

UBS (CH) Fund 1

Umbrella fund under Swiss law of the “other fund for traditional investments” type

Prospectus with integrated fund contract. as at: 4 July 2025

Part 1: Sales prospectus

This prospectus with integrated fund contract, the Key Investor Information Document and the most recent annual or semi-annual report (if published after the latest annual report) serve as the basis for all subscriptions of units in the sub-funds.

Only the information contained in the prospectus, the Key Investor Information Document and the fund contract will be deemed to be valid.

1 Information on the umbrella fund and sub-funds

UBS (CH) Fund 1 (formerly CS Fund 1) a contractual umbrella fund under Swiss law of the “other fund for traditional investments” type in accordance with the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, which is divided into the following sub-funds:

- a) - **Swiss & Global Income Strategy - Yield (CHF)**
- b) - **Swiss & Global Income Strategy - Balanced (CHF)**
- c) - **Swiss & Global Income Strategy - Growth (CHF)**
- d) - **Privilege 35 CHF**
- e) - **Privilege 45 CHF**
- f) - **Privilege 75 CHF**
- g) - **Privilege 20 CHF**

1.1 Establishment of the umbrella fund in Switzerland

The fund contract was originally drawn up by Swiss Investment Company SIC Ltd. as fund management company and submitted to the Swiss Financial Market Supervisory Authority (“FINMA”) with the agreement of Credit Suisse AG as custodian bank. The fund contract was first approved by FINMA on 8 April 2005. Effective 6 July 2012, Swiss Investment Company SIC Ltd., Zurich, formerly the fund management company, merged with Credit Suisse Funds AG, Zurich, through a merger by absorption as defined in the Swiss Merger Act. At that time, Swiss Investment Company SIC Ltd., Zurich, was dissolved and all rights and obligations passed by law (by way of universal succession) to Credit Suisse Funds AG, Zurich. As at 6 July 2012, Credit Suisse Funds AG, Zurich, has taken over the function of fund management company (hereinafter “fund management company”).

As of 20 November 2016, Credit Suisse (Switzerland) Ltd. acquired the majority of the business of Credit Suisse AG belonging to the Swiss Universal Bank division. In this connection, Credit Suisse (Switzerland) Ltd. – with the approval of FINMA – took over the custodian bank function for this umbrella fund and its sub-funds.

The following sub-fund mergers were approved by FINMA effective 1 January 2019: The sub-fund Credit Suisse (CH) Interest & Dividend Focus Yield EUR was transferred to the sub-fund Credit Suisse (CH) Interest & Dividend Focus Yield CHF. The sub-fund Credit Suisse (CH) Interest & Dividend Focus Balanced EUR was transferred to the sub-fund Credit Suisse (CH) Interest & Dividend Focus Balanced CHF. The sub-fund Credit Suisse (CH) Interest & Dividend Focus Growth EUR was transferred to the sub-fund Credit Suisse (CH) Interest & Dividend Growth CHF. Effective 1 November 2019, the sub-fund Credit Suisse (CH) Sustainability Fund Balanced CHF, as the sub-fund being acquired, was merged – with the approval of FINMA – with the sub-fund Credit Suisse (CH) Privilege 45 CHF.

The following sub-fund mergers were approved by FINMA effective 5 April 2024: The sub-fund Credit Suisse ESG Focus Wealth Fund Yield of the umbrella fund Credit Suisse Wealth Funds (CH) 2 was transferred to the sub-fund Credit Suisse (CH) Interest & Dividend Focus Yield CHF and the sub-fund Credit Suisse ESG Focus Wealth Fund Balanced of the umbrella fund Credit Suisse Wealth Funds (CH) 2 was transferred to the sub-fund Credit Suisse (CH) Interest & Dividend Focus Balanced CHF.

UBS Fund Management (Switzerland) AG, Basel, acquired Credit Suisse Funds AG, Zurich, on 30 April 2024. In this connection, UBS Fund Management (Switzerland) AG, Basel – with the approval of FINMA – took over the fund management company function for this umbrella fund and its sub-funds.

UBS Switzerland AG, Zurich, took over Credit Suisse (Switzerland) Ltd., Zurich, effective 1 July 2024. In this connection, UBS Switzerland AG, Zurich – with the approval of FINMA – took over the custodian bank function for this umbrella fund and its sub-funds.

UBS Asset Management Switzerland AG, Zurich, took over Credit Suisse Asset Management (Switzerland) Ltd., Zurich, effective 30 August 2024. In this connection, UBS Asset Management Switzerland AG, Zurich – with the approval of FINMA – took over the asset manager function for this umbrella fund and its sub-funds.

CS Fund 1 in UBS (CH) Fund 1 was renamed effective 4 July 2025; this included the renaming of all sub-funds.

1.2 Term

The sub-funds shall be established for an indefinite period.

1.3 Tax regulations relevant to the sub-funds

The umbrella fund and sub-funds have no legal personality in Switzerland. They are not subject to tax on either income or capital. The Swiss federal withholding tax deducted from the sub-funds' domestic income can be reclaimed in full for the corresponding sub-fund by the fund management company.

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

Income from the sub-funds is subject to 35% withholding tax regardless of whether it is reinvested (capital growth) or distributed. Any capital gains paid on a separate coupon are not subject to withholding tax.

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

In the case of investors domiciled abroad, income in relation to distribution classes is distributed without any deduction of Swiss withholding tax provided at least 80% of the fund's income is derived from foreign sources. In the case of capital-growth classes, investors domiciled abroad who benefit from the affidavit process will be paid the withholding tax on presentation of the declaration of domicile. This is subject to presentation of confirmation from a bank stating that the units in question are held at the bank in the custody account of an Investor domiciled outside Switzerland, and that the distributions of income are credited to this Investor's account (declaration of domicile / affidavit). No guarantee can be given that at least 80% of the fund's income will stem from foreign sources. If withholding tax is charged to an investor domiciled outside Switzerland owing to a failure to present a declaration of domicile, under Swiss law they may submit a refund application directly to the Swiss Federal Tax Administration in Bern.

In the case of non affidavit-compatible sub-funds and classes, investors domiciled outside Switzerland may reclaim withholding tax under the terms of any double taxation treaty between Switzerland and their country of domicile. If no such treaty exists, then the withholding tax may not be reclaimed.

Furthermore, both earnings and capital gains, whether distributed or reinvested, and depending on the person who holds the units either directly or indirectly, may be subject wholly or in part to a so-called paying agency tax (e.g. Foreign Account Tax Compliance Act).

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

Taxation and other tax implications for investors who hold, buy or sell fund or sub-fund units are defined by the tax laws and regulations in the investor's country of domicile.

For information in this regard, investors should contact their tax advisor.

The umbrella fund and the sub-funds have the following tax status in Switzerland:

FATCA:

The umbrella fund and the sub-funds are registered with the US tax authorities as "registered deemed compliant collective investment vehicles (CIV)" under the Agreement between the United States of America and Switzerland for Cooperation to Facilitate the Implementation of FATCA (Foreign Account Tax Compliance Act) "IGA Switzