benefit from a banking liquidity line.

1.2 However:

- each sub-fund may invest up to 10% of its net assets in transferable securities and money market instruments other than those stated in 1.1 above.

- the Company may acquire movable or immovable property which is essential for the direct pursuit of its business.

1.3 In addition, each sub-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 sub-fund assets, however, if the net sub-fund assets are deemed appropriate due to exceptionally unfavourable market conditions, said 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. Risk diversification

a) A maximum of 10% of the net sub-fund assets may be invested in transferable securities or money market instruments of a single issuer. The sub-fund may not invest more than 20% of its net assets in investments in a single body.

The risk exposure to a counterparty in sub-fund transactions in an OTC derivative transaction must not exceed the following:

- 10% of sub-fund's net assets, if the counterparty is a credit institution within the sense of Article 41(1)(f) of the Law of 17 December 2010, and
- 5% of sub-fund's net assets in all other cases.

b) The total value of the transferable securities and money market instruments of issuers, in whose transferable securities and money market instruments the Company has invested more than 5% of the net assets of the sub-fund, may not exceed 40% of the net assets of the sub-fund in question.

Irrespective of individual upper limits, the Company may invest a maximum of 20% of the assets of a sub-fund in one and the same institution in a combination of transferable securities or money market instruments issued by that institution and/or deposits in that institution and/or OTC derivatives acquired from that institution.

c) The investment limit of 10% of the sub-fund's assets referred to in 2(a), first sentence of this Article shall be increased to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by a third country or by a public international body to which one or more Member States belong.

d) The investment limit of 10% of the sub-fund's net assets referred to in 2(a), first sentence of this Article shall be increased to 25% where bonds are issued by a credit institution which has its registered office in a Member State and is subject by law to a special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

e) If more than 5% of the net sub-fund assets are invested in bonds issued by issuers referred to in 2(d), the total value of the investments in such bonds must not exceed 80% of the respective sub-fund's net assets.

f) The restriction of the total value to 40% of the respective sub-fund's net assets set out in 2(b), first sentence of this Article does not apply in the cases referred to in (c), (d) and (e).

g) The investment limits of 10%, 35% or 25% of the respective sub-fund's net assets set out in 2(a)–(d) must not be regarded cumulatively, but rather, in accordance with 2(a)–(d), investments in transferable securities and money market instruments of the same issuer or in deposits or derivatives at the same issuer can only total a maximum of 35% of the sub-fund's net assets.

Companies belonging to the same group of companies for the purposes of consolidated accounts, as defined in Council Directive 83/349/EEC of 13 June 1983 or in accordance with recognised international accounting principles, shall be treated as a single body for the calculation of the investment limits in section 2.

Each sub-fund is permitted to invest 20% of its net assets in the transferable securities and money market instruments of a single corporate group.

h) Without prejudice to the investment limits set out in Article 48 of the Law of 17 December 2010, the Company may invest up to 20% of a sub-fund's net assets in shares or debt securities of a single issuer when the aim of the respective sub-fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF. However, this only applies provided that:

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

The above-mentioned investment limit is increased to 35% of the net sub-fund assets where that proves to be justified by exceptional market conditions, in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. This investment limit only applies to investments with a single issuer.

i) Notwithstanding the conditions set forth in Article 43 of the Law of 17 December 2010 and whilst simultaneously observing the principle of risk diversification, up to 100% of the respective sub-fund's net assets may be invested in transferable securities and money market instruments that are issued or guaranteed by an EU Member State, its local authorities, an OECD Member State or international

organisations to which one or more EU Member States belong. In all cases, the transferable securities in a particular sub-fund must originate from at least six different issues and the value of transferable securities originating from a single issue must not exceed 30% of the respective sub-fund's net assets.

j) The sub-fund may not invest more than 20% of its net assets in units of a single UCITS or a single UCI pursuant to Article 41(1)(e) of the Law of 17 December 2010. For the purposes of applying this investment restriction, each sub-fund of a UCITS or UCI with several sub-funds pursuant to Article 181 of the Law of 17 December 2010 is treated as a separate issuer, provided that the principle of the separation of the liabilities of the individual sub-funds is ensured with regard to third parties.

   The sub-fund may not invest more than 30% of its net assets in UCIs other than UCITS. In cases where a sub-fund has acquired units of another UCITS and/or other UCIs, the investment limits referred to in Article 43 of the Law of 17 December 2010 in respect of the assets of the UCITS or UCI from which units are being acquired, may be disregarded.

   For investments in units of other UCITS and/or other UCIs managed directly or indirectly by the Management Company itself or another company with which the Management Company is connected through common management or control or an essentially direct or indirect participation of more than 10% of the capital or votes, the Fund's assets may not be charged any management fee within the scope of such investments. Furthermore, the Management Company may not charge the UCITS making the investment with any issue and redemption fees of the associated target funds.

   If, in accordance with the above paragraph, the UCITS invests in units of an associated UCITS and/or other UCI which charges a management fee lower than that of the UCITS making the investment, the Management Company may charge the volume invested in this target fund with the difference between the management fee of the UCITS making the investment on the one hand and that of the target fund on the other.

   In general, a management fee may be charged at the level of the target fund upon acquisition of units in target funds. The respective sub-fund will not invest in target funds which are subject to a management fee of more than 3%. The sub-fund's annual report shall contain information on the maximum amount of the management fee charged to the sub-fund and the target funds.

   The net assets of the target fund shall not be included when calculating the investment limits set out in section 2 ("Risk diversification").

   A sub-fund of the Company may invest in units of one or several other sub-funds of the Company, provided this is consistent with the requirements of the Law of 17 December 2010.

k) The Company must ensure that the overall risk associated with derivatives does not exceed the overall net value of the respective sub-fund.

   The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. This is also the case for the following sections.

   As part of its investment policy and within the limits laid down by Article 43(5) of the Law of 17 December 2010, the sub-fund may invest in derivatives as long as the exposure to the underlying assets does not exceed in aggregate the investment limits in Article 43 of the Law of 17 December 2010. Should index derivatives be acquired for the sub-fund, they will not be taken into account in connection with the investment limits referred to in Article 43 of the Law of 17 December 2010.

   If a derivative is embedded in a transferable security or money market instrument, it must be taken into account with regard to compliance with Article 42 of the Law of 17 December 2010.

l) The Company is not permitted to acquire a quantity of shares with voting rights which would enable it to exercise a significant influence on the management of an issuer.

m) The Company may also acquire
   - up to 10% of non-voting shares of a single issuer,
   - up to 10% of the debt securities of a single issuer,
   - no more than 25% of the units of a single UCITS and/or UCIs,
   - no more than 10% of the money market instruments of a single issuer.

n) The investment limits stated in (l)–(m) do not apply in the case of:
   - transferable securities and money market instruments which are negotiated or guaranteed by a Member State or its local authorities, or by a third country;
   - transferable securities and money market instruments issued by a public international body to which one or more EU Member States belong;
   - shares held by a sub-fund in the capital of a company incorporated a third country which mainly invests its assets in transferable securities of issuers having their registered offices in that country, where under the legislation of that country such a holding represents the only way in which the sub-fund can invest in the transferable securities of issuing bodies of that country. However, this exception shall only apply under the condition that the company of the non-EU Member State complies in its investment policy with the limits laid out in Articles 43, 46 and 48(1) and (2) of the Law of 17 December 2010.

The investment restrictions referred to in this section relate to the point in time at which transferable securities are acquired. If the percentages are subsequently exceeded through price changes or for reasons other than purchases, the Company shall seek to return to the specified limits without delay, taking into account the interests of the shareholders.

Sub-funds are not required to comply with the limits laid down in this section when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

While ensuring observance of the principle of risk diversification, newly-authorised sub-funds may deviate from the investment limits for six months following the date of their authorisation.

3. Investment limits

3.1 Restrictions on borrowing and pledging

a) The respective sub-fund's assets may not be pledged or otherwise encumbered, transferred or assigned as collateral, unless this involves borrowing in the sense of (b) below or the provision of security to fulfil capital fund or further cover commitments within the framework of a settlement of transactions.

b) The Company may not take out loans.

However, a sub-fund may acquire foreign currencies via a back-to-back loan.

Notwithstanding the above, the sub-funds may take out loans:

- of up to 10% of their net assets, provided that these are short-term loans;
- of up to 10% of their net assets, provided this loan is intended for the purchase of property and is essential for the performance of its activities; in this case, this loan and the loans referred to in (b) may together not exceed 15% of their net assets.
- Loans may not be granted nor may guarantee commitments be entered into for third parties to the detriment of a sub-fund, however, this does not prevent the acquisition of yet fully paid-up transferable securities, money market instruments or other financial instruments pursuant to Article 41(1)(e), (g) and (h) of the Law of 17 December 2010.

3.2 Additional investment guidelines

a) The short-selling of transferable securities is not permitted.

b) Sub-fund assets must not be invested in real estate, precious metals or certificates concerning precious metals, precious metal contracts, goods or goods contracts.

c) A sub-fund must not enter into any obligations which, together with the loans under 3.1(b), exceed 15% of the respective sub-fund's net assets.

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

Under the conditions and within the limits set out by the CSSF, each sub-fund may employ derivatives, securities financing transactions, techniques and instruments relating to transferable securities and money market instruments as well as exchange rates and currencies, provided such use is intended to achieve an efficient management and/or covering of the respective sub-fund's assets.

The following are viewed as securities financing transactions:

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

If these operations concern the use of derivative instruments, the conditions and limits must comply with the Law of 17 December 2010.
Furthermore, when making use of techniques and instruments, the sub-fund is not permitted to diverge from its investment objectives set out in "The sub-fund at a glance".
The respective sub-fund must ensure that the overall risk associated with derivatives does not exceed its net assets. The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions. This is also the case for the following sections.

- As part of its investment policy and within the limits laid down by Article 43(5) of the Law of 17 December 2010, the sub-fund may invest in derivatives as long as the exposure to the underlying assets does not exceed in aggregate the investment limits in Article 43 of the Law of 17 December 2010. Should the sub-fund invest in index-based derivatives, such investments will not be taken into account in connection with the investment limits referred to in Article 43 of the Law of 17 December 2010.
- If a derivative is embedded in a transferable security or money market instrument, it must be taken into account with regard to compliance with Article 42 of the Law of 17 December 2010.

In accordance with the provisions of Article 17 of the Articles of Association, the Company may use the following non-exhaustive list of derivatives, securities financing transactions, techniques and instruments for the relevant sub-fund:

4.1 Options

An option right is a right to buy ("call option") or sell ("put option") a particular asset, exchange rate or currency at a predetermined time ("exercise date") or during a predetermined period at a predetermined price ("strike price"). The price of a call or put option is the option "premium".
For the respective fund, both call and put options may be bought or sold, for which the assets stated in the respective investment policy, as well financial indices, interest rates, exchange rates or currencies, financial futures contracts and other financial instruments linked to underlying instruments, provided that these options are traded on a stock exchange or other regulated market.
In addition, options of the kind described can be bought and sold for a sub-fund even if they are not traded on a stock exchange or another regulated market (over-the-counter or

OTC options), provided that the sub-fund's contracting partners are first-class financial institutions specialising in such transactions.
The sub-fund must always be able to ensure coverage of positions from the sale of uncovered call options.
If the Company sells put options for a sub-fund, the sub-fund must have sufficient payment reserves for the whole term of the options to be able to meet the obligations from the option transaction.
Swaptions may also be acquired for the sub-fund. Swaptions are options on swaps. Only those swaptions can be acquired which are composed of the options described above and the swaps described in the point 4.5 below (Swaps). A swaption is the right, but not the obligation, to enter into a swap, the conditions of which are clearly specified, at a given time or within a given period. In addition, the principles listed in connection with option transactions apply.

4.2 Financial futures contracts

Financial futures contracts are mutual agreements which authorise or obligate the contracting parties to accept or deliver a particular asset at a predetermined time and at a predetermined price.
The Company may buy or sell financial futures contracts for a sub-fund in which the assets (also individual stocks) stated in the respective investment policy, as well as financial indices, interest rates, exchange rates, currencies or money market instruments linked to underlying assets, provided that these financial futures contracts are traded on appropriate stock exchanges or other regulated markets.
By trading in financial futures contracts, the Company can secure stock and bond positions against price losses or risks involving interest rate changes.
The total obligations from financial futures contracts and options transactions designed to secure assets must not in principle, with respect to the underlying, exceed the total value of the hedged values.
A sub-fund may buy and sell financial futures contracts for other purposes than hedging. The total obligations from financial futures contracts and options transactions not designed to hedge assets must at no time exceed the value of the respective sub-fund's net assets. This does not include obligations from sales of call options which are backed by appropriate values in the sub-fund's assets.

4.3 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 sub-fund.

To the extent permitted in accordance with the legal provisions and in particular CSSF Circular 08/356 of 4 June 2008 with regard to the use of financial techniques and instruments and within the limits laid down therein, the Management Company may carry out securities lending transactions for the account of the respective sub-fund in order to achieve capital or income growth or to reduce its costs or risks.
The securities, money market instruments and investment units held in the sub-fund may be transferred to a third party (borrower) as a loan for appropriate market compensation. Third parties in this sense are generally credit and financial services institutions ("contractual partners") established in an EU Member State, another state that is party to the EEA Agreement or a third country whose prudential rules are considered by the CSSF to be equivalent to those laid down in EU law. In principle, the contractual partner must have a minimum credit rating of "investment grade", but this may be waived in justified 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). The specific contractual partner is primarily selected by taking into account the contractual conditions offered. The Management Company also monitors the economic circumstances of the potential contractual partner.
The sub-fund must receive a guarantee within the framework of securities lending transactions over the entire term, the market value of which is at all times at least equal to the market value of the loaned securities. These guarantees must meet the requirements set out in CSSF Circular 14/592 and must consist, for example, but not exclusively of liquid funds, fund units, government bonds and bonds from first-class issuers, as well as equities of major indices.
Cash collateral received may be reinvested in accordance with CSSF Circular 14/592 above. For the purpose of conducting securities lending transactions, the sub-fund may lend directly or through a securities lending system organised by a financial institution. When brokering and processing securities lending transactions through a securities lending system organised by a financial institution, the provision of collateral may be refrained from, as the conditions of this system guarantee that the interests of the shareholders are safeguarded. If a leverage effect arises, this must be taken into account in the overall risk limit. Income from securities lending transactions is credited to the relevant sub-fund assets after deducting the associated costs (see section "Costs of the Company and its sub-funds" of the Sales Prospectus). At least 60% of the gross income is credited to the sub-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 sub-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 sub-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 sub-fund's assets.

The Company may not grant loans to third parties for the account of the sub-fund.

If securities lending transactions are entered into, this will be indicated under the heading "Securities financing transactions" in the "Overview of the sub-fund".

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

A buy/sell-back transaction or sell/buy-back transaction is a transaction which involves a counterparty buying or selling securities or guaranteed rights to securities with the agreement to sell or buy back securities or guaranteed rights with the same features at a certain price at a future date: this transaction is a "buy/sell-back transaction" for the counterparty which buys securities or guaranteed rights and a "sell/buy-back transaction" for the counterparty which sells them with these "buy/sell-back transactions" or "sell/buy-back transactions" neither being covered by a repurchase agreement nor a reverse repurchase agreement as defined in section 4.5.

The Company may conduct buy/sell-back transactions or sell/buy-back transactions for the account of the relevant sub-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 monitors the economic circumstances of the relevant contract partners.

The Company may use securities, money market instruments and investment units of the relevant sub-fund for remuneration as part of buy/sell-back transactions or sell/buy-back transactions. The entire portfolio of securities, money market instruments and investment units held by the relevant sub-fund can be transferred to third parties by way of the sell/buy-back transaction.

The Company is able to 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 Company is entitled to reclaim the securities, money market instruments and investment units sold as part of the sell/buy-back transaction. The termination of a buy/sell-back transaction may either result in a full refund or a refund of the accumulated monetary amount of the current market value of the asset used as part of the buy/sell-back transaction.

Assets as part of sell/buy-back transactions are held in custody at the discretion of the counterparty. The assets as part of buy/sell-back transactions are held in custody by the depositary appointed for the Company.

Buy/sell-back transactions or sell/buy-back transactions are conducted in order to generate additional income for the relevant sub-fund or temporarily create additional liquidity in the relevant sub-fund.

The income from buy/sell-back transactions or sell/buy-back transactions or sell/buy-back transactions are credited to the relevant sub-fund's assets after deducting the costs associated therewith (see chapter "Costs of the Company and its sub-fund" of the Sales Prospectus). 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 respective sub-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 respective overview "The sub-fund at a glance".

4.5 Repurchase agreements

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

transaction is a repurchase agreement, and for the other party that acquires them, 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 for the sub-fund 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 sub-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 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 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 amount at the current market value. Repurchase agreements are only permissible in the form of genuine repurchase agreements. With these, the buyer 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 lender or to repay the amount in money, plus interest.
Any assets transferred as a loan shall be held at the borrower's discretion. Any assets accepted as a loan shall be held by the depositary appointed for the Company.
Repurchase agreements are concluded to generate additional returns for the relevant sub-fund (reverse repurchase agreement) or to temporarily create additional liquidity within the relevant sub-fund (simple repurchase agreement). The returns from the securities lending transactions shall be credited to the assets of the sub-fund concerned, following deduction of the associated costs (see the chapter "Costs of the Company and its sub-funds" in the sales prospectus). 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 sub-fund assets.
If repurchase transactions are undertaken, this is stated under the "Securities financing transactions" heading in the overview "The sub-fund at a glance".

Collateral strategy

In cases where the Management Company invests in OTC derivatives or uses securities financing transactions/techniques for efficient portfolio management on behalf of the respective sub-fund, all collateral provided to the sub-fund by the respective 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 respective sub-fund pursuant to the Law of 17 December 2010. Such collateral includes in particular government bonds, shares and bonds of organisations such as the International Monetary Fund, corporate bonds, mortgage bonds, money market instruments and convertible bonds. There are no restrictions as regards the residual maturity of such collateral.
- 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 sub-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 sub-fund's net assets. Notwithstanding the aforementioned restriction, the respective sub-fund may be fully collateralised using transferable securities and money market instruments that are issued or guaranteed by an EU member state or its local authorities, an OECD member state or public international bodies to which one or more EU

member states belong. The respective sub-fund must hold transferable securities from at least six different issues, but securities from any single issue shall not account for more than 30 % of the sub-fund's net assets. Correlation aspects are not taken into consideration 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 respective sub-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 sub-fund's assets in terms of risk.

Admissible collateral: Minimum haircut

Equities: 5%

Cash and money market instruments*: 0%

Government bonds: 0-1%

Bonds issued by supranational organisations such as the 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 sub-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 securities 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 sub-fund's assets as collateral on behalf of the sub-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 sub-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.

4.6 Forward exchange contracts

The Company may enter into forward exchange contracts for the respective sub-fund.
Foreign exchange contracts are unconditionally binding agreements for both contracting parties to buy/sell a certain amount of the underlying currencies at a certain time (the maturity date) at a price agreed in advance.
The Company may also engage in foreign currency purchases, sales or swaps on behalf of the respective sub-fund within the framework of OTC transactions concluded with financial institutions specialising in such transactions.

4.7 Swaps

Pursuant to the investment principles, the Company may enter into swap transactions on behalf of the respective sub-fund.
A swap is a contract between two parties based on the exchange of payment flows, assets, income or risk. The types of swap transactions that may be entered into for the respective sub-fund include, for example, but are not restricted to, interest, currency, asset, variance and credit default swap transactions.
An interest rate swap is a transaction in which two parties exchange payment flows based on fixed or variable interest payments. The transaction can be compared with the raising of funds at a fixed rate of interest and the simultaneous allocation of funds at a variable rate of interest, where the nominal amounts of the assets are not exchanged.
Currency swaps usually include the exchange of nominal amounts of the assets. They are equivalent to raising funds in one currency and simultaneously allocating funds in another currency.
Asset swaps also known as synthetic securities transactions are transactions whereby the respective specific asset, payment obligations or its returns (e.g. deposit, share, bond, index, floating rate note, bank deposits, mortgage) are exchanged for other assets, payment obligations or the returns thereof (in particular interest flows both fixed and variable).
A variance swap is a typical swap transaction as on initiation of such a transaction the exchange of a realised variable future volatility squared is agreed against a fixed agreed settlement price for variance (volatility squared).
A total return swap (TRS) is a credit derivative within the meaning of Article 2(7) of Regulation (EU) No 648/2012 of the European Parliament and the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories in which the protection buyer transfers the whole risk of a reference liability (e.g. an equity index or basket of bonds; in principle all underlying assets in accordance with the Law of 17 December 2010 are admissible) to the protection seller pursuant to which the total income of a reference liability, including revenues from interest and fees, profits and losses from fluctuations in prices and credit losses, are transferred.
The Company may conduct transactions in TRS for the respective sub-fund for hedging purposes and as part of the investment strategy for the respective sub-fund. This includes TRS transactions for efficient portfolio management and for achieving additional income, i.e. also for speculative purposes. This may at least temporarily increase the respective sub-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 respective sub-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 Sub-fund” of the respective sub-fund. The actual proportion of the respective sub-fund volume which is the subject of TRS,

4.8 Techniques and instruments used for managing credit risk

The Company may also use transferable securities (credit linked notes - "CLN") as well as techniques and instruments (credit default swaps) to manage credit risks for a sub-fund, insofar as they are issued by first-class financial institutions, are in line with the investment policy of the respective sub-fund and the investment limits set out in section 2 ("Risk diversification") are observed. The use of these techniques and instruments can serve both to further the growth of the sub-fund assets and to hedge
them.
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. The respective sub-fund will invest exclusively in CLN which are "transferable securities" within the meaning of Article 41(I) of the Law of 17 December 2010.
For the respective sub-fund, credit default swaps (CDS) can also be concluded on individual stocks or baskets. The individual stocks underlying these CDS, as well as the

elements of the aforementioned baskets, must correspond to the investment policy stated in "The sub-fund at a glance". 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). The respective sub-fund can act either as protection buyer or protection seller. As long as no credit events or default events occur, the CDS seller does not have to render a performance. The seller pays the par value if a predefined credit event occurs. The buyer then has the right to tender an asset of the reference debtor which is qualified in the agreement. The buyer's premium payments are stopped as of this point. If a credit event occurs within a CDS basket, the contract can be adjusted to remove the defaulting party and continued with a reduced par value. An adjustment payment may also be agreed, amounting to the difference between the nominal value of the reference assets and their market value after the credit event occurs ("cash settlement").
The commitment of the obligations arising from the CDS must not only be in the exclusive interests of the sub-fund, but also be in harmony with its investment policy.
For the purpose of the investment limits in accordance with (2) "Risk diversification", both the assets underlying the CDS and the particular issuer must be taken into account.
A CDS is valued on a regular basis using verifiable and transparent methods. The Company and the auditor will monitor the verifiability and transparency of the valuation methods. The Company will rectify any differences ascertained as a result of the monitoring procedure.

4.9 Remarks

The above-mentioned techniques and instruments can, where appropriate, be supplemented by the Company if new instruments corresponding to the investment objective are offered on the market, which the respective sub-fund may employ in accordance with the prudential supervisory and statutory provisions.

Calculation of net asset value per share, issue and redemption price per share

The net asset value per share and the issue and redemption prices are calculated, under the supervision of the Custodian Bank, 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 net asset value of a single share of a sub-fund shall be calculated by dividing the sub-fund's total net assets fund by the number of shares in circulation on the trading day. The net assets of each sub-fund correspond to the difference between the sub-fund's assets and liabilities. The net asset value per share shall be calculated in the currency of the respective sub-fund and may be stated in other currencies as determined by the Board of Directors.

In the case of sub-funds for which various share classes have been issued, the net asset value is, if necessary, calculated for each share class. To this end, the net asset value of the sub-fund attributable to the corresponding class is divided by the total number of shares of this class in circulation.

The Company's total net assets are expressed in EUR and correspond to the sum of the net assets of all its sub-funds. For the purpose of this calculation, the net assets of all sub-funds not denominated in EUR are converted into EUR and added up.

This procedure may be used in certain exceptional circumstances, such as in the event of high transaction volumes, market turbulence and all other cases in which the Board of Directors believes, at its discretion, that the interests of existing shareholders (relating to issues/conversions) or remaining shareholders (relating to redemptions/conversions) may be adversely affected. Using this procedure shall ensure that existing shareholders are not indirectly affected by, for example, the transaction costs caused by shareholders subscribing to or redeeming shares.

In order to protect existing shareholders, the net asset value per share of a sub-fund may therefore be increased or reduced for subscription or redemption orders on a specific valuation day by a compensatory amount of a swing factor of up to 2%.

The increased or reduced net asset value per share shall be used for all issues, redemptions or conversions on this trading day (single swing pricing). By using this procedure, the disadvantage to which existing shareholders (in the event of issues) or remaining shareholders (in the event of redemptions) would be subject is offset. To this end, the Board of Directors determines a threshold (exceeding a specific net capital flow) for the adjustment of the net asset value per share. The Board of Directors also determines the percentage (swing factor) by which the net asset value is increased or reduced. In doing so, it focuses on the expected transaction costs, tax charges and/or bid/offer spreads.

The value of the assets held by each sub-fund shall be calculated as follows:

a) Transferable securities and money market instruments officially listed on a stock exchange are valued at the last available paid rate of the trading day preceding the valuation day. If transferable securities and money market instruments are officially listed on several stock exchanges, the stock exchange with the highest liquidity will be the definitive one.

b) Transferable securities and money market instruments not officially listed on a stock exchange but 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 Company considers to be the best possible price at which the transferable securities or money market instruments can be sold.

c) Shares/units of other UCITS and/or UCIs are valued at their latest redemption price published immediately before the valuation day.

d) If such prices are not in line with general market conditions or not available, with regard to transferable securities and money market instruments other than those referred to in (a), (b) and (c) above, no prices are fixed or are not traded on a regulated market, then such transferable securities and money market instruments will be valued in the same way as all other assets at the respective market value, as determined by the Company in good faith and according to generally recognised valuation rules that are verifiable by auditors (e.g. on the basis of market yield).

e) Cash held at banks will be valued at their par value plus interest.

f) Fixed-term deposits with an original maturity of more than 30 days will be valued at their yield price, provided a corresponding contract has been entered into between the Company and the bank at which the respective fixed-term deposit was invested, according to which the fixed-term deposits are callable at any time and the yield price corresponds to the liquidation value.

g) The interest income for the number of valuation days within which the issue price is payable after the respective trading day shall be included in the valuation, allowing for the corresponding costs.

h) Investments denominated in a currency other than that of the respective sub-fund shall be converted into the respective sub-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 concluded foreign exchange transactions will, on each occasion, be added or subtracted. Furthermore, (listed) futures on exchange rates are valued at the price calculated at 17:00 (16:00 GMT).

i) Amounts due (e.g. deferred interest claims and liabilities) shall, in principle, be rated at their par value.

Should extraordinary circumstances occur which make a valuation according to the above-mentioned criteria seem impossible or improper, the 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 net assets.

Where various sub-funds and/or share classes are offered, the following rules shall apply when calculating net asset value:

- the proceeds from the issue of shares in a class shall be allocated in the Company books to the corresponding share class, provided that, if the sub-fund in question has several classes of shares outstanding, the proportion of the net assets of the respective sub-fund to which the class of the shares to be issued is to be allocated is increased by the corresponding amount;
- the assets and liabilities as well as the income and expenses attributable to a sub-fund shall be allocated to the share class(es) of the corresponding sub-fund;
- assets derived from other assets shall be allocated in the Company books to the same sub-fund as the assets from which they are derived, and where an asset is revalued, the increase or decrease in value shall be allocated to the corresponding sub-fund;
- if the Company takes on a commitment associated with a specific asset or with a transaction associated with an asset of a specific sub-fund, the commitment shall be allocated to the specific sub-fund;
- if Company assets or liabilities cannot be allocated to a specific sub-fund, these assets or liabilities shall be allocated to all sub-funds in proportion to the respective net asset value of the respective share class or in another manner as determined by the Board of Directors in good faith;
- after payment of the distributions to the bearers of a share class, the net asset value of this share class increases by the amount of these distributions.

Issue of shares

The Board of Directors has unlimited authority at any time to issue additional fully paid-up shares of no par value in any class of any sub-fund without the need to grant existing shareholders a preferential right of subscription to newly-issued shares.

Subscription orders are accepted on each day which is both a bank business day and a trading day in Frankfurt / Main ("trading day"). Shares are acquired at the issue price on a particular trading day.

Shares may be acquired from the Company, the Management Company, the Depositary and the paying and sales agents listed in this Sales Prospectus. The Company guarantees that the shares shall be issued on the basis of a share value not known to the investor at the time of submission of the subscription order.

The issue price per share is based on the net asset value per share for the respective sub-fund class on the respective trading day, plus additional subscription fees or costs as determined by the Board of Directors and stated in "The sub-fund at a glance". Any taxes, commissions or other fees arising in the respective countries in which the shares of the Company are issued shall also be charged.

Subscription orders reaching the Company before 16:00 (Luxembourg time) on a trading day are settled on the basis of the net asset value of that trading day. The net asset value for a trading day is calculated on the valuation day, such 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 delivered on the following trading day and shall be settled on the basis of the net asset value on the following trading day. Since the net asset 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.

For sub-funds for which forward pricing is applied, subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Accordingly, when using forward pricing, subscription orders received by the

Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. The use of forward pricing shall be stated in "The sub-fund at a glance".

Shares shall only be issued after the subscription orders have been processed and upon receipt of the issue price by the Depositary. The issue price is payable in the sub-fund currency within three valuation days after the corresponding trading day. The subscriber shall immediately receive, after the subscription order has been processed and subject to the payment of the issue price, the right of ownership to the shares acquired by him.

The Company is entitled to reject subscription orders at its discretion. Subscription orders submitted by unauthorised persons will be rejected. The Depositary shall pay back, without delay and without charging interest, payments made for subscription orders which are not realised.

In its function as the Main Management Company, 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 the Management Company in the form of commission payments. The Management Company 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 Company shares with a lower sales commission, which, however, must not be less than the maximum permissible sales commission in that country.

The Company may accept full or partial subscriptions in kind at its own discretion. In this case, the capital subscribed in kind must comply with the investment policy and restrictions of the respective sub-fund. These investments will also be audited by the auditor assigned by the Company.

The Company may, during the course of its sales activity and at its own discretion, discontinue the issue of shares to natural persons or legal entities in certain countries, decline purchase orders and suspend or limit the issue for a specific period or permanently, in line with the provisions of the section entitled "Suspension of calculation of net asset value per share and of the issue, redemption and conversion of shares".

The possibility cannot be ruled out that sub-fund shares will also be traded on other markets. (For example, inclusion of a sub-fund in OTC dealings of a stock exchange).

The market price underlying stock market dealings or trading on other markets is not determined exclusively by the value of the assets held in the respective sub-fund, but also by supply and demand. This market price can therefore differ from the net asset value.

Furthermore, the Board of Directors may decide that all share classes of the individual sub-funds may undergo a share split or a reverse share split.

Share classes

The Board of Directors may decide at any time to offer shares of different classes for subscription under the conditions it itself determines. The share classes may differ inter alia in terms of their fee structure, minimum investment, sub-fund currency and income distribution policy.

All issued shares in circulation have the same rights within the same class and sub-fund.

Form of shares

By decision of the Board of Directors, shares issued by the Company shall be securitised via global certificates. Investors are not entitled to request bearer certificates. The shares will be credited to the shareholder through an entry in a securities account of his choosing.

The Board of Directors has decided not to issue registered shares.

Issued company shares issued are those in a Company sub-fund.

Fractions of shares may be issued up to three decimal places. Fractions of shares do not have any voting rights but do give the right to a corresponding share of the net assets of the Company.

Redemption of shares

Any shareholder may request the redemption of all or part of his shares by the Company.

Redemption orders may be submitted on any trading day to the Company, the Management Company, the Depositary or the paying and sales agents listed in this Sales Prospectus. A redemption order is irrevocable, except in the event of and during a suspension.

The redemption price is based on the net asset value per share less any redemption fee established by the Board of Directors, the amount of which shall be stated in the respective "The sub-fund at a glance". In addition, any taxes, commissions or other fees that may apply in the respective countries in which the shares of the Company are issued shall be charged.

Redemption orders reaching the Company before 16:00 (Luxembourg time) on a trading day are settled on the basis of the net asset value of that trading day. The net asset value for a trading day is calculated on the valuation day, such 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 delivered on the following trading day and shall be settled on the basis of the net asset value on the following trading day. Since the net asset 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.

For sub-funds for which forward pricing is applied, redemption orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Accordingly, when using forward pricing, redemption orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. The use of forward pricing shall be stated in "The sub-fund at a glance".

The Company guarantees that the shares shall be redeemed on the basis of a share value not known to the investor at the time of submission of the redemption order.

The redemption price shall be paid in the respective sub-fund currency within three valuation days after the corresponding trading day. 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.

The 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 Company.

Other payments to shareholders, particularly distributions, shall be made by the paying agent, the Depositary or the Management Company.

If, as a result of the processing of a redemption order, the number of shares or the total net value of the shares of a shareholder falls below a number or a value established by the Board of Directors in due course, the Company may decide to treat this order as an order to redeem all remaining shares of this shareholder.

In addition, if the redemption and exchange orders submitted on a specific trading day exceed a specific threshold determined by the Board of Directors as regards the number of shares of a sub-fund in circulation, the Board of Directors may decide that the redemption or conversion of all or some of these shares be postponed for a period set by the Board of Directors under the conditions set by the Board of Directors in the interests of the respective sub-fund. This also applies to subscription orders submitted on the same day. These orders for the redemption or conversion of shares shall be processed as a priority on the trading day following this date, compared with orders submitted at a later date.

In the event of an excessively large volume of redemption orders, the Company may decide to delay processing of the redemption orders until the corresponding assets of the Company are sold without unnecessary delay. Where such a measure is necessary, all redemption orders accepted on the same trading day shall be settled at the same net asset value.

All redeemed shares shall be cancelled.

The Company may, at its discretion, redeem shares from shareholders that are excluded from acquiring or owning shares against payment of the redemption price. If a shareholder subscribing to shares 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 shares immediately, the investor must compensate the corresponding sub-fund for any financial and fiscal consequences.

If an investor no longer meets the requirements to retain the status of institutional investor, the Company may, in accordance with the Articles of Association, buy back or arrange to redeem all units held by the shareholder without prior notice.

Conversion of shares

Any shareholder may request the conversion of all or some shares in a specific sub-fund belonging to him into shares of a different sub-fund or another share class, provided the issue of shares of that sub-fund or share class has not been suspended and on the condition that the Board of Directors establishes limits, including as regards the possibility and frequency of the conversion, and that the conversion is conditional upon the payment of a reasonable fee that it establishes and will be published in "The sub-fund at a glance". Where shares are converted into shares in another share class of the same sub-fund, the redemption fee stated in "The sub-fund at a glance" shall not apply. The same provisions as for subscription and redemption orders apply to conversion orders.

Shares shall be converted on the basis of the following formula:

$$\alpha = \frac{\beta \cdot \gamma \cdot \delta}{\varepsilon}$$

where:

α = number of shares in the absorbing sub-fund and/or share class

β = number of shares in the absorbed sub-fund and/or share class

γ = net asset value of the shares submitted for conversion

δ = conversion rate between the respective sub-funds and/or share classes. Where both sub-funds or share classes are valued in the same currency, this value is 1

ε = net asset value per share of the absorbing sub-fund and/or share class, plus any taxes, commissions or other fees

The Board of Directors may decide to convert one or more share classes of a sub-fund into shares of another class of the same sub-fund if the Board of Directors is of the view that it is no longer viable to continue this or these share classes for economic or political reasons.

Following publication of such a resolution, the shareholders of this class/these classes are entitled to redeem all or some of their shares free of charge within the legally stipulated period in accordance with the provisions stated in the section entitled "Redemption of shares" at the net asset value applicable at that time.

Shares not submitted for redemption shall be converted on the basis of the net asset value of the corresponding share class calculated on the day the resolution becomes effective.

This conversion shall be made at the rounded net asset value, and where appropriate, plus any fees and transaction costs. The sales agent may, however, impose a management fee set by the Company.

Suspension of calculation of net asset value per share and of the issue, redemption and conversion of shares

The Company may temporarily suspend the calculation of the net asset value per share as well as the issue, exchange and redemption of the shares of a sub-fund:

a) if one or more important stock exchanges or other markets on which a significant portion of the assets of the respective sub-fund of the Company is listed or traded, or if the currency markets that correspond to the currencies on which the net asset value or a significant portion of the assets of the respective sub-fund of the Company are closed for reasons other than a normal public holiday, or if transactions are suspended or subject to limitations there, or no valid basis of data is available, provided that such closure, limitation or suspension impairs the valuation of the assets of the respective sub-fund of the Company listed there; or

b) if circumstances exist whereby the sale or the valuation of the assets of the respective sub-fund of the Company cannot be carried out or such a sale or valuation would not be in the interests of the shareholders; or

c) if the means of communication normally used to determine the price or value of the assets of the respective sub-fund of the Company or the prices on a stock exchange for the assets are out of order; or

d) if, for any reason, the value of an asset of the respective sub-fund of the Company cannot be determined or ascertained with the required speed or accuracy; or

e) if the respective sub-fund of the Company is unable to transfer sufficient money to pay for the redemptions of shares, or if the transfer of the monies cannot be conducted at normal exchange rates in connection with the sale or purchase of assets or the payment for the redemption of shares in the view of the Board of Directors;

f) upon publication of the calling of a general meeting, which is to vote on whether to liquidate a sub-fund or the Company.

A suspension of the calculation of the net asset value, the suspension of the issue and redemption of shares and a suspension of conversions between sub-funds or share classes shall by immediately notified to the responsible supervisory authorities in those countries in which Company shares are authorised for public sale. This notification shall also be published in a Luxembourg daily newspaper and in those countries in which Company shares are publicly sold. Furthermore, this notification will be published on the Management Company's website, which can be accessed via www.union-investment.com.

Income distribution

At the request of the Board of Directors and after the end of the financial year for each sub-fund, the general meeting of shareholders of a sub-fund may decide whether and to what extent income in the individual sub-funds and/or share classes is to be paid out. Income shall be paid out on shares in circulation on the distribution date. Company capital may not fall below the minimum statutory limit due to the payment of distributions.

Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.

Where there are several share classes, only shares in distributing share classes carry entitlement to a distribution. The general meeting of shareholders or the Board of Directors may decide to distribute share dividends instead of dividends in cash in line with the provisions determined by the Board of Directors. In the event of a distribution of free shares, these shall be allocated to the distributing share classe(s).

The Board of Directors may decide to pay or distribute interim dividends in line with the statutory provisions.

Distributions shall be paid in favour of the securities account in which the shares are entered. Distributions shall be paid out in the reference currency of the respective sub-fund.

For each sub-fund, an income adjustment may be made to adjust the distribution to the actual entitlement to income.

Taxes

Taxation of the assets and income of the Company and/or sub-fund

The respective sub-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 sub-fund's net assets at the end of the quarter. Where investments are made in Luxembourg target funds, no additional "taxe d'abonnement" shall be charged. Income from the investment of the Company's assets will not be taxed in Luxembourg. However, it may be subject to withholding or other tax in the countries in which the Company'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 shares or of income deriving from their shares. 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, 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 withholding tax. At the same time, the Grand Duchy of Luxembourg abolished wealth tax.

Shareholders 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 shares, as well as for receiving earnings at their place of origin, residence and/or stay.

Costs of the Company and its sub-funds

The Management Company shall receive a management fee for managing the sub-funds and, over and above that, a flat fee, the maximum limit and current amount of which is stated in "The sub-fund at a glance". The flat fee currently covers the following fees and expenses:

- Costs of central administration activities, such as fund accounting and reporting;
- Costs for arranging, preparing and conducting transactions with OTC derivatives and securities financing transactions, including collateral management;
- depositary fee;
- Costs for printing and sending out the sales prospectuses, the KID, the annual and half-yearly reports, and other notifications to the shareholders in the appropriate languages, costs of publishing issue and redemption prices and all other notifications
- costs arising in connection with the acquisition and disposal of assets;
- costs of central administration and other administrative costs, including the cost of associations (apart from administrative costs connected with the preparation and implementation of a merger);
- costs for legal advice incurred by the Company, Management Company or Depositary if acting in the interests of shareholders (apart from the costs for legal advice connected with the preparation and implementation of a merger);
- costs of any stock exchange listing(s) and the fees of supervisory authorities and/or costs of registering the shares for public distribution in various countries, and of representatives (including tax representatives) and paying agents in countries where Company shares have been admitted for public distribution;
- custody and depository fees for the safekeeping of assets, in line with standard banking practice;
- costs of appointing voting proxies;
- auditors' fees;
- costs for the preparation, establishment, official review, depositing and publication of the Articles of Association, possible amendment proceedings, other agreements and regulations connected with the Company or sub-fund (such as sales or licence contracts), as well as the settlement costs and costs of approval procedures at the appropriate offices;
- potential costs of rate-hedging transactions;
- a reasonable part of the costs of advertising and of those directly connected with offering and selling Company shares;
- costs and possible taxes levied on the assets, income and expenses of the Company or sub-fund;
- costs for the rating of a sub-fund by internationally recognised rating agencies;
- costs of liquidating a share class, the Company or a sub-fund;
- Fees and other costs incurred when paying out distributions

to shareholders.

The management fee and the flat fee are calculated on the basis of the sub-fund's net assets per calendar day over the month in question and are payable on the first valuation day of the following month.

The Management Company may receive from the respective sub-fund a performance fee as stated in “The sub-fund at a glance”, to the value of the amount by which the performance of shares in circulation exceeds the performance of a benchmark index.

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

In addition, the Management Company, in its function as the Management Company of the Company, 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 shareholders 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 shareholders upon request with further details of any payments in kind received.

The Company's set-up costs may be amortised over a period of 5 years.

Reports, publications and disclosure of information to shareholders

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.

For the Grand Duchy of Luxembourg, all notices to shareholders will be published on the Management Company's website (which can be accessed via www.union-investment.com) as well as in a daily newspaper (currently the "Tageblatt") if legally required, subject to the publication of notices as described herein and in the Articles of Association of the Investment Company. The Sales Prospectus, the KID and the annual and half-yearly reports can be obtained free of charge from all paying agents and sales agents.

The following documents are available for inspection at the registered office of the Company and of the sales agents:

1. the Articles of Association of the Company
2. The Depositary Agreement between the Company and the Depositary and the Management Company agreement and domiciliation agreement between the Company and the Management Company.

The annual report, published within four months of the end of the financial year, contains the annual financial statements, audited by an independent auditor. The annual and half-yearly report contain statements on the individual sub-funds and/or share classes in the respective reference currency. The consolidated statement of assets of the Company is expressed in EUR.

The Management Company has established procedures to deal with any complaints from shareholders in an appropriate and timely manner. More detailed information regarding these procedures 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.

Liquidation of the Company and its sub-funds, and merger of sub-funds

Liquidation of the Company

The Company may be liquidated at any time by a resolution of the general meeting, subject to the legal requirements governing quorum and majority.

If the capital of the Company falls below two-thirds or one quarter of the minimum capital, the Board of Directors must propose to the general meeting that the Company be liquidated.

If the Company is to be liquidated, one or more liquidators shall be appointed and their duties and remuneration determined by the general meeting.

The liquidators must ensure that the Company assets are realised whilst taking into account the interests of the shareholders and paid out to them in proportion to the shares held by them in the sub-funds. Any net liquidation proceeds not claimed by investors by the time the liquidation process has ended will be deposited after the liquidation process has ended at the Caisse des Consignations in the Grand Duchy of Luxembourg for the account of the entitled shareholders. These sums are then forfeited if they are not claimed within the statutory period.

Liquidation of sub-funds

At the proposal of the Board of Directors, the general meeting of shareholders of a sub-fund may reduce the capital of the Company by redeeming all the shares issued by this sub-fund against the payment of the net asset value of its shares to the shareholders. The net asset value shall be calculated on the day on which this decision becomes effective, giving consideration to the prices and the actual costs incurred in connection with the realisation of the assets.

If the value of the assets of a sub-fund or one or more classes of shares falls below the value, for any reason, which the Board of Directors has set as the minimum value of EUR 15 million and the relevant sub-fund or the relevant class(es) thus can no longer be managed in an economically viable way, or, if a change in the economic or political situation occurs that affects the respective sub-fund or one or more share classes and has significant disadvantageous effects on the assets of this sub-fund, the Board of Directors may decide to compulsorily redeem all shares of the concerned class(es) of this sub-fund or one or more share classes at their net asset value on the day this decision becomes effective.

Shareholders shall be informed of the resolution of the general meeting/Board of Directors regarding the redemption of shares in a specific sub-fund through a corresponding notice in one or more Luxembourg daily newspapers as well as, if appropriate, in other newspapers stipulated by the Board of Directors. Net liquidation proceeds that are not claimed by shareholders by the time the liquidation process has ended shall be deposited by the Depositary at the Caisse de Consignation in Luxembourg, where this amount shall remain until expiry of the statutory period.

Merging sub-funds or merging a sub-fund with another UCITS

Upon decision by the Management Company of the Company, sub-funds may be merged in accordance with the stipulations contained in Chapter 8 of the Law of 17 December 2010, whereby a sub-fund, in accordance with Article 1(20) of the Law of 17 December 2010, is transferred to another existing UCITS/sub-fund or is merged with one or more UCITS/sub-funds of one or more UCITS into a new UCITS. A transfer or merger may, for example, take place if the management of the Company or the sub-fund in question can no longer be economically guaranteed or in the event of a change in the economic or political situation. The Board of Directors of the Company may also decide to merge another existing UCITS into the Company or one of its sub-funds. In this case, the Board of Directors of the Company shall also decide the date on which the merger becomes effective. By way of derogation from the foregoing, in the case of merger as a result of which the Company ceases to exist as the absorbed UCITS, the date on which the merger becomes effective shall be decided by the general meeting of shareholders in line with Article 66 of the Law of 17 December 2010.

If the Company or one of its sub-funds is merged, the Company shall notify the shareholders of the Company/sub-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 shareholders affected will then have the right for 30 days to redeem or request repayment of their share at unit value without any further costs, or possibly exchange them for shares in another UCITS/sub-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 affected shareholders of the absorbed and the absorbing UCITS/sub-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 Board of Directors of the 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 shares if such a suspension appears to be justified in order to protect the shareholders affected.

The decision to liquidate or merge a sub-fund is not subject to an attendance quorum; decisions may be made by simple majority of the shares present or represented at this meeting.

Applicable law, jurisdiction and contractual language

Any legal dispute between shareholders, the Company and the Depositary is subject to the jurisdiction of the appropriate court in the Grand Duchy of Luxembourg. The applicable law is the law of the Grand Duchy of Luxembourg. As regards claims from investors from other countries, the Company and/or the Depositary are entitled to submit themselves to the jurisdiction of other countries in which Company shares are publicly sold.

The German version of this Sales Prospectus shall prevail. Where Company shares are publicly sold in other countries, the Company and the Depositary may accept verified translations (i.e. verified by the Company) in other countries as binding.

General risk information

General

The assets in which the Management Company invests for the account of the Company's sub-funds are associated with risks as well as opportunities for growth in value. Losses may thus occur if the market value of the assets decreases in comparison to the cost price. If an investor sells Company shares at a time when the market price of assets in the sub-fund has decreased compared with the time of share purchase, he will not get back the money he has invested in the sub-fund to the full amount. Although each sub-fund aspires 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 funding in addition to the money invested.

Additional risks may be incurred by the concentration of investments in certain assets or markets. A sub-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 relating to undertakings for collective investment and the investment principles and limits laid down in the Articles of Association, which provide a very broad framework for the sub-fund(s), 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 comments on risks can be found in "The sub-fund at a glance".

Capital market risk

The price or market performance of financial products depends, in particular, 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 sentiment, opinions and rumours. Fluctuations in prices and market values may also lead to changes in interest rates, exchange rates or an issuer's credit rating.Fluctuations in prices and market values may also lead to changes in interest rates, exchange rates or an issuer's credit rating.

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 12 months.

Risk of negative deposit rates

The Management Company deposits the liquid resources of the sub-fund with the Depositary or with other banks on behalf of the sub-fund. An interest rate is often agreed for these bank deposits which is equal to the European Interbank Offer Rate ("Euribor"), minus a specific margin. If the Euribor falls below the agreed margin, this will result in negative interest for the corresponding account. Depending on the developments in the ECB's interest rate policy, short, medium and long-term bank deposits may achieve negative interest. Accordingly, investments in liquid funds based on a rate of interest other than the Euribor and investments in liquid funds in foreign currency may produce negative interest depending on the base rates of the foreign central banks.

Country or transfer risk

Country or transfer risk refers to the risk that, for instance, a foreign debtor, despite being solvent, may be unable to make payments in time or at all or only in another currency, due to the inability or unwillingness to transfer in his country of domicile. As a result, payments, for example, to which the sub-fund is entitled may be made in currencies which are no longer convertible due to foreign exchange restrictions or may even not be made at all or made in a different currency. If the debtor pays in a different currency, this position is therefore subject to the currency risk described in this section.

Risks involved in investing in certain permissible Chinese shares via the Shanghai and Shenzhen - Hong Kong Stock Connect programme

Shanghai and Shenzhen - Hong Kong Stock Connect is a mutual market access programme which enables investors (in this case the company's respective sub-fund) to trade in selected securities via the stock exchange and clearing houses in Hong Kong. These securities are listed on the Shanghai Stock Exchange (SSE), and if the programme is expanded they will also be listed on the Shenzhen Stock Exchange (SZSE) ("Northbound Trading"). Investors on the Chinese mainland obtain access to the market via "Southbound Trading". Union Investment Luxemburg S.A. will participate in the Northbound Trading programme.

If this is in line with its investment policy, the respective sub-fund may purchase certain permissible Chinese A-shares via the Shanghai and Shenzhen - Hong Kong Stock Connect programme. A share which is classed as an A-share on the Shanghai Stock Exchange or the Shenzhen Stock Exchange is a share of a company which is traded in renminbi, the currency of the People's Republic of China.

Use of the Shanghai and Shenzhen - Hong Kong Stock Connect programme may entail the following risks, or it may increase the risks which are specified in this section:

- Trading via the Shanghai and Shenzhen - Hong Kong Stock Connect programme is subject to a daily quota, which may restrict the respective sub-fund's investment opportunities or mean that it is not able to make all its intended investments via the Shanghai and Shenzhen - Hong Kong Stock Connect programme. The daily quota restricts the maximum net purchases within cross-border trading that can be made on any one day via the programme. As soon as the remaining balance of the Northbound daily quota reaches zero or is exceeded at the start of the session, new purchase orders are declined and are only accepted again on the following trading day. There are consequently restrictions on the total holdings forming part of foreign investments which apply to all investors from Hong Kong and abroad, as well as restrictions on the holdings of individual foreign investors. Differences in trading times and differing quotas and holdings limits may restrict the corresponding sub-fund's ability to make timely investments.
- In order to ensure the proper functioning of the market, the stock exchanges which are linked via the Shanghai and Shenzhen - Hong Kong Stock Connect programme reserve the right to suspend trading if they consider this to be necessary. It should also be noted that Shanghai and Shenzhen - Hong Kong Stock Connect is operated only on days which are official trading days in the People's Republic of China and Hong Kong and are followed by an official banking business day in the specified countries.
- As the Shanghai and Shenzhen - Hong Kong Stock Connect programme is new and the processes and resources that are required for its use have only recently been put in place, operational risks may arise (e.g. malfunctioning systems). The settlement risk is reduced due to the fact that the settling of A-shares transactions which are undertaken by the respective sub-fund is based exclusively on the Delivery versus Payment principle.
- The Shanghai and Shenzhen - Hong Kong Stock Connect programme is subject to the supervision of the Chinese financial supervisory authority (CSRC: China Securities Regulatory Commission), and consequently to the legal and regulatory provisions of the People's Republic of China; these provisions may therefore exert an influence on the sub-fund due to the use of the programme.
- Economic developments in the People's Republic of China may exert an influence on the respective sub-fund's assets owing to the use of the Shanghai and Shenzhen - Hong Kong Stock Connect programme, and consequently of investments in certain permissible Chinese A-shares.

Risks entailed in investing in certain permissible Chinese bonds via direct access to the China Interbank Bond Market (CIBM)

The China Interbank Bond Market (CIBM) is an OTC market which is subject to regulation and oversight by the People's Bank of China (PBOC). As part of the expansion of the interbank bond market, access is being granted to a restricted range of investors. This is direct access which allows the purchase of local Chinese bonds in the CIBM.

If this is in line with its investment policy, the respective sub-fund may purchase certain permitted Chinese bonds in the CIBM.

Participation in the CIBM may entail the following risks, or it may increase the risks which are specified in this section:

- It should be noted that direct access to the CIBM is provided only on days which are official trading days in the People's Republic of China.
- As the investment facility is new and the processes and resources that are required for making use of the direct access have only recently been put in place, operational risks may arise (e.g. malfunctioning systems).
- Economic developments in the People's Republic of China may exert an influence on the respective sub-fund's assets owing to the use of direct access, and consequently owing to investment in permissible securities within the interbank bond market.

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 contracting party may result in losses for the sub-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 the assets are carefully selected, losses due to the financial collapse of issuers cannot be ruled out. Counterparty risk is the risk that a party to a mutual agreement may partially or completely default on an obligation.A party to a reciprocal agreement with its own claim carried out on behalf of the sub-fund may default in whole or in part (counterparty risk). This applies to all agreements made on behalf of the sub-fund.

Currency risk

If the assets of a sub-fund are invested in currencies other than the respective sub-fund currency, the sub-fund will receive the earnings, repayments and proceeds from those investments in that currency. If the value of that currency falls against the currency of the sub-fund, the value of such investment and therefore the value of the sub-fund will be reduced.

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 account balances held in a blocked account at 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 respective sub-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 in custody are fully protected from loss through the guarantee provided by the aforementioned protection scheme.

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 sub-fund. The purchase of such assets is associated with the risk of problems arising, especially when such assets are sold on to third parties.

The Management Company has laid down the following written principles and procedures enabling it to monitor liquidity risks: Taking into account the investment strategies set out in the "Overview of the Sub-fund" under the heading "Investment Policy", the liquidity profile of the respective sub-funds is as follows:

The liquidity profile of the relevant Sub-fund is determined by its structure in terms of the assets and liabilities contained in the Sub-fund, as well as the investor structure of the Sub-fund. The Sub-fund's liquidity profile thus results from this information, taken as a whole. In connection with the assets and liabilities of the Sub-fund, the liquidity profile of the Sub-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 laid down the redemption principles described in the chapter "Redemption of shares". The Management Company monitors the liquidity risks at sub-fund level in a multi-stage process. Liquidity information is produced both for the underlying investment instruments in the Sub-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 Sub-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 Sub-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 Sub-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 Sub-

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 Sub-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 Sub-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 Sub-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 Sub-fund and take account of the investment strategy, liquidity profile, investor profile and redemption principles of the Sub-fund.

Legal and tax risk

The legal and tax requirements of the sub-funds 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 sub-fund or shareholder.

Risk of change in investment policy

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

Risk of change to the risk profile

The investor must accept that the specified risk profile of a sub-fund may change at any time. Details are provided in the section entitled "Risk Profile of the sub-funds".

Changes to the sales prospectuses and liquidation or merger

The Board of Directors reserves the right to change the Sales Prospectus with the consent of the Luxembourg supervisory authorities and in accordance with the provisions of the Articles of Association. In accordance with the provisions of the Articles of Association, the Board of Directors is entitled to liquidate sub-funds or merge sub-funds with other sub-funds in the Company or another UCITS. The risk for the investor therefore involves, 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 shares from the Company on any valuation day. However, the Company may temporarily suspend the redemption of shares in exceptional circumstances with the consent of the Luxembourg supervisory authorities and then redeem the shares at a later point at the price applicable at that time (see also the section entitled "Suspension of calculation of net asset value per share and of the issue, redemption and conversion of shares". This price may be lower than the price before the suspension of redemption.

The Company may also be compelled in particular to suspend redemption if one or more funds whose units were acquired for the sub-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 in the value of the underlying instrument can reduce the value of an option right or futures or forward contract. If the value falls and the derivative therefore becomes worthless, the Management Company may be forced to allow the acquired rights to lapse. The sub-fund may also suffer losses through a change 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 sub-fund's assets than the direct purchase of the underlying instruments
- 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 sub-fund is forfeited. The sale of options entails the risk that the sub-fund may be required to accept assets at a higher price than the current market price or to deliver assets at a lower market price than the current market price. The sub-fund would then suffer a loss amounting to the difference in price less the option premium received.
- With futures contracts, there is a risk that the Management Company may be required on behalf of the sub-fund to bear the difference between the underlying price when concluded and the market price at the time of the closing out and/or maturity of the transaction. In this case, the sub-fund would incur losses. The risk of loss cannot be determined when entering into the futures 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 not be an organised market, so the Management Company may find it difficult or impossible to sell the financial instruments purchased on the OTC market on behalf of the Fund.
- Any quid-pro-quo transaction (offsetting) may be difficult, impossible or associated with significant costs due to individual agreements.

Derivatives may alternatively be used to hedge capital market risks or for investment purposes. In addition, as is the case for direct investment in securities, open exposure to equities, interest movements, credit ratings and currency exposures may arise. Such exposures are not required to be reflected in the relevant assets of a sub-fund. Accordingly, the risks in a sub-fund may increase if such transactions are entered into.

Risks in relation to securities lending transactions

If the Management Company grants a loan for the account of the relevant sub-fund through securities, money market instruments or investment units, it transfers these loans to a borrower who transfers back securities, money market instruments or investment units of the same type, amount and quality following the conclusion of the transaction ("securities lending transaction"). Although the borrower is required to provide collateral for at least the price of the loaned assets, plus any revenues therefrom and a surcharge at customary market levels thereon and to pay additional collateral if its economic situation deteriorates, there is a risk that the respective sub-fund will not be adequately covered due to value changes in the collateral and/or the loaned assets. There is also the risk that a borrower does not meet a supplementary payment obligation for the provision of collateral so that the existing right of return transfer is not completely secured if the contract partner defaults. In such cases, there is a counterparty risk to the amount of the gap in coverage. If the collateral received is held in custody by an institution other than the depository of the Fund, there is also the risk that this collateral cannot be liquidated immediately or in full.

If the Management Company receives cash collateral on behalf of the respective sub-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.

In order to prevent a contract partner from defaulting during the term of a repurchase agreement, the Management Company must be able to provide sufficient collateral. If the contract partner defaults, the Management Company is entitled to liquidate the collateral provided. A risk of loss for the Fund may result in the collateral provided no longer being sufficient due to the increasing prices of the securities, money market instruments or investment units transferred under repurchase agreements to cover the return transfer entitlement of the Management Company in full. The provision of collateral 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 associated with repurchase agreements 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 relevant sub-fund in connection with repurchase agreements shall not exceed the aforementioned minimum level.

Counterparty risk may also exist if the Management Company has provided collateral to the counterparty, which has come to have excess coverage due to changes in the value of the transferable securities underlying the repurchase transaction, but the Management Company is not entitled to demand the return of the collateral or the counterparty refuses to return the collateral provided in violation of the contract because the aforementioned minimum amount has not been reached.
Notwithstanding the above, the scope of the counterparty risk amounts to at most five per cent of Fund assets or ten per cent of Fund assets if the contract partner is a credit institution with headquarters in a Member State or, if the headquarters of the credit institute is in a third country, it is subject to supervisory provisions which are considered to be equivalent to those of Community law by CSSF.
If the Management Company receives cash collateral on behalf of the respective sub-fund, there is a non-payment risk with respect to the relevant credit institution managing the account.
If the securities, money market instruments or investments transferred under repurchase agreements depreciate in value during the term of the transaction and the Management Company want to sell them to limit losses in value, it may only do so by exercising the right of early termination. The early termination of the transaction may entail financial losses for the relevant sub-fund. The relevant sub-fund may also suffer a loss in this case, which results in the Management Company having to wait for the usual settlement cycle to transfer the securities, money market instruments or investment units to the custodian account

of the Fund before a sales order can be issued. It may also become apparent that the surcharge to be paid at the end of the term is higher than the income the Management Company has generated from reinvesting the cash received.
If securities, money market instruments or investment units are transferred to the under repurchase agreements, it purchases them and must sell them back at the end of a term. The buy-back price, including surcharge, is stipulated at the end of the transaction. The securities, money market instruments or investment units transferred under repurchase agreements are used as collateral to provide liquidity to the contract partner. The relevant sub-fund does not benefit from any value increases to securities, money market instruments or investment units.

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 securities loans, repurchase transactions and total return swaps in respect of derivative transactions. Derivatives, securities, money market instruments and investment units loaned or given in repurchase agreements may increase in value. The securities received may therefore be insufficient to cover the Management Company's delivery or return claims in relation to the counterparty.

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 sub-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 investments in the funds whose units are being acquired, as well as through diversification within the investing sub-fund.

The target funds can pursue the same or diverging investment strategies. This may result in existing risks being built up and possible opportunities cancelling each other out.

It is not possible for the 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 Sub-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.
The Management Company does not currently consider adverse effects of investment decisions on sustainability factors for this fund. The available relevant data that must be used to determine and weight the adverse sustainability impacts are currently inadequate on the market.

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 sub-funds.

II. Consideration of sustainability risks by outsourcing companies

Information on the way in which sustainability risks are incorporated into the investment process and the possible extent of the impact of sustainability risks on returns can be found on the website of the company assigned with the management of the sub-funds' investments.

Risk profile of the sub-funds

The existing assessment regarding the risk profile of a sub-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 sub-fund based on the investment policy described in this Sales Prospectus and the risks inherent to the sub-fund. However, not all potential risks are taken into account (see section "General risk information"), since some of the risks presented (e.g. inflation risks) are not only influenced by the investment policy described in the sub-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 each sub-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 sub-fund's risk profile. The following principle then applies: the greater a risk factor, the more likely it is to have an influence on the value of the sub-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 a sub-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 a sub-fund have a more severe effect than was observed in the past.

In addition, it must be considered that assigning a risk class while taking into account the risk factors using the aforementioned internal model is not appropriate for funds/sub-funds bearing certain characteristics. Against this backdrop, guarantee funds and value-protected funds and/or sub-funds are, for example, classified as having moderate risk.

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 sub-fund's risk profile is not a guarantee for any actual gains or losses incurred by the sub-fund.

If the standard model described above is not used to allocate a sub-fund to a risk class, the alternative model used for the sub-fund will be described in the section of the Sales Prospectus entitled "Risk profile of the sub-fund" in the overview "The sub-fund at a glance".

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

In the KID for the sub-fund or for its share classes, which is to be published on the basis of 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"), the Commission Delegated Regulation (EU) 2017/653 of 8 March 2017 supplementing Regulation (EU) No. 1286/2014 ("DelVO to the PRIIPs Regulation") and the 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, an overall risk indicator is disclosed in the section "What are the risks and what could I get in return". This indicator comprises a number of risk classes on a scale of numbers 1 to 7. A classification on this scale is made solely on the basis of past volatility or, in cases where this volatility cannot be calculated, an overall risk indicator of 6 or 7 is assigned across the board in accordance with Annex II of the DelVO to the PRIIPs Regulation. If there is no sufficient unit price history, volatility rates must be determined using suitable reference values. The indicator is also supplemented by a description of risks which are significant and not adequately covered by the indicator.

The assessment of the risk profile of the sub-fund disclosed under "Risk profile of the sub-fund" in the overview "The sub-fund at a glance" is not comparable to the disclosure under the section "What are the risks and what could I get in return?" in the key information documents ("KIDs"). In addition, the explanations concerning further risks provided there (which do not directly affect the classification, but may nonetheless be significant for the sub-fund or the relevant share 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 generally assigns the sub-fund to a risk class in the Sales Prospectus on the basis of a (scoring) model in which certain risk factors of a sub-fund are taken into account. The weighting and evaluation of these risks varies and is carried out on the basis of a retrospective view. The non-standard allocation of a risk class is possible if this is deemed appropriate and is expressly indicated. The KID, on the other hand, focuses solely 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.

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" (https://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.

The sub-fund at a glance – Quoniam Funds Selection SICAV – European Equities

Sub-fund	Quoniam Funds Selection SICAV – European Equities (until 30 November 2020, this sub-fund was called Quoniam Funds Selection SICAV – European Equities Dynamic and until 19 February 2012, this sub-fund was called Quoniam Funds Selection SICAV – European Equities Core)
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	EUR
Securities ID No / ISIN code Share class EUR A dis (name of share class changed from EUR A to EUR A dis on 15 April 2016)	A0Q5L9 / LU0374936432
Securities ID No / ISIN code Share class EUR I dis (name of share class changed from EUR I to EUR I dis on 15 April 2016)	A12C7B / LU1120174377
Securities ID No / ISIN code share class EUR S acc	A3ET9N / LU2674669390
Distribution of share class EUR I dis and EUR S acc	Institutional clients only
Investment objective	The aim of the investment policy of Quoniam Funds Selection SICAV – European Equities (the "sub-fund") is to achieve a performance that produces a higher yield than that of the European equity market, in accordance with the principle of risk diversification. As a result, sustainable criteria are used as a basis for the sub-fund when investing its assets. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – European Equities sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – European Equities sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments ("Taxonomy Regulation") of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.
Investment policy	The sub-fund's assets are primarily invested in (a) Fully paid-up shares and/or participation certificates and participation rights that are included in an organised market as defined in § 2(11) of the German Securities Trading Act or similar regulations of another country in the EEA or the United Kingdom of Great Britain and Northern Ireland (once the United Kingdom is no longer an EU Member State) (organised market) and/or

(b) fully paid-up shares or participation certificates and/or rights authorised for trading on a stock exchange in a non-EEA country.

The "organised markets" and "stock exchanges" referred to in (a) and (b) respectively must be "regulated markets" within the meaning of point 1.1(a)–(d) of the section entitled "General investment policy guidelines".

In addition, the Sub-fund may invest in share certificates, convertible bonds, bonds with warrants and total return swaps that establish both long and short exposure to European equities of varying market capitalization, and in index certificates and warrants, whereby warrants on securities may only be purchased to a limited extent.

Furthermore, the sub-fund's assets are invested in bank deposits and/or money market instruments in worldwide currencies that are accepted as deposits by credit institutions with a first-class credit rating, or issued by issuers with a first-class credit rating. These conditions shall be deemed to have been met when bank balances or issues are guaranteed by guarantors with a first-class credit rating.

The "participation certificates" and "participation rights" referred to in (a) and (b), and the "index certificates" and "warrants" mentioned in the previous paragraph, must be "transferable securities" pursuant to Article 41 of the Law of 17 December 2010.

Transferable securities acquired for the sub-fund are primarily traded on European stock exchanges or other regulated markets in Europe that are recognised, open to the public and operate regularly.

In principle, no share hedging is planned and shall only be undertaken in exceptional circumstances.

The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines".

The sub-fund may also employ derived financial instruments under section 4 (General information on derivatives, securities financing transactions and techniques and instruments).

In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective":

1. UN Global Compact principles vis-à-vis human rights.
2. UN Global Compact principles vis-à-vis labour.
3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change.
4. UN Global Compact principles vis-à-vis anti-corruption.
5. The Oslo Convention on Cluster Munitions.
6. PRI principles (Principles for Responsible Investment).

The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe.

Additional investment principles

The investment limits laid down in the paragraphs above shall apply provided at least 51% of the sub-fund’s value is invested in equity participations.

Equity participations in this sense are:

- units in equity participations admitted for official trading on a stock exchange or another organised market which is also a regulated market in accordance with Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets for financial instruments;
- units in corporations which are resident in a member state of the European Union or in another state party to the Agreement on the European Economic Area where it is subject to and not exempt from corporation tax;
- units in corporations which are resident in a third country where it is subject to and not exempt from corporation tax of at least 15%;
- units in other investment funds either at the unit value price, published on the valuation date, at which they actually invest in said corporation units, or at the minimum price stipulated in the investment conditions (foundation documents and sales prospectus) of the other investment fund.

Active management approach	Investment decisions are made for the sub-fund in accordance with a structured investment process. Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The investment approach thus differs from other investment approaches in the processing of the information collected. The investment strategy is based on a benchmark (MSCI EUROPE), which should be outperformed. No attempt is made to replicate the assets included in the benchmark. The fund management may deviate considerably from this benchmark and invest in securities that are not part of the benchmark.
Total Return Swaps	The Management Company usually expects 0 to 40% of the sub-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 60% of the sub-fund's 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 sub-fund	The Management Company has allocated the sub-fund to the third-highest of five risk categories. The sub-fund therefore has an increased level of risk. In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps or techniques and instruments for efficient portfolio management (securities financing transactions). The aforementioned transactions may also be used for hedging purposes. For further details, please refer to section 4 "General information on derivatives, securities financing transactions and techniques and instruments"and "Techniques and instruments" and the section entitled "General risk information". The commitment approach is used for monitoring and measuring the total risk associated with derivatives.
Risk profile of the typical Investor	The sub-fund is suitable for investors who wish to take advantage of the opportunity to invest in the broad European equity market, who are willing to accept an increased level of risk in return for higher income opportunities, who wish to invest their capital on a long-term basis, who wish to exclude the risk of subjective management failure, or who attach importance to an equity fund investment which is eligible as a premium reserve fund investment. The sub-fund is not suitable for investors who want a secure income or only wish to invest their capital over the short term. Investors are advised to refer to a specific holding recommendation in the current KID.
Currency risks for euro investors	In principle, no currency hedging is planned and shall only be undertaken in exceptional cases.
Issue and redemption of shares	Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the trading day. Accordingly, when using forward pricing, subscription orders received by the

	Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.
Issue and redemption price of shares	The issue and redemption prices are the net asset value per share. For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%. In exceptional cases or depending on market conditions, the Board of Directors may decide, in the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Share classes EUR A dis and EUR I dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Share class EUR S acc	The ordinary income from interest and/or dividends, less costs ("ordinary net income"), net realised gains as well as unrealised gains are retained within the sub-fund.
Certification **Share classes EUR A dis, EUR I dis and EUR S acc**	Global certificates
First issue price per share of share class EUR A dis	EUR 1,000.00 A share split (ratio of 1:10) took place on 10 November 2014.
First issue price per share of share class EUR I dis	EUR 1,000.00
First issue price per share of share class EUR S acc	EUR 100.00
Minimum initial investment **Share class EUR A dis**	None
Minimum initial investment **Share class EUR I dis**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class EUR S acc**	EUR 50,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	Dummy
Compensatory amount (swing factor)	Up to 2%
Costs which are reimbursed from the sub-fund’s assets	a
Management fee **Share classes EUR A dis, EUR I dis and EUR S acc**	The maximum management fee is 2.0% p.a.; currently, the following management fees are levied: 1.0 % p.a. for share class EUR A dis, 0.60 % p.a. for share class EUR I dis and 0.25 % p.a. for the share class EUR S acc calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee **Share classes EUR A dis, EUR I dis and EUR S acc**	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.14% p.a. for share class EUR A dis and 0.12% p.a. for share classes EUR I dis and EUR S acc is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement **Share class EUR A dis**	0.05% p.a.
Taxe d´abonnement **Share class EUR I dis**	0.01 % p.a.
Taxe d´abonnement **Share class EUR S acc**	0.01 % p.a.
Establishment of the Company	5 September 2008
Initial subscription date/initial issue	9 September 2011

date/date of first payment Share class EUR A dis	
Initial subscription date/initial issue date/date of first payment Share class EUR I dis	28 November 2014
Initial subscription date/initial issue date/date of first payment of share class EUR S acc	4 October 2023
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	1 October 2010 – 30 September 2011
Reports	1. Half-yearly report: 31 March 2012 1. Annual report: 30 September 2011
Sub-fund duration	The sub-fund is set up for an indefinite period.
Stock exchange listing	not planned
Distribution countries Share class EUR A dis	Grand Duchy of Luxembourg, Germany, France, United Kingdom of Great Britain and Northern Ireland, Italy, the Netherlands
Distribution countries Share class EUR I dis	Grand Duchy of Luxembourg, Germany, United Kingdom of Great Britain and Northern Ireland, Sweden, Norway, Finland, Austria, France, the Netherlands
Distribution countries Share class EUR S acc	Grand Duchy of Luxembourg, Germany
Publication Mémorial and RESA (from 2016)	Dummy
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

The sub-fund at a glance – Quoniam Funds Selection SICAV – Emerging Markets Equities MinRisk

Sub-fund	Quoniam Funds Selection SICAV – Emerging Markets Equities MinRisk
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	EUR
Securities ID No / ISIN code Share class EUR A dis (name of share class changed from EUR A to EUR A dis on 15 April 2016)	A1CS27 / LU0489951870
Securities ID No / ISIN code Share class EUR I dis (name of share class changed from EUR I to EUR I dis on 15 April 2016)	A12C7C / LU1120174450
Securities ID No / ISIN code Share class EUR I acc	A2AG0Y / LU1395298554
Securities ID No / ISIN code Share class USD I acc (name of share class changed from USD I to USD I dis on 15 April 2016 and from USD I dis to USD I acc on 25 May 2016)	A1H8TF / LU0612194984
Distribution for share classes EUR I dis, EUR I acc and USD I acc	Institutional clients only
Investment objective	The objective of the investment policy of Quoniam Funds Selection SICAV – Emerging Markets Equities MinRisk (the "sub-fund") is to achieve a performance that produces a higher yield than the emerging markets equity markets over a full market cycle. Using the MinRisk strategy, the objective for the sub-fund is to achieve a benchmark-agnostic investment in emerging markets equities with the lowest possible overall risk (minimum variance principle). The aim is to achieve a significantly lower overall risk compared to the benchmark MSCI Emerging Markets. The aim is also to outperform the benchmark on a risk-adjusted basis. As a result, sustainable criteria are used as a basis for the sub-fund when investing its assets. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – Emerging Markets Equities MinRisk sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – Emerging Markets Equities MinRisk sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments ("Taxonomy Regulation") of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8,

paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Investment policy

The sub-fund's assets are primarily invested internationally, including in emerging markets, in equities, equity certificates, convertible bonds, warrant bonds and, provided these are "transferable securities" pursuant to Article 41 of the Law of 17 December 2010, in corporate participation certificates as well as index certificates and warrants. Certificates on shares (e.g. American depositary receipts and global depositary receipts) of companies may also be acquired.

Transferable securities acquired for the sub-fund are traded on stock exchanges or other regulated markets that are recognised, open to the public and operate regularly. With regard to stock exchanges in the aforementioned countries that are currently not "regulated markets" within the meaning of Article 41 of the Law of 17 December 2010, investments in these non-regulated markets are restricted to 10% of the sub-fund's net assets.

The Sub-fund's assets may also be invested in bank deposits and/or money market instruments that are accepted as bank deposits by authorised credit institutions or issued by authorised issuers in accordance with Section 1.1 of the chapter "General investment policy guidelines".

The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines".

The sub-fund may also employ derived financial instruments under section 4 (General information on derivatives, securities financing transactions and techniques and instruments).

In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective":
1. UN Global Compact principles vis-à-vis human rights.
2. UN Global Compact principles vis-à-vis labour.
3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change.
4. UN Global Compact principles vis-à-vis anti-corruption.
5. The Oslo Convention on Cluster Munitions.
6. PRI principles (Principles for Responsible Investment).
The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe.

Additional investment principles

The investment limits laid down in the paragraphs above shall apply provided at least 51% of the sub-fund’s value is invested in equity participations.

Equity participations in this sense are:
- units in equity participations admitted for official trading on a stock exchange or another organised market which is also a regulated market in accordance with Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets for financial instruments;
- units in corporations which are resident in a member state of the European Union or in another state party to the Agreement on the European Economic Area where it is subject to and not exempt from corporation tax;
- units in corporations which are resident in a third country where it is subject to and not exempt from corporation tax of at least 15%;
- units in other investment funds either at the unit value price, published on the valuation date, at which they actually invest in said corporation units, or at the minimum price stipulated in the investment conditions (foundation documents and sales prospectus) of the other investment fund.

Active management approach

Investment decisions are made for the sub-fund in accordance with a structured investment process.

Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The

	investment approach thus differs from other investment approaches in the processing of the information collected.
	The investment strategy is based on a benchmark (MSCI Emerging Markets), which should be outperformed. No attempt is made to replicate the assets included in the benchmark. The fund management may deviate considerably from this benchmark and invest in securities that are not part of the benchmark. The aim of the MinRisk strategy in favour of the Fund is to achieve an investment with a lower overall risk compared to the benchmark. The aim is also to outperform the benchmark on a risk-adjusted basis.
Total Return Swaps	The Management Company usually expects 0 to 20% of the sub-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 the sub-fund's 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 sub-fund	The Management Company has allocated the sub-fund to the second-highest of five risk categories. The sub-fund therefore has a high level of risk.
	Transferable securities entail risks as well as opportunities for price increases; they are subject to the unpredictable influence of the performance of the capital markets or to particular performances of the relevant issuer. Even when investments are carefully selected, losses due to the financial collapse of issuers cannot be ruled out. Investments in emerging markets entail additional risks and opportunities. Emerging markets are typically countries that currently have a low or medium per-capita income. Emerging markets tend to be countries that are undergoing dynamic economic development and therefore have above-average prospects of long-term growth with concomitant potential for price increases. However, concentrating investment in emerging markets also entails special risks, for example those brought about by political changes, changes in exchange rates, inadequate stock market control instruments, other tax systems, restrictions on foreign capital investment and the repatriation of capital (transfer risk) and those brought about by capital markets which, by international standards, show lower market capitalisation and can be more volatile and less liquid. It should also be noted that companies in such countries may be subject to less extensive public monitoring and less structured legislation, and that accounting and auditing are not always of a standard which is comparable to that prevailing in industrialised countries. Transferable securities transactions and monetary dealings are conducted according to the norms of the local investment markets which do not always provide for contemporaneous performance. This may give rise to additional interest rate and default risks.
	The sub-fund may invest in specific permissible Chinese A shares via the Shanghai-Hong Kong Stock Connect ("SHSC") programme, which can entail additional clearing and settlement risks as well as legal and operational risks and risks in the form of restrictions on investment opportunities. For further details, please refer to the section "General risk information" in the Sales Prospectus.
	In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps or techniques and instruments for efficient portfolio management (securities financing transactions).

	The aforementioned transactions may also be used for hedging purposes. For further details, please refer to section 4 “General information on derivatives, securities financing transactions and techniques and instruments”and "Techniques and instruments" and the section entitled "General risk information". The commitment approach is used for monitoring and measuring the total risk associated with derivatives.
Risk profile of the typical Investor	The sub-fund is suitable for investors who wish to take advantage of the opportunity to invest in emerging markets, who are willing to accept a high level of risk in return for higher income opportunities, and who wish to invest their capital on a long-term basis. The sub-fund is not suitable for investors who want a secure income or only wish to invest their capital over the short term. Investors are advised to refer to a specific holding recommendation in the current KID.
Currency risks for euro investors	In principle, no currency hedging is planned.
Issue and redemption of shares	Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the trading day. Accordingly, when using forward pricing, subscription orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.
Issue and redemption price of shares	The issue and redemption prices are the net asset value per share. For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%. In exceptional cases or depending on market conditions, the Board of Directors may decide, in the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Share classes EUR A dis and EUR I dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Share classes EUR I acc and USD I acc	The ordinary income from interest and/or dividends, less costs ("ordinary net income"), net realised gains as well as unrealised gains are retained within the sub-fund.
Certification **Share classes EUR A dis, EUR I dis, EUR I acc and USD I acc**	Global certificates
First issue price per share of share class EUR A dis	EUR 1,000.00 A share split (ratio of 1:10) took place on 10 November 2014.
First issue price per share of share class EUR I dis	EUR 1,000.00
First issue price per share of share class EUR I acc	EUR 1,000.00
First issue price per share of share class USD I acc (denominated in USD)	USD 1,000.00 A share split (ratio of 1:10) took place on 10 November 2014.
Minimum initial investment **Share class EUR A dis**	none
Minimum initial investment **Share class EUR I dis and EUR I acc**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class USD I acc (denominated in USD)**	USD 100,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	Dummy

Compensatory amount (swing factor)	Up to 2%
Costs which are reimbursed from the sub-fund's assets	
Management fee Share classes EUR A dis, EUR I dis, EUR I acc and USD I acc	The maximum management fee is 2.0% p.a.; currently, the following management fees are levied: 1.5 % p.a. for share class EUR A dis and 0.75 % p.a. for share classes EUR I dis, EUR I acc and USD I acc calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee Share classes EUR A dis, EUR I dis, EUR I acc and USD I acc*)	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.17% p.a. for share classes EUR A dis and 0.15% p.a. for share classes EUR I dis, EUR I acc and USD I acc is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement Share class EUR A dis	0.05% p.a.
Taxe d´abonnement Share classes EUR I dis, EUR I acc and USD I acc	0.01 % p.a.
Establishment of the Company	5 September 2008
Initial subscription date/initial issue date/date of first payment of share class EUR A dis	3 May 2010
Initial subscription date/initial issue date/date of first payment of share class EUR I dis	28 November 2014
Initial subscription date/initial issue date/date of first payment of share class EUR I acc	15 April 2016
Initial subscription date/initial issue date/date of first payment of share class USD I acc	31 March 2011
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	01 October 2009 – 30 September 2010
Reports	1. Half-yearly report: 31 March 2011 1. Annual report: 30 September 2010
Sub-fund duration	The sub-fund is set up for an indefinite period.
Stock exchange listing	not planned
Distribution countries of share class EUR A dis	Grand Duchy of Luxembourg, Germany, Austria, Finland, France, United Kingdom of Great Britain and Northern Ireland, the Netherlands, Norway, Switzerland
Distribution countries of share class EUR I dis	Grand Duchy of Luxembourg, Germany, Austria, Finland, France, United Kingdom of Great Britain and Northern Ireland, the Netherlands, Norway, Switzerland
Distribution countries of share class EUR I acc	Grand Duchy of Luxembourg, Germany, Switzerland
Distribution countries of share class USD I acc	Grand Duchy of Luxembourg, Germany, Austria, Finland, France, United Kingdom of Great Britain and Northern Ireland, the Netherlands, Norway, Switzerland
Publication Mémorial and RESA (from 2016)	
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

The sub-fund at a glance – Quoniam Funds Selection SICAV – Global Equities MinRisk

Sub-fund	Quoniam Funds Selection SICAV - Global Equities MinRisk
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	EUR
Securities ID No / ISIN code Share class EUR hedged A dis (Change of share class designation from EUR hedged A to EUR hedged A dis on 15 April 2016)	A1CS26 / LU0489951797
Securities ID No / ISIN code Share class EUR hedged I dis (name of share class changed from EUR hedged I to EUR I dis on 15 April 2016)	A12C7E / LU1120174617
Securities ID No / ISIN code Share class USD I acc	A2AQQS / LU1481644281
Distribution for share classes EUR hedged I dis, EUR I acc and USD I acc	Institutional clients only
Investment objective	The objective of the investment policy of Quoniam Funds Selection SICAV - Global Equities MinRisk (the "sub-fund") is to achieve a performance that produces a higher yield than that of the global equity market over a full market cycle. Using the MinRisk strategy, the objective for the sub-fund is to achieve a benchmark-agnostic investment in global equities with the lowest possible overall risk (minimum variance principle). The aim is to achieve a significantly lower overall risk compared to the benchmark MSCI World. The aim is also to outperform the benchmark on a risk-adjusted basis. Sustainability criteria are used as a basis for the sub-fund when investing its assets. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – Global Equities MinRisk sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – Global Equities MinRisk sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments ("Taxonomy Regulation") of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.
Investment policy	The sub-fund's assets are primarily invested internationally, including in emerging markets, in equities, equity certificates, convertible bonds, warrant bonds and, provided these are "transferable securities" pursuant to Article 41 of the Law of 17 December 2010, in corporate participation certificates as well as index certificates and warrants. Certificates on shares (e.g.

American depositary receipts and global depositary receipts) of companies may also be acquired.

Transferable securities acquired for the sub-fund are traded on stock exchanges or other regulated markets that are recognised, open to the public and operate regularly. With regard to stock exchanges in the aforementioned countries that are currently not "regulated markets" within the meaning of Article 41 of the Law of 17 December 2010, investments in these non-regulated markets are restricted to 10% of the sub-fund's net assets.

The Sub-fund's assets may also be invested in bank deposits and/or money market instruments that are accepted as bank deposits by authorised credit institutions or issued by authorised issuers in accordance with Section 1.1 of the chapter "General investment policy guidelines".

The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines".

The sub-fund may also employ derived financial instruments under section 4 ("General information on derivatives, securities financing transactions and techniques and instruments").

In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective":
1. UN Global Compact principles vis-à-vis human rights.
2. UN Global Compact principles vis-à-vis labour.
3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change.
4. UN Global Compact principles vis-à-vis anti-corruption.
5. The Oslo Convention on Cluster Munitions.
6. PRI principles (Principles for Responsible Investment).
The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe.

Additional investment principles

The investment limits laid down in the paragraphs above shall apply provided at least 51% of the sub-fund's value is invested in equity participations.

Equity participations in this sense are:
- units in equity participations admitted for official trading on a stock exchange or another organised market which is also a regulated market in accordance with Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets for financial instruments;
- units in corporations which are resident in a member state of the European Union or in another state party to the Agreement on the European Economic Area where it is subject to and not exempt from corporation tax;
- units in corporations which are resident in a third country where it is subject to and not exempt from corporation tax of at least 15%;
- units in other investment funds either at the unit value price, published on the valuation date, at which they actually invest in said corporation units, or at the minimum price stipulated in the investment conditions (foundation documents and sales prospectus) of the other investment fund.

Active management approach

Investment decisions are made for the sub-fund in accordance with a structured investment process.

Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The investment approach thus differs from other investment approaches in the processing of the information collected.

The investment strategy is based on a benchmark (MSCI WORLD), which should be outperformed. No attempt is made to replicate the assets included in the benchmark. The fund management may deviate considerably from this benchmark and invest in securities that are not part of the benchmark. The aim of the MinRisk strategy in favour of the Fund is to achieve an investment with a lower overall risk compared to the benchmark. The aim is also to outperform the benchmark on a risk-adjusted basis.

Total Return Swaps

The Management Company usually expects 0 to 20% of the sub-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 the sub-fund's 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 sub-fund

The Management Company has allocated the sub-fund to the third-highest of five risk categories. The sub-fund therefore has an increased level of risk.

Transferable securities entail risks as well as opportunities for price increases; they are subject to the unpredictable influence of the performance of the capital markets or to particular performances of the relevant issuer. Even when investments are carefully selected, losses due to the financial collapse of issuers cannot be ruled out.
Investments in emerging markets entail additional risks and opportunities. Emerging markets are typically countries that currently have a low or medium per-capita income. Emerging markets tend to be countries that are undergoing dynamic economic development and therefore have above-average prospects of long-term growth with concomitant potential for price increases.
However, concentrating investment in emerging markets also entails special risks, for example those brought about by political changes, changes in exchange rates, inadequate stock market control instruments, other tax systems, restrictions on foreign capital investment and the repatriation of capital (transfer risk) and those brought about by capital markets which, by international standards, show lower market capitalisation and can be more volatile and less liquid. It should also be noted that companies in such countries may be subject to less extensive public monitoring and less structured legislation, and that accounting and auditing are not always of a standard which is comparable to that prevailing in industrialised countries. Transferable securities transactions and monetary dealings are conducted according to the norms of the local investment markets which do not always provide for contemporaneous performance. This may give rise to additional interest rate and default risks.

In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps, techniques and instruments for managing credit risks or securities financing transactions / techniques and instruments for efficient portfolio management.

The aforementioned transactions may also be used for hedging purposes.

For further details, please refer to section 4 (“General information on derivatives, securities financing transactions and techniques and instruments”) under the section entitled "General investment policy guidelines" and the section entitled "General risk information".

The commitment approach is used for monitoring and measuring the total risk associated with derivatives.

Risk profile of the typical Investor

The sub-fund is suitable for investors who wish to take advantage of the opportunity to invest in the worldwide equity markets (including countries from emerging markets), who are

	willing to accept an increased level of risk in return for high income opportunities, and who wish invest their capital on a long-term basis. The sub-fund is not suitable for investors who want a secure income or only wish to invest their capital over the short term. Investors are advised to refer to a specific holding recommendation in the current KID.
Currency risks for investors in share class EUR hedged A dis and EUR hedged I dis	The sub-fund's assets are denominated in various currencies from around the globe. Foreign-currency risks are hedged as far as possible against the corresponding share class currency EUR.
Currency risks for investors in share class USD I acc	The sub-fund's assets are denominated in various currencies from around the globe. Any foreign-currency risks incurred shall be hedged as far as possible.
Currency risks (apply to all share classes)	Counterparty and operational risks may also occur for the investors in other share classes of the sub-fund through the use of financial derivatives and/or futures contracts for just one share class. However, this may also lead to investors in the hedged unit classes not being able to benefit from an increase in value of the sub-fund's assets and/or the non-hedged share classes. Currency hedging may, under certain circumstances, only be conducted or amended retrospectively, meaning that it is only presented in the net asset value of the hedged share classes at a later date. The hedging is associated with inefficiencies. It can therefore not be guaranteed that all currency fluctuations are completely reduced by the hedging.
Issue and redemption of shares	Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the trading day. Accordingly, when using forward pricing, subscription orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.
Issue and redemption price of shares	The issue and redemption prices are the net asset value per share. For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%. In exceptional cases or depending on market conditions, the Board of Directors may decide, in the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Share class EUR hedged A dis and EUR hedged I dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Share class USD I acc	The ordinary income from interest and/or dividends, less costs ("ordinary net income"), net realised gains as well as unrealised gains are retained within the sub-fund.
Certification	Global certificates
First issue price per share of share class EUR hedged A dis	EUR 1,000.00 A share split (ratio of 1:10) took place on 10 November 2014.
First issue price per share of share class EUR hedged I dis	EUR 1,000.00
First issue price per share of share class USD I acc	USD 1,000.00
Minimum initial investment **Share class EUR hedged A dis**	none
Minimum initial investment Share class EUR hedged I dis	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class USD I acc**	USD 100,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	Dummy

Compensatory amount (swing factor)	Up to 2%
Costs which are reimbursed from the sub-fund's assets	
Management fee **Share classes EUR hedged A dis, EUR hedged I dis and USD I acc**	The maximum management fee is 2.0% p.a.; currently, the following management fees are levied: 1.0 % p.a. for share class EUR hedged A dis, 0.60 % p.a. for share class EUR hedged I dis and 0.60 % p.a. for the share class USD I acc calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee **Share classes EUR hedged A dis, EUR hedged I dis and USD I acc *)**	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.14% p.a. for share classes EUR A dis and EUR A dis RF and 0.10% p.a. for share class EUR hedged A dis and 0.12% p.a. for share classes EUR hedged I dis and USD I acc is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement **Share class EUR hedged A dis**	0.05% p.a.
Taxe d´abonnement **Share classes EUR hedged I dis und USD I acc**	0.01 % p.a.
Establishment of the Company	5 September 2008
Initial subscription date/initial issue date/date of first payment of share class EUR hedged A dis	9 August 2010
Initial subscription date/initial issue date/date of first payment of share class EUR hedged I dis	28 November 2014
Initial subscription date/initial issue date/date of first payment **Share class USD I acc**	23 December 2016
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	01 October 2009 – 30 September 2010
Sub-fund duration	The sub-fund is set up for an indefinite period.
Reports	1. Half-yearly report: 31 March 2011 1. Annual report: 30 September 2010
Distribution countries **Share class EUR hedged A dis**	Grand Duchy of Luxembourg, Germany, France, United Kingdom of Great Britain and Northern Ireland, Norway
Distribution countries **Share class EUR hedged I dis**	Grand Duchy of Luxembourg, Germany, France, United Kingdom of Great Britain and Northern Ireland, Norway, Austria
Distribution countries **Share class USD I acc**	Grand Duchy of Luxembourg, Germany
Publication Mémorial and RESA (from 2016)	
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

The sub-fund at a glance – Quoniam Funds Selection SICAV – Global Credit MinRisk

Sub-fund	Quoniam Funds Selection SICAV – Global Credit MinRisk (until 27 November 2014, this sub-fund was called Quoniam Funds Selection SICAV – Euro Fixed Income MinRisk)
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	EUR
Securities ID No / ISIN code Share class EUR hedged A dis (name of share class changed from EUR A to EUR A dis on 15 April 2016 and from EUR A dis to EUR hedged A dis on 4 October 2016)	A1CS24 / LU0489951441
Securities ID No / ISIN code Share class EUR hedged I dis (name of share class changed from EUR I to EUR I dis on 15 April 2016 and from EUR I dis to EUR hedged I dis on 4 October 2016)	A12C7F / LU1120174708
Securities ID No / ISIN code Share class USD hedged I acc	A2DMCC / LU1565453252
Securities ID No / ISIN code Share class CHF hedged I acc	A2DMKA / LU1573954911
Securities ID No / ISIN code Share class CHF hedged A acc	A2DW2N / LU1679511045
Securities ID No / ISIN code Share class EUR hedged I acc	LU2250014052 / A2QGNW
Distribution of share classes EUR hedged I dis, USD hedged I acc, CHF hedged I acc and EUR hedged I acc	Institutional clients only
Investment objective	The aim of the investment policy of Quoniam Funds Selection SICAV – Global Credit MinRisk (the "sub-fund") is to generate an adequate yield on the capital invested. Using the MinRisk strategy, the aim for the sub-fund is to achieve a high absolute performance in a global bond fund while maintaining a low depreciation risk.As a result, sustainable criteria are used as a basis for the sub-fund when investing its assets. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – Global Credit MinRisk sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – Global Credit MinRisk sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of

(EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	a framework to facilitate sustainable investments ("Taxonomy Regulation") of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.
Investment policy	To achieve the investment objective, the sub-fund's assets are invested in fixed and variable interest-bearing corporate bonds, mortgage bonds, government bonds and bonds from supranational issuers worldwide, including issuers from emerging market countries. Notwithstanding the above, up to 100% of the sub-fund's assets may be invested in bank deposits and/or money market instruments that are that are accepted as bank deposits by permitted credit institutions pursuant to point 1.1 of the section entitled "General investment policy guidelines" or issued by permitted issuers. Furthermore, all other legally permissible assets may be acquired for the sub-fund, and derivative financial instruments pursuant to section 4 ("General information on derivatives, securities financing transactions and techniques and instruments") under the section entitled "General investment policy guidelines" may be used, especially the techniques and instruments for managing credit risks listed in point 4.8. The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines". In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective": 1. UN Global Compact principles vis-à-vis human rights. 2. UN Global Compact principles vis-à-vis labour. 3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change. 4. UN Global Compact principles vis-à-vis anti-corruption. 5. The Oslo Convention on Cluster Munitions. 6. PRI principles (Principles for Responsible Investment). The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe. Green bonds (bonds whose issue proceeds are used exclusively for environmentally friendly purposes), in which the Sub-fund may invest regularly and regardless of the issuer status, are an exception.
Active management approach	Investment decisions are made for the sub-fund in accordance with a structured investment process. Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The investment approach thus differs from other investment approaches in the processing of the information collected. The Fund does not reproduce any securities index and its investment strategy is not based on emulating the development of one or many indices. Using the MinRisk strategy, the Fund's objective is to achieve a high absolute performance in a global equities fund with the lowest possible level of overall risk (minimum variance principle). To this end, an equity investment that is defensive compared with a benchmark-driven approach is sought.
Total Return Swaps	The Management Company usually expects 0 to 20% of the sub-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 the sub-fund's 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 sub-fund

The Management Company has allocated the sub-fund to the second-lowest of five risk categories. The sub-fund therefore has a moderate level of risk.

Transferable securities entail risks as well as opportunities for price increases; they are subject to the unpredictable influence of the performance of the capital markets or to particular performances of the relevant issuer. Even when investments are carefully selected, losses due to the financial collapse of issuers cannot be ruled out.
Investments in emerging markets entail additional risks and opportunities. Emerging markets are typically countries that currently have a low or medium per-capita income. Emerging markets tend to be countries that are undergoing dynamic economic development and therefore have above-average prospects of long-term growth with concomitant potential for price increases.
However, concentrating investment in emerging markets also entails special risks, for example those brought about by political changes, changes in exchange rates, inadequate stock market control instruments, other tax systems, restrictions on foreign capital investment and the repatriation of capital (transfer risk) and those brought about by capital markets which, by international standards, show lower market capitalisation and can be more volatile and less liquid. It should also be noted that companies in such countries may be subject to less extensive public monitoring and less structured legislation, and that accounting and auditing are not always of a standard which is comparable to that prevailing in industrialised countries. Transferable securities transactions and monetary dealings are conducted according to the norms of the local investment markets which do not always provide for contemporaneous performance. This may give rise to additional interest rate and default risks.

In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps, techniques and instruments for managing credit risks or securities financing transactions / techniques and instruments for efficient portfolio management.

The aforementioned transactions may also be used for hedging purposes.

For further details, please refer to section 4 (“General information on derivatives, securities financing transactions and techniques and instruments”) and the section entitled "General risk information".

The relative value-at-risk (VaR) approach is used to monitor and measure the total risk associated with derivatives. The corresponding reference portfolio is ICE BofA 1-5 Year Global Corporate Index (benchmark assets).

The expected average sum of the nominal values or equivalent values of all relevant derivatives (leverage effect) was estimated at 380% of the Fund's volume.

Risk profile of the typical Investor

The sub-fund is suitable for investors who wish to take advantage of the opportunity to invest in global bonds, including issuers in emerging markets, who accept a moderate level of risk in the meantime, and who wish to invest their capital on a medium- to long-term basis.

The sub-fund is not suitable for investors wishing to invest their capital on a short-term basis. Investors are advised to refer to a specific holding recommendation in the current KID.

Currency risks for investors in Share Classes EUR hedged A dis, EUR hedged I dis, USD hedged I acc, CHF hedged A acc, CHF hedged I acc and EUR hedged I acc

The sub-fund's assets are denominated in various currencies from around the globe. Foreign-currency risks are hedged as far as possible against the corresponding share class currencies EUR, USD and/or CHF.

Currency risks (apply to all share classes)

Counterparty and operational risks may also occur for the investors in other share classes of the sub-fund through the use of financial derivatives and/or futures contracts for just one share class. However, this may also lead to investors in the hedged unit classes not being able to benefit from an increase in value of the sub-fund’s assets and/or the non-hedged share

	classes. Currency hedging may, under certain circumstances, only be conducted or amended retrospectively, meaning that it is only presented in the net asset value of the hedged share classes at a later date. The hedging is associated with inefficiencies. It can therefore not be guaranteed that all currency fluctuations are completely reduced by the hedging.
Issue and redemption of shares	Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the trading day. Accordingly, when using forward pricing, subscription orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.
Issue and redemption price of shares	The issue and redemption prices are the net asset value per share. For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%. In exceptional cases or depending on market conditions, the Board of Directors may decide, in the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Share classes EUR hedged A dis and EUR hedged I dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Share classes USD hedged I acc, CHF hedged A acc, CHF hedged I acc and EUR hedged I acc	The ordinary income from interest and/or dividends, less costs ("ordinary net income"), net realised gains as well as unrealised gains are retained within the sub-fund.
Certification	Global certificates
First issue price per share of share class EUR hedged A dis	EUR 1,000.00 A share split (ratio of 1:10) took place on 10 November 2014.
First issue price per share of share class EUR hedged I dis	EUR 1,000.00
First issue price per share of share class USD hedged I acc	USD 1,000.00
First issue price per share of share class CHF hedged A acc	CHF 100.00
First issue price per share of share class CHF hedged I acc	CHF 1,000.00
First issue price per share of share class EUR hedged I acc	EUR 1,000.00
Minimum initial investment **Share class EUR hedged A dis and CHF hedged A acc**	None
Minimum initial investment **Share class EUR hedged I dis**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class USD hedged I acc**	USD 100,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class CHF hedged I acc**	CHF 100,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class EUR hedged I acc**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	Dummy
Compensatory amount (swing factor)	Up to 2.0 %

Costs which are reimbursed from the sub-fund's assets	
Management fee Share classes EUR hedged A dis, EUR hedged I dis, USD hedged I acc, CHF hedged A acc, CHF hedged I acc and EUR hedged I acc	The maximum management fee is 1.5% p.a.; currently, the following management fees are levied: 0.35% p.a. for share classes EUR hedged A dis and CHF hedged A acc, 0.25% p.a. for share classes EUR hedged I dis, USD hedged I acc, CHF hedged I acc and EUR hedged I acc, calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee Share classes EUR hedged A dis, EUR hedged I dis, USD hedged I acc, CHF hedged A acc, CHF hedged I acc and EUR hedged I acc*)	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.11% p.a. for share classes EUR hedged A dis und CHF hedged A acc and 0.09% p.a. for share classes EUR hedged I dis, USD hedged I acc, CHF hedged I acc and EUR hedged I acc is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement Share classes EUR hedged A dis und CHF hedged A acc	0.05 % p.a.
Taxe d´abonnement Share classes EUR hedged I dis, USD hedged I acc, CHF hedged I acc und EUR hedged I acc	0.01 % p.a.
Establishment of the Company	5 September 2008
Initial subscription date/initial issue date/date of first payment of share class EUR hedged A dis	12 April 2010
Initial subscription date/initial issue date/date of first payment of share class EUR hedged I dis	28 November 2014
Initial subscription date/initial issue date/date of first payment Share class USD hedged I acc	31 March 2017
Initial subscription date/initial issue date/date of first payment of share class CHF hedged I acc	15 September 2017
Initial subscription date/initial issue date/date of first payment of share class CHF hedged A acc	15 September 2017
Initial subscription date/initial issue date/date of first payment of share class EUR hedged I acc	1. Dezember 2020
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	01 October 2009 – 30 September 2010
Sub-fund duration	The sub-fund is set up for an indefinite period.
Reports	1. Half-yearly report: 31 March 2011 1. Annual report: 30 September 2010
Distribution countries Share class EUR hedged A dis	Grand Duchy of Luxembourg, Germany, France, Switzerland, United Kingdom of Great Britain and Northern Ireland
Distribution countries Share class EUR hedged I dis	Grand Duchy of Luxembourg, Germany, Switzerland, United Kingdom of Great Britain and Northern Ireland, Denmark, Sweden, Norway, Finland, France, Austria
Distribution countries Share class USD hedged I acc	Grand Duchy of Luxembourg, Germany, Switzerland
Distribution countries Share class CHF hedged A acc	Grand Duchy of Luxembourg, Germany, Switzerland

Distribution countries Share class CHF hedged I acc	Grand Duchy of Luxembourg, Germany, Switzerland
Distribution countries Share class EUR hedged I acc	Grand Duchy of Luxembourg, Germany, Switzerland
Publication Mémorial and RESA (from 2016)	Dummy
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

The sub-fund at a glance – Quoniam Funds Selection SICAV – Euro Credit

Sub-fund	Quoniam Funds Selection SICAV – Euro Credit (until 27 November 2014, this sub-fund was called Quoniam Funds Selection SICAV – Euro Fixed Income Credit)
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	EUR
Securities ID No / ISIN code Share class EUR A dis (name of share class changed from EUR A to EUR A dis on 15 April 2016)	A0Q5MA / LU0374936515
Securities ID No / ISIN code Share class EUR I dis (name of share class changed from EUR I to EUR I dis on 15 April 2016)	A12C7G / LU1120174880
Securities ID No / ISIN code Share class EUR I acc	A2JLSQ / LU1820073580
Distribution of share classes EUR I dis and EUR I acc	Institutional clients only
Investment objective	The aim of the investment policy of Quoniam Funds Selection SICAV – European Equities Dynamic (the "sub-fund") is to achieve a performance that produces a higher yield than that of the European corporate bonds market, in accordance with the principle of risk diversification. As a result, sustainable criteria are used as a basis for the sub-fund when investing its assets. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – Euro Credit sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – Euro Credit sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments (“Taxonomy Regulation”) of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.
Investment policy	The sub-fund's assets are primarily invested in fixed and variable interest-bearing corporate bonds, mortgage bonds, government bonds and bonds from supranational issuers worldwide, including issuers from emerging market countries. Furthermore, the sub-fund's assets are invested in bank deposits and/or money market instruments in worldwide currencies that are accepted as deposits by credit institutions with a first-class credit rating, or issued by issuers with a first-class credit rating. These conditions

shall be deemed to have been met when bank balances or issues are guaranteed by guarantors with a first-class credit rating.

Furthermore, all other legally permissible assets may be acquired for the sub-fund, and derivative financial instruments pursuant to section 4 ("General information on derivatives, securities financing transactions and techniques and instruments") under the section entitled "General investment policy guidelines" may be used, especially the techniques and instruments for managing credit risks listed in point 4.8.

The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines".

In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective":
1. UN Global Compact principles vis-à-vis human rights.
2. UN Global Compact principles vis-à-vis labour.
3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change.
4. UN Global Compact principles vis-à-vis anti-corruption.
5. The Oslo Convention on Cluster Munitions.
6. PRI principles (Principles for Responsible Investment). The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe. Green bonds (bonds whose issue proceeds are used exclusively for environmentally friendly purposes), in which the Sub-fund may invest regularly and regardless of the issuer status, are an exception.

Active management approach

Investment decisions are made for the sub-fund in accordance with a structured investment process.

Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The investment approach thus differs from other investment approaches in the processing of the information collected.

The investment strategy is based on a benchmark (iBoxx EUR Corporates), which should be outperformed. No attempt is made to replicate the assets included in the benchmark. The fund management may deviate considerably from this benchmark and invest in securities that are not part of the benchmark.

Total Return Swaps

The Management Company usually expects 0 to 20% of the sub-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 the sub-fund's 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 sub-fund

The Management Company has allocated the sub-fund to the second-lowest of five risk categories. The sub-fund therefore has a moderate level of risk.

Transferable securities entail risks as well as opportunities for price increases; they are subject to the unpredictable influence of the performance of the capital markets or to particular performances of the relevant issuer. Even when investments are carefully selected, losses due to the financial collapse of issuers cannot be ruled out.
Investments in emerging markets entail additional risks and opportunities. Emerging markets are typically countries that currently have a low or medium per-capita income. Emerging markets tend to be countries that are undergoing dynamic economic development and therefore have above-average prospects of long-term growth with concomitant potential for price increases.
However, concentrating investment in emerging markets also entails special risks, for example those brought about by political changes, changes in exchange rates, inadequate stock market control instruments, other tax systems, restrictions on foreign capital investment and the repatriation of capital (transfer risk) and those brought about by capital markets which, by international standards, show lower market capitalisation and can be more volatile and less liquid. It should also be noted that companies in such countries may be subject to less extensive public monitoring and less structured legislation, and that accounting and auditing are not always of a standard which is comparable to that prevailing in industrialised countries. Transferable securities transactions and monetary dealings are conducted according to the norms of the local investment markets which do not always provide for contemporaneous performance. This may give rise to additional interest rate and default risks.

In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps, techniques and instruments for managing credit risks or securities financing transactions / techniques and instruments for efficient portfolio management.

The aforementioned transactions may also be used for hedging purposes.

For further details, please refer to section 4 (“General information on derivatives, securities financing transactions and techniques and instruments”) under the section entitled "General investment policy guidelines" and the section entitled "General risk information".

The relative value-at-risk (VaR) approach is used to monitor and measure the total risk associated with derivatives. The related benchmark portfolio is Markit iBoxx EUR Corporates Index.

The expected average sum of the nominal values or equivalent values of all relevant derivatives (leverage effect) was estimated at 310% of the Fund's volume.

Risk profile of the typical Investor

The sub-fund is suitable for investors who wish to take advantage of the opportunity to invest in European bonds, including issuers in emerging markets, who accept a moderate level of risk in the meantime, and who wish to invest their capital on a medium- to long-term basis.

The sub-fund is not suitable for investors wishing to invest their capital on a short-term basis. Investors are advised to refer to a specific holding recommendation in the current KID.

Currency risks for euro investors

The assets acquired for the sub-fund denominated primarily in EUR. Other currencies are acquired only to a lesser degree.
The currency risks resulting from the foreign-currency positions are hedged as far as possible.

Issue and redemption of shares

Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the trading day. Accordingly, when using forward pricing, subscription orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.

Issue and redemption price of shares

The issue and redemption prices are the net asset value per share.
For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%.

In exceptional cases or depending on market conditions, the Board of Directors may decide, in

	the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Share class EUR A dis and EUR I dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Share class EUR I acc	The ordinary income from interest and/or dividends, less costs ("ordinary net income"), net realised gains as well as unrealised gains are retained within the sub-fund.
Certification **Share classes EUR A dis, EUR I dis and EUR I acc**	Global certificates
First issue price per share of share class EUR A dis	EUR 1,000.00 A share split (ratio of 1:10) took place on 10 November 2014.
First issue price per share of share class EUR I dis	EUR 1,000.00
First issue price per share of share class EUR I acc	EUR 1,000.00
Minimum initial investment **Share class EUR A dis**	None
Minimum initial investment **Share class EUR I dis**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class EUR I acc**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	Dummy
Compensatory amount (swing factor)	Up to 2.0 %
Costs which are reimbursed from the sub-fund's assets	a
Management fee **Share classes EUR A dis, EUR I dis and EUR I acc**	The maximum management fee is 1.5% p.a.; currently, the following management fees are levied: 0.35 % p.a. for share class EUR A dis and 0.25 % p.a. for share classes EUR I dis and EUR I acc, calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee **Share classes EUR A dis, EUR I dis and EUR I acc**	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.11% p.a. for share class EUR A dis and 0.09% p.a. for share classes EUR I dis and EUR I acc is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement **Share class EUR A dis**	0.05 % p.a.
Taxe d´abonnement **Share classes EUR I dis and EUR I acc**	0.01 % p.a.
Establishment of the Company	5 September 2008
Initial subscription date/initial issue date/date of first payment **Share class EUR A dis**	25 March 2009
Initial subscription date/initial issue date/date of first payment **Share class EUR I dis**	28 November 2014
Initial subscription date/initial issue date/date of first payment **Share class EUR I acc**	1 June 2018
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	Creation – 30 September 2009

Sub-fund duration	The sub-fund is set up for an indefinite period.
Reports	1. Half-yearly report: 31 March 2009 1. Annual report: 30 September 2009
Distribution countries Share class EUR A dis	Grand Duchy of Luxembourg, Germany, France, United Kingdom of Great Britain and Northern Ireland
Distribution countries Share class EUR I dis	Grand Duchy of Luxembourg, Germany, United Kingdom of Great Britain and Northern Ireland, Norway, France
Distribution countries Share class EUR I acc	Grand Duchy of Luxembourg, Germany, Netherlands, France
Publication Mémorial and RESA (from 2016)	Dummy
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

The sub-fund at a glance – Quoniam Funds Selection SICAV – Global High Yield MinRisk

Sub-fund	Quoniam Funds Selection SICAV – Global High Yield MinRisk
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	USD
Securities ID No / ISIN code **Share class EUR hedged A dis**	A2AQQU / LU1481644448
Securities ID No / ISIN code **Share class EUR hedged I dis (name of share class changed from EUR hedged I to EUR hedged I dis on 15 April 2016)**	A12C7Q / LU1120175770
Securities ID number / ISIN code **Share class USD hedged I acc**	A2AN17 / LU1525535875
Securities ID No / ISIN code **Share class CHF hedged I acc**	A3ET9D / LU2675204296
Distribution for share classes EUR hedged I dis, USD hedged I acc und CHF hedged I acc	Institutional clients only
Investment objective	The aim of the investment policy of Quoniam Funds Selection SICAV - Global High Yield MinRisk (the "sub-fund") is to generate an adequate yield on the capital invested. Using the MinRisk strategy, the aim for the sub-fund is to achieve a high absolute performance in a global bond fund while maintaining a lowest possible depreciation risk. As a result, sustainable criteria are used as a basis for the sub-fund when investing its assets. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – Global High Yield MinRisk sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – Global High Yield MinRisk sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments (“Taxonomy Regulation”) of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.
Investment policy	To achieve the investment objective, the sub-fund's assets are invested in fixed and variable interest-bearing corporate bonds, mortgage bonds, government bonds and bonds from supranational issuers worldwide, including issuers from emerging market countries. Investments will mainly be made in bonds rated from BB+ to B-. Notwithstanding the above, up to 100% of the sub-fund's assets may be invested in bank deposits and/or money market instruments that are that are accepted as bank deposits by

permitted credit institutions pursuant to point 1.1 of the section entitled "General investment policy guidelines" or issued by permitted issuers.

Furthermore, all other legally permissible assets may be acquired for the sub-fund, and derivative financial instruments pursuant to section 4 (“General information on derivatives, securities financing transactions and techniques and instruments”) under the section entitled "General investment policy guidelines" may be used, especially the techniques and instruments for managing credit risks listed in point 4.8.

The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines".

In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective":
1. UN Global Compact principles vis-à-vis human rights.
2. UN Global Compact principles vis-à-vis labour.
3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change.
4. UN Global Compact principles vis-à-vis anti-corruption.
5. The Oslo Convention on Cluster Munitions.
6. PRI principles (Principles for Responsible Investment). The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe. Green bonds (bonds whose issue proceeds are used exclusively for environmentally friendly purposes), in which the Sub-fund may invest regularly and regardless of the issuer status, are an exception.

Active management approach

Investment decisions are made for the sub-fund in accordance with a structured investment process.

Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The investment approach thus differs from other investment approaches in the processing of the information collected.

The investment strategy is based on a benchmark (ICE BofA Global High Yield BB-B Index), which should be outperformed. No attempt is made to replicate the assets included in the benchmark. The fund management may deviate considerably from this benchmark and invest in securities that are not part of the benchmark.
The aim of the MinRisk strategy in favour of the Fund is to achieve an investment in global corporate bonds with a high degree of diversification, focusing on attractive segments of the high-yield credit market with the lowest possible overall risk.

Total Return Swaps

The Management Company usually expects 0 to 20% of the sub-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 the sub-fund's 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 sub-fund	The Management Company has allocated the sub-fund to the third-highest of five risk categories. The sub-fund therefore has an increased level of risk. Transferable securities entail risks as well as opportunities for price increases; they are subject to the unpredictable influence of the performance of the capital markets or to particular developments affecting a given issuer. Even when investments are carefully selected, losses due to the financial collapse of issuers cannot be ruled out. Investments in emerging markets entail additional risks and opportunities. Emerging markets are typically countries that currently have a low or medium per-capita income. Emerging markets tend to be countries that are undergoing dynamic economic development and therefore have above-average prospects of long-term growth with concomitant potential for price increases. However, concentrating investment in emerging markets also entails special risks, for example those brought about by political changes, changes in exchange rates, inadequate stock market control instruments, other tax systems, restrictions on foreign capital investment and the repatriation of capital (transfer risk) and those brought about by capital markets which, by international standards, show lower market capitalisation and can be more volatile and less liquid. It should also be noted that companies in such countries may be subject to less extensive public monitoring and less structured legislation, and that accounting and auditing are not always of a standard which is comparable to that prevailing in industrialised countries. Transferable securities transactions and monetary dealings are conducted according to the norms of the local investment markets which do not always provide for contemporaneous performance. This may give rise to additional interest rate and default risks. In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps, techniques and instruments for managing credit risks or securities financing transactions / techniques and instruments for efficient portfolio management. The aforementioned transactions may also be used for hedging purposes. For further details, please refer to section 4 (“General information on derivatives, securities financing transactions and techniques and instruments”) and the section entitled "General risk information". The relative value-at-risk (VaR) approach is used to monitor and measure the total risk associated with derivatives. The related benchmark portfolio is ICE BofA Global High Yield BB-B (benchmark assets). The expected average sum of the nominal values or equivalent values of all relevant derivatives (leverage effect) was estimated at 200% of the Fund's volume.
Risk profile of the typical Investor	The sub-fund is suitable for investors who wish to take advantage of the opportunity to invest in global high-yield bonds, including issuers in emerging markets, who accept increased risks in the meantime, and who wish to invest their capital on a medium- to long-term basis. The sub-fund is not suitable for investors wishing to invest their capital on a short-term basis. Investors are advised to refer to a specific holding recommendation in the current KID.
Currency risks for investors in share class EUR hedged A dis and EUR hedged I dis, USD hedged I acc and CHF hedged I acc	The sub-fund's assets are denominated in various currencies from around the globe. Foreign-currency risks are hedged as far as possible against the share class currencies EUR, USD and/or CHF.
Currency risks (apply to all share classes)	Counterparty and operational risks may also occur for the investors in other share classes of the sub-fund through the use of financial derivatives and/or futures contracts for just one share class. However, this may also lead to investors in the hedged unit classes not being able to benefit from an increase in value of the sub-fund’s assets and/or the non-hedged share classes. Currency hedging may, under certain circumstances, only be conducted or amended retrospectively, meaning that it is only presented in the net asset value of the hedged share classes at a later date. The hedging is associated with inefficiencies. It can therefore not be guaranteed that all currency fluctuations are completely reduced by the hedging.
Issue and redemption of shares	Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the

	trading day. Accordingly, when using forward pricing, subscription orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.
Issue and redemption price of shares	The issue and redemption prices are the net asset value per share. For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%. In exceptional cases or depending on market conditions, the Board of Directors may decide, in the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Share classes EUR hedged A dis and EUR hedged I dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Use of income share class USD hedged I acc and CHF hedged I acc	The ordinary income from interest and/or dividends, less costs ("ordinary net income"), net realised gains as well as unrealised gains are retained within the sub-fund.
Certification	Global certificates
First issue price per share of share class EUR hedged A dis	EUR 100.00
First issue price per share of share class EUR hedged I dis	EUR 1,000.00
First issue price per share of share class USD hedged I acc	USD 1,000.00
First issue price per share of share class CHF hedged I acc	CHF 1,000.00
Minimum initial investment **Share class EUR hedged A dis**	none
Minimum initial investment **Share class EUR hedged I dis**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class USD hedged I acc**	USD 100,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Minimum initial investment **Share class CHF hedged I acc**	CHF 100,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	
Compensatory amount (swing factor)	Up to 2.0 %
Costs which are reimbursed from the sub-fund's assets	
Management fee share classes EUR hedged A dis, EUR hedged I dis, USD hedged I acc and CHF hedged I acc	The maximum management fee is 2.0% p.a.; currently, the following management fees are levied: 0.75 % p.a. for share class EUR hedged A dis and 0.6% p.a. for share classes EUR hedged I dis and USD hedged I acc and 0.4% for share class CHF hedged I acc, calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.11% p.a. for share class EUR hedged A dis and 0.09% p.a. for share classes EUR hedged I dis, USD hedged I acc and CHF hedged I acc is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement **Share class EUR hedged A dis**	0.05% p.a.
Taxe d´abonnement **Share class EUR hedged I dis, USD hedged I acc and CHF hedged I acc**	0.01 % p.a.

Establishment of the Company	5 September 2008
Initial subscription date/initial issue date/date of first payment Share class EUR hedged A dis	4 October 2016
Initial subscription date/initial issue date/date of first payment Share class EUR hedged I dis	15 June 2016
Initial subscription date/initial issue date/date of first payment Share class USD hedged I acc	23 December 2016
Initial subscription date/initial issue date/date of first payment of share class CHF hedged I acc	4 October 2023
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	1 October 2015 – 30 September 2016
Reports	1. Half-yearly report: 31 March 2017 1. Annual report: 30 September 2016
Sub-fund duration	The sub-fund is set up for an indefinite period.
Distribution countries Share class EUR hedged A dis	Grand Duchy of Luxembourg, Germany, Switzerland
Distribution countries Share class EUR hedged I dis	Grand Duchy of Luxembourg, Germany, France, Switzerland, United Kingdom of Great Britain and Northern Ireland
Distribution countries Share class USD hedged I acc	Grand Duchy of Luxembourg, Germany, Switzerland
Distribution countries share class CHF hedged I acc	Grand Duchy of Luxembourg, Germany, Switzerland
Publication Mémorial and RESA (from 2016)	Dummy
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

The sub-fund at a glance - Quoniam Funds Selection SICAV-Global Credit MinRisk Defensive

Sub-fund	Quoniam Funds Selection SICAV – Global Credit MinRisk Defensive (until 31 March 2017 this sub-fund was called Quoniam Funds Selection SICAV – Global Credit Libor and until 15 July 2018 Quoniam Funds Selection SICAV – Global Credit Cash Duration)
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	EUR
Securities ID No / ISIN code Share class EUR hedged A dis (name of share class changed from EUR A to EUR A dis on 15 April 2016 and from EUR A dis to EUR hedged A dis on 4 Oktober 2016)	A14WSP / LU1262879767
Securities ID No / ISIN code Share class EUR hedged I dis (name of share class changed from EUR I to EUR I dis on 15 April 2016 and from EUR I dis to EUR hedged I dis on 4 Oktober 2016)	A14WSQ / LU1262880427
Distribution of share class EUR hedged I dis	Institutional clients only
Investment objective	The aim of the investment policy of Quoniam Funds Selection SICAV – Global Credit MinRisk Defensive (the "sub-fund") is to generate an adequate yield on the capital invested. Simultaneous investment in global corporate bonds and the management of interest-rate risks will generate for the sub-fund a significantly higher yield potential compared to short-term bonds denominated in EUR worldwide. Using the defensive MinRisk strategy, the aim for the sub-fund is to achieve additional returns in a global bond fund whilst, at the same time, incurring a low depreciation risk. As a result, sustainable criteria are used as a basis for the sub-fund when investing its assets. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – Global Credit MinRisk Defensive sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – Global Credit MinRisk Defensive sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments ("Taxonomy Regulation") of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.
Investment policy	The sub-fund's assets are primarily invested, for hedging purposes, in fixed-income and floating-rate corporate bonds (including those from issuers in the finance industry), other

interest-bearing transferable securities including asset-backed securities, such as collateralised debt obligations, collateralised bond obligations, collateralised swap obligations and similar securities, provided these qualify as securities under Article 41 of the Law of 17 December 2010, as well as zero bonds, government bonds and credit default swaps (CDS on individual stocks and index CDS). The aforementioned assets are issued by international issuers (including countries from emerging markets).

The sub-fund may also make use of the techniques and instruments for the management of credit risks outlined in point 4.8 of the section entitled "General investment policy guidelines" as well as derivative financial instruments pursuant to section 4 ("General information on derivatives, securities financing transactions and techniques and instruments").

The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines".

In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective":
1. UN Global Compact principles vis-à-vis human rights.
2. UN Global Compact principles vis-à-vis labour.
3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change.
4. UN Global Compact principles vis-à-vis anti-corruption.
5. The Oslo Convention on Cluster Munitions.
6. PRI principles (Principles for Responsible Investment). The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe. Green bonds (bonds whose issue proceeds are used exclusively for environmentally friendly purposes), in which the Sub-fund may invest regularly and regardless of the issuer status, are an exception.

Active management approach

Investment decisions are made for the sub-fund in accordance with a structured investment process.

Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The investment approach thus differs from other investment approaches in the processing of the information collected.

The Fund does not reproduce any securities index and its investment strategy is not based on emulating the development of one or many indices. Using the MinRisk strategy, the Fund's objective is to achieve a high absolute performance in a global equities fund with the lowest possible level of overall risk (minimum variance principle). To this end, an equity investment that is defensive compared with a benchmark-driven approach is sought.

Total Return Swaps

The Management Company usually expects 0 to 20% of the sub-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 the sub-fund's 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 sub-fund	The Management Company has allocated the sub-fund to the second-lowest of five risk categories. The sub-fund therefore has a moderate level of risk. Transferable securities entail risks as well as opportunities for price increases; they are subject to the unpredictable influence of the performance of the capital markets or to particular developments affecting a given issuer. Even when investments are carefully selected, losses due to the financial collapse of issuers cannot be ruled out. Investments in emerging markets entail additional risks and opportunities. Emerging markets are typically countries that currently have a low or medium per-capita income. Emerging markets tend to be countries that are undergoing dynamic economic development and therefore have above-average prospects of long-term growth with concomitant potential for price increases. However, concentrating investment in emerging markets also entails special risks, for example those brought about by political changes, changes in exchange rates, inadequate stock market control instruments, other tax systems, restrictions on foreign capital investment and the repatriation of capital (transfer risk) and those brought about by capital markets which, by international standards, show lower market capitalisation and can be more volatile and less liquid. It should also be noted that companies in such countries may be subject to less extensive public monitoring and less structured legislation, and that accounting and auditing are not always of a standard which is comparable to that prevailing in industrialised countries. Transferable securities transactions and monetary dealings are conducted according to the norms of the local investment markets which do not always provide for contemporaneous performance. This may give rise to additional interest rate and default risks. In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps, techniques and instruments for managing credit risks or securities financing transactions / techniques and instruments for efficient portfolio management. The aforementioned transactions may also be used for hedging purposes. For further details, please refer to section 4 ("General information on derivatives, securities financing transactions and techniques and instruments") under the section entitled "General investment policy guidelines" and the section entitled "General risk information". The absolute VaR approach is used for monitoring and measuring the total risk associated with derivatives. The expected average sum of the nominal values or equivalent values of all relevant derivatives (leverage effect) was estimated at 200% of the Fund's volume.
Risk profile of the typical Investor	The sub-fund is suitable for investing short-term assets in order to generate attractive returns whilst, at the same time, incurring a low depreciation risk on short-term investments. The sub-fund is not suitable for investors who are not willing to accept risks associated with investments in international corporate bonds and/or credit derivatives or other structured products, including from issuers in emerging market countries or for investors who wish to invest their capital over the long term. Investors are advised to refer to a specific holding recommendation in the current KID.
Currency risks for investors in share classes EUR hedged A dis and EUR hedged I dis	The sub-fund's assets are denominated in various currencies from around the globe. Any foreign-currency risks incurred shall be hedged as far as possible.
Issue and redemption of shares	Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the trading day. Accordingly, when using forward pricing, subscription orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.
Issue and redemption price of shares	The issue and redemption prices are the net asset value per share.

	For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%. In exceptional cases or depending on market conditions, the Board of Directors may decide, in the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Share classes EUR hedged A dis and EUR hedged I dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Certification	Global certificates
First issue price per share of share class EUR hedged A dis	EUR 100.00
First issue price per share of share class EUR hedged I dis	EUR 1,000.00
Minimum initial investment **Share class EUR hedged A dis**	none
Minimum initial investment **Share class EUR hedged I dis**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	
Compensatory amount (swing factor)	Up to 2%
Costs which are reimbursed from the sub-fund's assets	
Management fee **Share classes EUR hedged A dis and EUR hedged I dis**	The maximum management fee is 1.0% p.a.; currently, a management fee of 0.30 % is levied for share class EUR hedged A dis and 0.10% p.a. for share class EUR hedged I dis calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.11% p.a. for share class EUR A dis and 0.09% p.a. for share class EUR hedged I dis is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement **Share class EUR hedged A dis**	0.05% p.a.
Taxe d´abonnement **Share class EUR hedged I dis**	0.01 % p.a.
Establishment of the Company	5 September 2008
Initial subscription date/initial issue date/date of first payment **Share class EUR hedged A dis**	15 December 2015
Initial subscription date/initial issue date/date of first payment **Share class EUR hedged I dis**	15 December 2015
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	1 October 2015 – 30 September 2016
Sub-fund duration	The sub-fund is set up for an indefinite period.
Reports	1. Half-yearly report: 31 March 2016 1. Annual report: 30 September 2016
Distribution countries **Share class EUR hedged A dis**	Grand Duchy of Luxembourg, Germany
Distribution countries **Share class EUR hedged I dis**	Grand Duchy of Luxembourg, Germany, Austria

Publication Mémorial and RESA (from 2016)	
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

The sub-fund at a glance – Quoniam Funds Selection SICAV – Equities Climate Transformation

Sub-fund	Quoniam Funds Selection SICAV - Equities Climate Transformation
Management Company	Union Investment Luxembourg S.A.
Asset Manager	Quoniam Asset Management GmbH
Currency	EUR
Securities ID No / ISIN code	A2QGNX / LU2250014219
Share class EUR A dis	
Securities ID No / ISIN code	A2QGNZ / LU2250014300
Share class EUR I acc	
Distribution of share class EUR I acc	Institutional clients only
Investment objective	The objective of the investment policy of Quoniam Funds Selection SICAV - Equities Climate Transformation (the "sub-fund") is to achieve a performance that produces a higher yield than that of the global equity market, following the principle of risk diversification. This is done while simultaneously taking into account economic and political risks as well as ethical, social and environmental criteria. **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.**
Environmental and/or social characteristics of the sub-fund according to Article 8 of Regulation (EU) 2019/2088 ("Disclosure Regulation")	Information on the environmental and/or social characteristics of the Quoniam Funds Selection SICAV – Equities Climate Transformation sub-fund is provided in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852" of the Quoniam Funds Selection SICAV – Equities Climate Transformation sub-fund following the overviews "The sub-fund at a glance".
Fulfilment of environmental and/or social characteristics by outsourcing companies	Information on how the sub-fund's environmental and/or social characteristics are met, as well as information on whether a benchmark is used for said sub-funds and whether and, if so, how it is aligned with the sub-fund's environmental and social characteristics, can be found on the website of the company assigned with the management of the sub-fund and in the Annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852".
Information according to Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment ("Taxonomy Regulation")	Information on the disclosure pursuant to Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments ("Taxonomy Regulation") of the sub-fund is in the annex "Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.
Investment policy	The Sub-fund's assets are primarily invested internationally, including in emerging markets countries (including China), in equities, equity certificates, convertible bonds, bonds with warrants and, insofar as these are considered securities pursuant to Article 41 of the Law of 17 December 2010, in participation and dividend-right certificates of companies, as well as in index certificates, exchange-traded index funds (including closed-end REITS) and warrants. Certificates on shares (such as American Deposit Receipts or Global Deposit Receipts) of companies can also be purchased. Transferable securities acquired for the sub-fund are traded worldwide on stock exchanges or other regulated markets that are recognised, open to the public and operate regularly. With regard to stock exchanges in the aforementioned countries that are currently not "regulated markets" within the meaning of Article 41 of the Law of 17 December 2010, investments in such non-regulated markets are restricted to 10% of the sub-fund's net assets. The Sub-fund's assets may also be invested in bank deposits and/or money market

instruments that are accepted as bank deposits by authorised credit institutions or issued by authorised issuers in accordance with Section 1.1 of the chapter "General investment policy guidelines".

The sub-fund invests a maximum of 10% of its net assets in other undertakings for collective investment in transferable securities or in other undertakings for collective investment pursuant to 1.1(e) of the section entitled "General investment policy guidelines".

The sub-fund may also employ derived financial instruments under section 4 ("General information on derivatives, securities financing transactions and techniques and instruments").

In connection with the aforementioned investments, the following sustainability criteria are adhered to in accordance with the "investment objective":
1. UN Global Compact principles vis-à-vis human rights.
2. UN Global Compact principles vis-à-vis labour.
3. UN Global Compact principles vis-à-vis the environment as well as the Global Investors Statement on Climate Change.
4. UN Global Compact principles vis-à-vis anti-corruption.
5. The Oslo Convention on Cluster Munitions.
6. PRI principles (Principles for Responsible Investment).

The criteria are laid down in a negative list. Issuers that do not fulfil the aforementioned criteria shall be excluded from the permitted investment universe.

The sub-fund invests predominantly in equities of companies with climate targets.

Additional investment principles

The investment limits laid down in the paragraphs above shall apply provided at least 51% of the sub-fund's value is invested in equity participations.

Equity participations in this sense are:
- units in equity participations admitted for official trading on a stock exchange or another organised market which is also a regulated market in accordance with Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets for financial instruments;
- units in corporations which are resident in a member state of the European Union or in another state party to the Agreement on the European Economic Area where it is subject to and not exempt from corporation tax;
- units in corporations which are resident in a third country where it is subject to and not exempt from corporation tax of at least 15%;
- units in other investment funds either at the unit value price, published on the valuation date, at which they actually invest in said corporation units, or at the minimum price stipulated in the investment conditions (foundation documents and sales prospectus) of the other investment fund.

Active management approach

Investment decisions are made for the sub-fund in accordance with a structured investment process.

Fundamental information on companies and markets is processed using quantitative methods to generate yield forecasts for individual investment instruments. The content of the portfolio is determined during an optimisation phase, in which yield forecasts and risk parameters are harmonised with one other. This results in actively managed, risk-controlled portfolios. The investment approach thus differs from other investment approaches in the processing of the information collected.

The investment strategy uses a benchmark (MSCI World) as orientation, which is to be outperformed. To this end, no attempts are made to replicate the assets included in the benchmark. The fund management may deviate significantly from this benchmark and invest in stocks that are not part of the benchmark.

Total Return Swaps

The Management Company usually expects 0 to 20% of the sub-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 the sub-fund's 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 sub-fund

The Management Company has allocated the sub-fund to the second-highest of five risk categories. The sub-fund therefore has a high level of risk.

Transferable securities entail risks as well as opportunities for price increases; they are subject to the unpredictable influence of the performance of the capital markets or to particular developments affecting a given issuer. Even when investments are carefully selected, losses due to the financial collapse of issuers cannot be ruled out.

The sub-fund may invest in specific permissible Chinese A shares via the Shanghai-Hong Kong Stock Connect ("SHSC") programme, which can entail additional clearing and settlement risks as well as legal and operational risks and risks in the form of restrictions on investment opportunities. For further details, please refer to the section "General risk information" in the Sales Prospectus.

Investments in emerging markets entail additional risks and opportunities. Emerging markets are typically countries that currently have a low or medium per-capita income. Emerging markets tend to be countries that are undergoing dynamic economic development and therefore have above-average prospects of long-term growth with concomitant potential for price increases. However, concentrating investment in emerging markets also entails special risks, for example those brought about by political changes, changes in exchange rates, inadequate stock market control instruments, other tax systems, restrictions on foreign capital investment and the repatriation of capital (transfer risk) and those brought about by capital markets which, by international standards, show lower market capitalisation and can be more volatile and less liquid. It should also be noted that companies in such countries may be subject to less extensive public monitoring and less structured legislation, and that accounting and auditing are not always of a standard which is comparable to that prevailing in industrialised countries. Transferable securities transactions and monetary dealings are conducted according to the norms of the local investment markets which do not always provide for contemporaneous performance. This may give rise to additional interest rate and default risks.

The sub-fund is subject to the risk that the individual sustainability and ethical expectations of investors may deviate from the investment policy.

In order to increase its value, the sub-fund may carry out transactions in options, financial futures contracts, foreign exchange contracts, swaps, techniques and instruments for managing credit risks or securities financing transactions / techniques and instruments for efficient portfolio management.

The aforementioned transactions may also be used for hedging purposes.
For further details, please refer to section 4 “General information on derivatives, securities financing transactions and techniques and instruments”and "Techniques and instruments" and the section entitled "General risk information".

The rel. VaR approach is used for monitoring and measuring the overall risk associated with derivatives. The associated reference portfolio is the MSCI World (benchmark assets).
The expected average total of the nominal values or equivalent values of all relevant derivatives (leverage effect) has been estimated to be 200% of the Fund's volume.

Risk profile of the typical Investor

The sub-fund is suitable for investors who wish to take advantage of the opportunities offered by the global equity markets, taking into account ethical, social and environmental

	criteria, and who also accept high risks in return for high potential returns and who wish to invest their capital over the long term. The sub-fund is not suitable for investors who want a secure income or only wish to invest their capital over the short term. Investors are advised to refer to a specific holding recommendation in the current KID.
Currency risks for investors in share classes EUR A dis and EUR I acc	In principle, no currency hedging is planned and shall only be undertaken in exceptional cases.
Issue and redemption of shares	Orders for the issue and redemption of shares received by the Company on a business day before a trading day shall be deemed to have been received on the corresponding trading day ("forward pricing"). Subscription orders received by the Company before 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the trading day. Accordingly, when using forward pricing, subscription orders received by the Company after 16:00 (Luxembourg time) on a business day before a trading day shall be deemed to have been received on the following trading day. Therefore, shares shall be issued and redeemed on the basis of orders received by the Company one business day before a trading day.
Issue and redemption price of shares	The issue and redemption prices are the net asset value per share. For subscription/redemption orders, the calculated net asset value per share for subscription or redemption orders received on that valuation day is increased or reduced by a swing factor of up to 2%. In exceptional cases or depending on market conditions, the Board of Directors may decide, in the interests of investors, to increase the aforementioned maximum swing factor to up to the amount of the transaction costs.
Use of income **Aktienklasse EUR A dis**	Ordinary income from interest and/or dividends minus costs ("ordinary net income") as well as net realised price gains can be used for distributions. Furthermore, unrealized price gains as well as other assets can also be distributed.
Share class EUR I acc	The ordinary income from interest and/or dividends, less costs ("ordinary net income"), net realised gains as well as unrealised gains are retained within the sub-fund.
Certification	Global certificates
First issue price per share of share class EUR A dis	EUR 1,000.00
First issue price per share of share class EUR I acc	EUR 1,000.00
Minimum initial investment **Share class EUR A dis**	None
Minimum initial investment **Share class EUR I acc**	EUR 1,000,000.00; the Company is authorised to accept lower amounts at its discretion.
Depositary	DZ PRIVATBANK S.A.
Costs borne by shareholders	Dummy
Compensatory amount (swing factor)	Up to 2%
Costs which are reimbursed from the sub-fund's assets	a
Management fee **Share classes EUR A dis and EUR I acc**	The maximum management fee is 2.0% p.a.; currently, the following management fees are levied: 1.00 % p.a. for share class EUR A dis and 0.60 % p.a. for share class EUR I acc calculated on the basis of the sub-fund's net assets per calendar day.
Flat fee **Share classes EUR A dis und EUR I acc *)**	The maximum flat fee is 0.2% p.a.; currently, a flat fee of 0.14% p.a. for share class EUR A dis and 0.12% p.a. for share class EUR I acc is levied. The flat fee is calculated on the basis of the sub-fund's net assets per calendar day over the month in question and is payable on the first valuation day of the following month.
Taxe d´abonnement **Share class EUR A dis**	0.05% p.a.
Taxe d´abonnement **Share class EUR I acc**	0.01 % p.a.

Establishment of the Company	5 September 2008
Initial subscription date/initial issue date/date of first payment Share class EUR A dis	17 January 2023
Initial subscription date/initial issue date/date of first payment Share class EUR I acc	17 January 2023
Financial Year	1 October – 30 September
First financial year in which the sub-fund was included in the annual financial statements of the Company	1 October 2022 – 30 September 2023
Reports	1. Half-yearly report: 31 March 2024 1. Annual report: 30 September 2023
Sub-fund duration	The sub-fund is set up for an indefinite period.
Distribution countries Share class EUR A dis	Grand Duchy of Luxembourg, Germany, Switzerland, Netherlands, Denmark, Finland, France, Sweden
Distribution countries Share class EUR I acc	Grand Duchy of Luxembourg, Germany, Switzerland, Netherlands, Denmark, Finland, France, Sweden
Publication Mémorial and RESA (from 2016)	Dummy
– Articles of Association	7 October 2008 29 April 2009 15 October 2009 12 September 2012 26 June 2015 1 April 2021

* For all other matters, please refer to the section entitled "Costs of the Company and its sub-funds".

Addendum to Prospectus for UK Shareholders

The Company has been recognised for distribution in the United Kingdom by the Financial Conduct Authority under Section 264 of the Financial Services and Markets Act, 2000 of the United Kingdom. Most or all of the protection provided by the United Kingdom regulatory structure will not apply. The rights of Shareholders may not be protected by the Financial Services Compensation Scheme established in the United Kingdom. In connection with the Company's recognition under section 264 of the FSMA, the Company maintains the facilities required of a recognised scheme by the rules contained in the Financial Conduct Authority's Collective Investment Schemes Sourcebook at the offices of **DZ BANK AG**, London Branch, 150 Cheapside, London EC2V 6ET, United Kingdom (UK Facilities Agent). Such facilities enable, among other things (during normal business hours):

a) a Shareholder to redeem his Shares and to obtain the payment of the price on redemption;

b) information to be obtained orally and in writing about the Company's most recently published Share prices;

c) any person who has a complaint to make about the operation of the Company to submit his complaint in writing for transmission to the Company; and

d) the inspection (free of charge) and the obtaining (free of charge) of copies in English of:

   (i) the instrument constituting the Company;

   (ii) any instrument amending the instrument constituting the Company;

   (iii) the latest prospectus;

   (iv) the latest Key Investor Information Document; and

   (v) the latest annual and half-yearly reports.

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

Product name: Quoniam Funds Selection SICAV - European Equities

Legal entity identifier (LEI code): 52990529900RFOUY0K5VOF185

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:____________%	X It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund's environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer's ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers' ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund's environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund's investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in "The sub-fund at a glance - Quoniam Funds Selection SICAV - European Equities" of this Sales Prospectus under the heading "Investment policy".

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. Securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover through the production of coal or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund's ESG risk. In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund ("Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?"), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

Asset allocation describes the share of investments in specific assets.

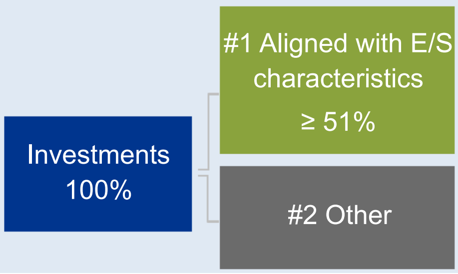
With a view to EU Taxonomy alignment, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

What is the asset allocation planned for this financial product?

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
“Investments” refers to all assets that can be acquired for the sub-fund.
The category “#1 Aligned with E/S characteristics” covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category “#2 Other (other investments)” includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category “#1A Sustainable (sustainable investments)” covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which “Taxonomy-aligned” environmental objectives, “other environmental objectives” and social objectives (“social”) shall be contributed to.
The category “#1B Other E/S characteristics” covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

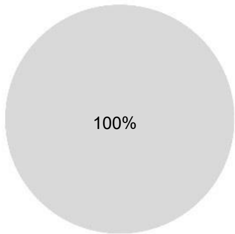
☒ No

Taxonomy-aligned activities are expressed as a share of:

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

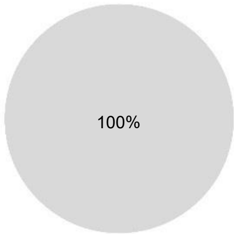
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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

1. Taxonomy-alignment of investments **including sovereign bonds***



■ Taxonomy-aligned (excluding fossil gas and nuclear energy)
■ Not Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



■ Taxonomy-aligned (excluding fossil gas and nuclear energy)
■ Not Taxonomy-aligned

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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation ("climate protection") and do not significantly harm any EU Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

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

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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

Product name: Quoniam Funds Selection SICAV - Emerging Markets Equities MinRisk **Legal entity identifier (LEI code):** 52990043NU5EJF2D6Z96

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	X No
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___%	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:____________%	X It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund’s environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer’s ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers’ ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund’s environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

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

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund's investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in "The sub-fund at a glance - Quoniam Funds Selection SICAV - Emerging Markets Equities MinRisk" of this Sales Prospectus under the heading "Investment policy".

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. Securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover through the production of coal or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund's ESG risk. In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund ("Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?"), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

What is the asset allocation planned for this financial product?

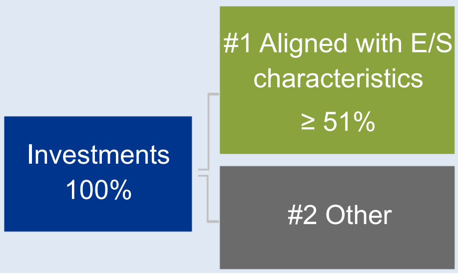
Asset allocation describes the share of investments in specific assets.

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

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
“Investments” refers to all assets that can be acquired for the sub-fund.
The category “#1 Aligned with E/S characteristics” covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category “#2 Other (other investments)” includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category “#1A Sustainable (sustainable investments)” covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which “Taxonomy-aligned” environmental objectives, “other environmental objectives” and social objectives (“social”) shall be contributed to.
The category “#1B Other E/S characteristics” covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

☐ Yes:

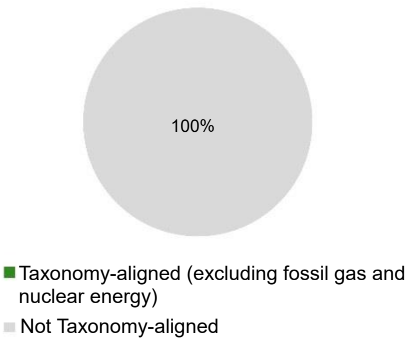
☐ In fossil gas ☐ In nuclear energy

X No

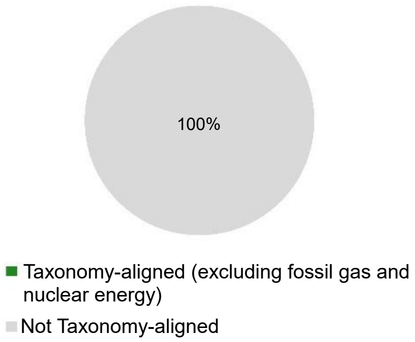
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operating expenditure**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

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

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation (“climate protection”) and do not significantly harm any EU Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

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

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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

Product name: **Quoniam Funds Selection SICAV - Global Equities MinRisk** **Legal entity identifier (LEI code):** **529900A9ZTGM0YLAQ476**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:____________%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund's environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer's ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers' ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund's environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund's investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in "The sub-fund at a glance - Quoniam Funds Selection SICAV - Global Equities MinRisk" of this Sales Prospectus under the heading "Investment policy".

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. Securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover through the production of coal or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund's ESG risk. In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund (“Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?”), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

Asset allocation describes the share of investments in specific assets.

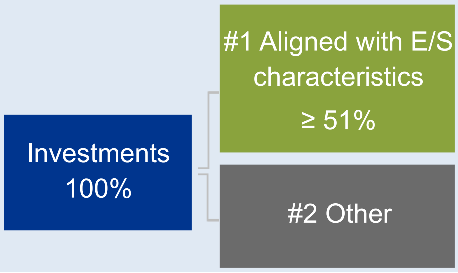
With a view to EU Taxonomy alignment, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

What is the asset allocation planned for this financial product?

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
"Investments" refers to all assets that can be acquired for the sub-fund.
The category "#1 Aligned with E/S characteristics" covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category "#2 Other (other investments)" includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category "#1A Sustainable (sustainable investments)" covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which "Taxonomy-aligned" environmental objectives, "other environmental objectives" and social objectives ("social") shall be contributed to.
The category "#1B Other E/S characteristics" covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

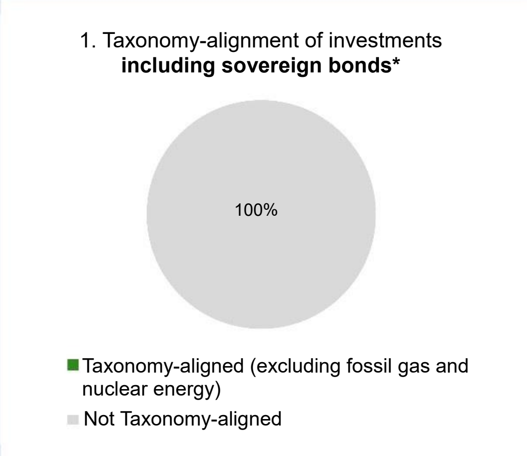
☐ Yes:

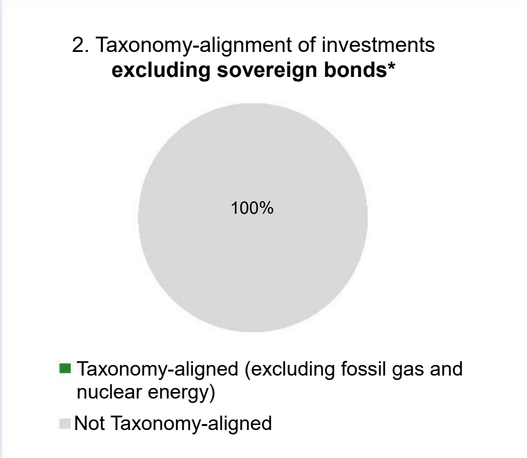
☐ In fossil gas ☐ In nuclear energy

☒ No

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

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





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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation ("climate protection") and do not significantly harm any EU - Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

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

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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

Product name: **Quoniam Funds Selection SICAV - Global Credit MinRisk** **Legal entity identifier (LEI code):** **529900O7RF3J4KVRXJ55**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___%	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:___________%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund’s environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer’s ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers’ ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund’s environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund's investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in "The sub-fund at a glance - Quoniam Funds Selection SICAV - Global Credit MinRisk" of this Sales Prospectus under the heading "Investment policy".

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. Securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover through the production of coal or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund's ESG risk. In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund (“Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?”), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

Asset allocation describes the share of investments in specific assets.

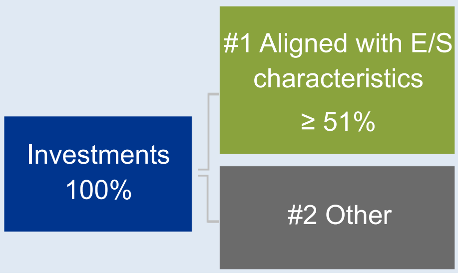
With a view to EU Taxonomy alignment, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

What is the asset allocation planned for this financial product?

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
"Investments" refers to all assets that can be acquired for the sub-fund.
The category "#1 Aligned with E/S characteristics" covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category "#2 Other (other investments)" includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category "#1A Sustainable (sustainable investments)" covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which "Taxonomy-aligned" environmental objectives, "other environmental objectives" and social objectives ("social") shall be contributed to.
The category "#1B Other E/S characteristics" covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

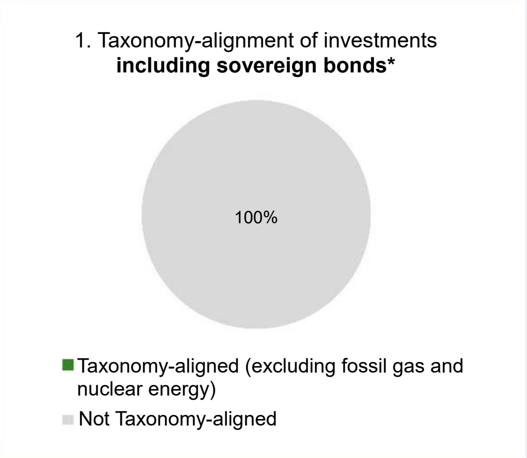
Yes:

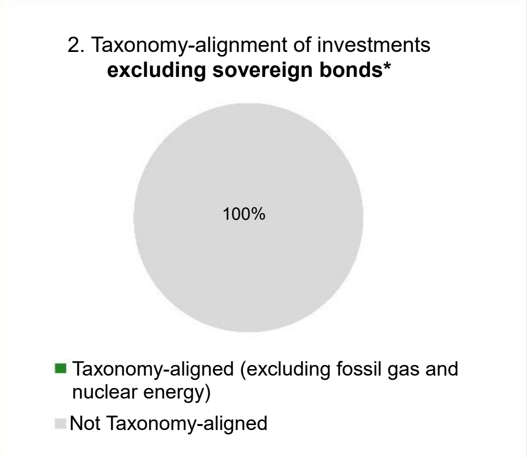
In fossil gas In nuclear energy

X No

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

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





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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation (“climate protection”) and do not significantly harm any EU - Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

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

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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

Product name: Quoniam Funds Selection SICAV - Euro Credit **Legal entity identifier (LEI code):** 529900QN6SB3PGS68481

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

☐ Yes	X No
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:___________%	X It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund's environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer's ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers' ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund's environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund's investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in "The sub-fund at a glance - Quoniam Funds Selection SICAV - Euro Credit" of this Sales Prospectus under the heading "Investment policy".

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. Securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover through the production of coal or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund's ESG risk. In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund ("Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?"), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

Asset allocation describes the share of investments in specific assets.

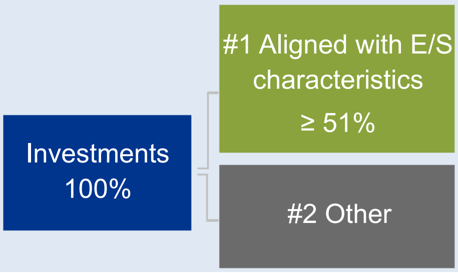
With a view to EU Taxonomy alignment, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

What is the asset allocation planned for this financial product?

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
"Investments" refers to all assets that can be acquired for the sub-fund.
The category "#1 Aligned with E/S characteristics" covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category "#2 Other (other investments)" includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category "#1A Sustainable (sustainable investments)" covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which "Taxonomy-aligned" environmental objectives, "other environmental objectives" and social objectives ("social") shall be contributed to.
The category "#1B Other E/S characteristics" covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

☐ Yes:

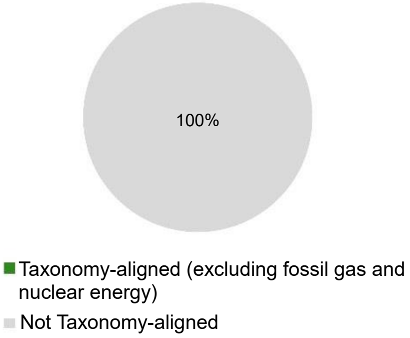
☐ In fossil gas ☐ In nuclear energy

X No

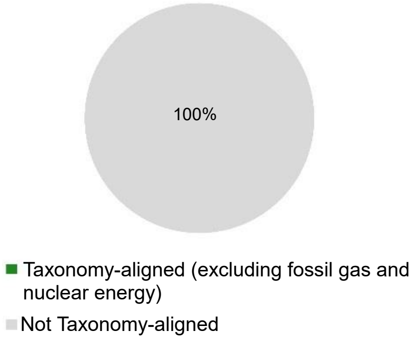
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operating expenditure**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

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

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation (“climate protection”) and do not significantly harm any EU Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

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

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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

Product name: Quoniam Funds Selection SICAV - Global High Yield MinRisk **Legal entity identifier (LEI code):** 5299001EUT7USFZBK883

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___%	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:___________%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund’s environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer’s ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers’ ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund’s environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund's investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in "The sub-fund at a glance - Quoniam Funds Selection SICAV-Global High Yield MinRisk" of this Sales Prospectus under the heading "Investment policy".

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. Securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover through the production of coal or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund's ESG risk. In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund ("Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?"), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

Asset allocation describes the share of investments in specific assets.

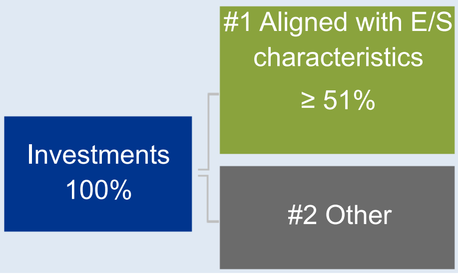
With a view to EU Taxonomy alignment, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

What is the asset allocation planned for this financial product?

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
“Investments” refers to all assets that can be acquired for the sub-fund.
The category “#1 Aligned with E/S characteristics” covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category “#2 Other (other investments)” includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category “#1A Sustainable (sustainable investments)” covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which “Taxonomy-aligned” environmental objectives, “other environmental objectives” and social objectives (“social”) shall be contributed to.
The category “#1B Other E/S characteristics” covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

☐ Yes:

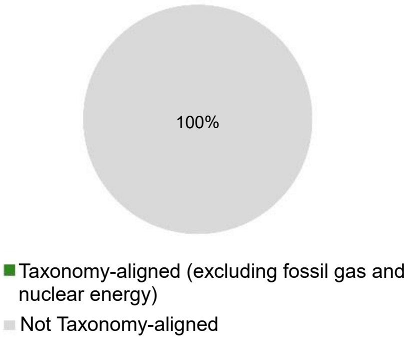
☐ In fossil gas ☐ In nuclear energy

☒ No

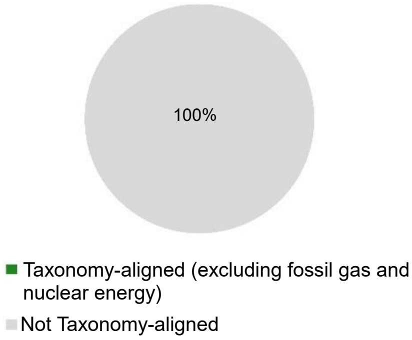
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operating expenditure**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

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

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation (“climate protection”) and do not significantly harm any EU Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

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

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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

Product name: Quoniam Funds Selection SICAV - Global Credit MinRisk Defensive **Legal entity identifier (LEI code):** 5299001F6BD4ZR62QE41

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___%	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:___________%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund’s environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer’s ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers’ ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund’s environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund's investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in "The sub-fund at a glance - Quoniam Funds Selection SICAV - Global Credit MinRisk Defensive" of this Sales Prospectus under the heading "Investment policy".

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. Securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover through the production of coal or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund's ESG risk. In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section "How have the indicators for adverse impacts on sustainability factors been taken into account?".

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund ("Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?"), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

Asset allocation describes the share of investments in specific assets.

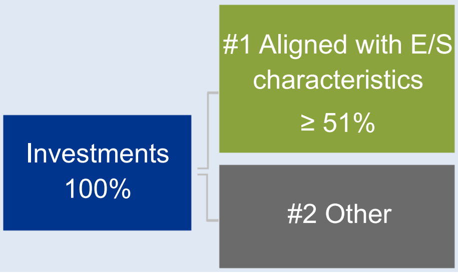
With a view to EU Taxonomy alignment, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

What is the asset allocation planned for this financial product?

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
"Investments" refers to all assets that can be acquired for the sub-fund.
The category "#1 Aligned with E/S characteristics" covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category "#2 Other (other investments)" includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category "#1A Sustainable (sustainable investments)" covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which "Taxonomy-aligned" environmental objectives, "other environmental objectives" and social objectives ("social") shall be contributed to.
The category "#1B Other E/S characteristics" covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

☐ Yes:

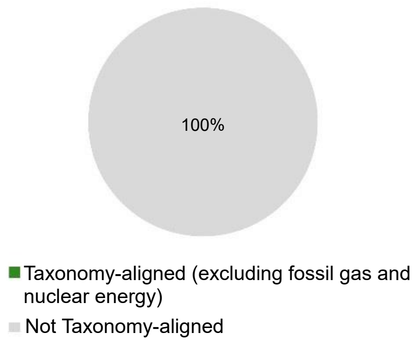
☐ In fossil gas ☐ In nuclear energy

☒ No

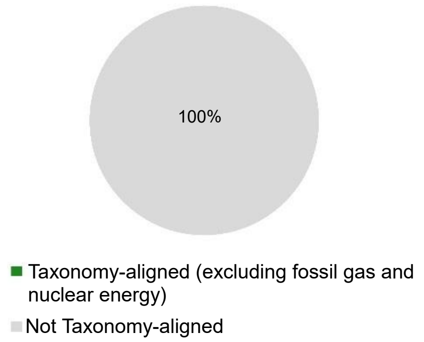
Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy
- **operating expenditure**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

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

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation (“climate protection”) and do not significantly harm any EU Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

![icon] are sustainable investments with an environmental objective that do **not take into account** the criteria for environmentally sustainable economic activities under the EU Taxonomy.

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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

Product name: Quoniam Funds Selection SICAV - Equities Climate Transformation **Legal entity identifier (LEI code):** 529900VBLBCGFGDOVP40

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It will make a minimum share of **sustainable investments with an environmental objective**:___%	☐ It **promotes E/S characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum share of **sustainable investments with a social objective**:____________%	☒ It promotes E/S characteristics, but **will not make any sustainable investments**.

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

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

The sub-fund invests primarily in assets that have been selected from a sustainability point of view. Sustainability is understood to mean environmental (Environment – E) and social (Social – S) criteria as well as good corporate and governmental management (Governance – G). Corresponding criteria include CO2 emissions, protection of natural resources, biodiversity and water (environment), anti-corruption measures, tax transparency (governance) and health and safety in the workplace (social). While taking into account environmental and social characteristics, the Company invests in assets of issuers that apply good governance practices.

No benchmark has been identified to determine whether the sub-fund is aligned with the promoted environmental and/or social characteristics.

Fulfilment of environmental and social characteristics by outsourcing companies

The Company has appointed another company to (partially) manage the sub-fund. This company takes into account the previously described environmental and social characteristics of the sub-fund according to the Company's specifications.

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

The fulfilment of the sub-fund's environmental and social characteristics is measured by what is known as sustainability indicators (consisting of exclusion criteria and sustainability scores). The sustainability indicators of this sub-fund are:

Exclusion criteria

Exclusion criteria are set by the Company for the acquisition of certain assets. Securities and money market instruments of companies involved in the production and supply of landmines, cluster bombs and nuclear weapons are excluded, among others. Securities and money market instruments of companies with controversial business practices (violation of ILO labour standards including child labour or forced labour as well as human rights, environmental protection or corruption), for example, are also excluded. In addition, securities and money market instruments of companies that, for example, generate more than 5 percent of their turnover from the production of tobacco are excluded.

Sustainability scores

Depending on the type of issuer, the sustainability score can cover the dimensions of the environment, social affairs, governance, sustainable business and controversies and assesses the issuer's ESG profile. In the environmental sector, the ESG profile is measured on the basis of issues such as the reduction of greenhouse gas emissions, preservation of biodiversity, water intensity or waste reduction. In terms of social affairs, the ESG profile is measured on the basis of issues relating, for example, to the treatment of employees, the guarantee of health and safety standards, labour standards in the supply chain, or the safety and quality of products and services. When it comes to good corporate governance and governmental management, the Company analyses compliance with good governance standards on the basis of data from various providers and research from advisers on voting rights. The ESG profile is measured, for example, on topics such as corruption, compliance, transparency and risk and reputation management. The Company also takes into account sustainability ratings and ESG key figures from external providers in order to obtain a comprehensive picture of the issuers' ESG profile.

In our portfolio optimisation system, our portfolio managers can call up various sustainability scores simultaneously at any time and adjust them if necessary. In this way, we monitor and control the fulfilment of environmental and social characteristics. The regular production of internal analyses also enables the fulfilment of the environmental and social characteristics of the investment fund to be tracked over time. Technical control mechanisms are a fixed component of our investment process (e.g. in the trading systems) to monitor and ensure investment restrictions defined in the investment strategy so as to meet the investment fund's environmental and social characteristics (e.g. the application of exclusion criteria or minimum requirements for sustainability scores).

We obtain data used to analyse companies and/or assets with regard to sustainability indicators from external service providers. We take our data from various service providers (e.g. MSCI ESG Research LLC, S&P Trucost, ISS ESG) in order to benefit from the highest possible data quality. In addition to diversification, we ensure high data quality through automated, random checking mechanisms. Raw data flows into a software for sustainable portfolio management, which processes the corresponding data automatically. Only a very small proportion of these data is estimated due to a lack of reporting at company level. In doing so, we draw on average values for industries or sectors.

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

This financial product does not make sustainable investments.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

This financial product does not make sustainable investments.

EU Taxonomy sets out a "do not significant harm" principle, by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

All other sustainable investments must also not significantly compromise environmental or social objectives.

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

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

X Yes, information on the principal adverse impacts on sustainability factors is also available in the quarterly report in the Annex "Regular disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph of Regulation (EU) 2020/852" of the sub-fund.

The principal adverse impacts of investments on sustainability factors ("PAIs") are taken into account when acquiring securities, money market instruments and investment units. Indicators used to identify these adverse impacts on sustainability factors from investments in companies are derived from the following categories: greenhouse gas emissions, biodiversity, water, waste and social affairs and employment. Indicators are taken into account for investments in securities and money market instruments from countries in the environment and social affairs and employment categories.

When selecting securities and money market instruments from companies and acquiring investment units, PAIs are mainly taken into account by (1) defining exclusion criteria, (2) evaluating them with the help of sustainability scores in portfolio construction and (3) conducting corporate dialogues and exercising voting rights.

Companies whose business practices have a material adverse effect on the categories described above, for example, are excluded. The PAI categories described above are also taken into account when calculating the sustainability scores.

When analysing states, PAIs are taken into account by, among other things, excluding unfree states that have a low score in the index issued by the international non-governmental organisation Freedom House.

☐ No

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The sub-fund’s investment strategy pursues an overall ESG approach in which the sustainable orientation of the sub-fund is to be ensured by taking into account various sustainability indicators. The general investment strategy of the sub-fund is described in “The sub-fund at a glance - Quoniam Funds Selection SICAV - Equities Climate Transformation” of this Sales Prospectus under the heading “Investment policy”.

First of all, we exclude companies from the investment universe based on their controversial business practices or activities as part of ESG screening. The criteria are approved by our SI Committee and reviewed on a quarterly basis. Among the criteria is the exclusion of manufacturers of controversial weapons. For example, securities of companies that seriously violate the principles of the UN Global Compact or that generate a defined share of their turnover from the production of coal and electricity or tobacco are also excluded.

With ESG integration, sustainability scores are taken into account in portfolio construction. For example, by targeting the companies with a better ESG profile or lower carbon footprint, we reduce the sub-fund’s ESG risk. The CO2 intensity of the shares of the sub-fund (market value weighted) shall be at least 10% lower than the CO2 intensity of MSCI World.

In our investment process, we are able to optimise these sustainability scores and in doing so take all key indicators into account at the same time.

The exclusion criteria and all sustainability scores are available for portfolio management at any time via Quoniam's investment platform. In this way, the various sustainable strategies can be regularly reviewed and adjusted if necessary. In this way, the fulfilment of environmental and social characteristics is also checked and controlled.

In addition, we conduct company dialogues and exercise our voting rights as part of a collaborative engagement approach (ESG engagement) with our parent company Union Investment. By pooling voting rights, we increase our influence at general meetings and in discussions with company representatives. On the one hand, these dialogues examine whether and to what extent sustainability is part of the business strategy. On the other hand, there is a demand to consistently pursue sustainability.

We expect responsible corporate governance that not only takes purely economic targets into account, but also considers social, ethical and environmental aspects. These targets are then endorsed if they promote the long-term interests of shareholders and creditors and thus the long-term value of the Company. We require companies to comply with good corporate governance standards with regard to, among other aspects, shareholder and creditor rights, composition and remuneration of the management board and supervisory board, corporate actions, auditors and transparency.

We are actively involved in focusing on relevant sustainability issues for an engagement agenda to be addressed in corporate dialogues. The activities and results are recorded quarterly in an engagement report. The basis for exercising our voting rights are the current principles for exercising voting rights. In addition, we have described our sustainability approach in the Responsible Investment Guidelines.

As part of the investment strategy, the principal adverse impacts on sustainability factors are taken into account. More detailed information on this is explained in the section “How have the indicators for adverse impacts on sustainability factors been taken into account?”.

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

Binding elements of the investment strategy that are used to attain the environmental and social characteristics are

- the exclusion criteria set for the Fund ("Which sustainability indicators are used to measure the achievement of each environmental or social characteristic promoted by this financial product?"), the details of each of which are described in more detail in the section indicated.

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

The scope of the investments considered is not reduced by a minimum rate (of 0%) prior to the application of this investment strategy.

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

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

The acquisition of securities as part of the sub-fund's sustainable investment strategy is subject to the assumption that the issuers of these securities apply good corporate governance practices. For this purpose, exclusion criteria have been identified. These criteria are based on the ten principles of the UN Global Compact.

The ten principles of the Global Compact include guidelines for dealing with human rights, labour rights, corruption and environmental violations. In this way, companies should respect the protection of international human rights and ensure that they are not complicit in human rights abuses. They shall work for the abolition of child labour and the elimination of all forms of forced labour, and for the elimination of discrimination in respect of employment and occupation. They are intended to accelerate the development and dissemination of environmentally friendly technologies, promote environmental awareness and follow the precautionary principle in dealing with environmental problems. They should stand against all forms of corruption, including extortion and bribery.

In addition, Quoniam requires issuers in whose securities the Fund is already invested to comply with good corporate governance standards with regard to, among other things, shareholder rights, composition and remuneration of the Management Board and Supervisory Board, corporate actions, auditors and transparency with the help of Union as part of ESG engagement. For this purpose, Union analyses the corporate governance of the issuers. This analysis is based, among other things, on the financial or annual reports published by the issuers and is supported by data from various providers and research from voting rights advisors. Furthermore, Union advocates good corporate governance through the exercise of its shareholder rights at the issuers' general meeting.

Asset allocation describes the share of investments in specific assets.

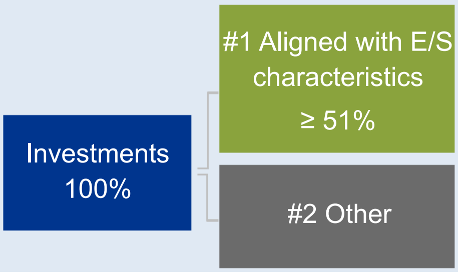
With a view to EU Taxonomy alignment, the criteria for **fossil gas** include limiting emissions and switching to renewable energy or low-carbon fuels by the end of 2035. The criteria for **nuclear energy** include comprehensive safety and waste management regulations.

Enabling activities have an immediate enabling effect that other activities make a significant contribution to environmental objectives.

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

What is the asset allocation planned for this financial product?

The assets of the sub-fund are divided into different categories in the graph below. Each share of the sub-fund assets is shown as a percentage.
“Investments” refers to all assets that can be acquired for the sub-fund.
The category “#1 Aligned with E/S characteristics” covers those assets that are transacted within the framework of the investment strategy to attain the promoted environmental or social characteristics.
The category “#2 Other (other investments)” includes, for example, derivatives, bank deposits or financial instruments for which there is not enough data to be able to evaluate them for the sustainable investment strategy of the sub-fund.
The category “#1A Sustainable (sustainable investments)” covers sustainable investments according to Article 2(17) of the Disclosure Regulation. This includes investments with which “Taxonomy-aligned” environmental objectives, “other environmental objectives” and social objectives (“social”) shall be contributed to.
The category “#1B Other E/S characteristics” covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

The environmental and social characteristics of the sub-fund are not attained through the use of derivatives.

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

This sub-fund does not seek to invest sustainably.

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

Is the financial product invested in EU Taxonomy-aligned fossil gas and/or nuclear energy activities[1]?

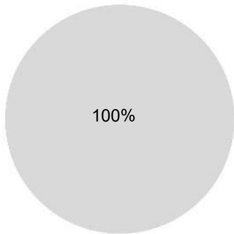
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

X No

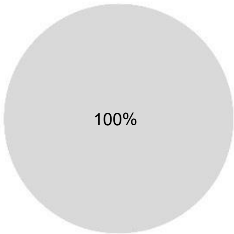
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial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

1. Taxonomy-alignment of investments **including sovereign bonds***



■ Taxonomy-aligned (excluding fossil gas and nuclear energy)
■ Not Taxonomy-aligned

2. Taxonomy-alignment of investments **excluding sovereign bonds***



■ Taxonomy-aligned (excluding fossil gas and nuclear energy)
■ Not Taxonomy-aligned

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

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

An indication of how and to what extent the investments included in the sub-fund are those in economic activities that are included in the shares of the enabling activities and the transitional activities referred to in Article 16 and Article 10(2) of the Taxonomy Regulation, respectively, cannot be given for the reasons mentioned above.

The minimum share of investments in transitional and enabling activities is currently 0 percent.

[1] Fossil gas and/or nuclear energy activities are only EU Taxonomy-aligned if they contribute to climate change mitigation ("climate protection") and do not significantly harm any EU Taxonomy objective – see explanation in left margin. The full criteria for EU Taxonomy-aligned economic activities in fossil gas and nuclear energy are set out in Commission Delegated Regulation (EU) 2022/1214.

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

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

The financial product does not make sustainable investments.

What is the minimum share of socially sustainable investments?

The financial product does not make sustainable investments.

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

Assets are acquired for the sub-fund for investment and hedging purposes that do not contribute to environmental or social characteristics. Examples of such investments are derivatives, investments for which no data is available or cash held for liquidity purposes.

No minimum environmental or social safeguards are taken into account when acquiring these assets.

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

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

n/a

Where can I find more product-specific information online?

More product-specific information can be found on the website at: https://www.union-investment.lu/startseite-luxemburg/fonds/downloads.html

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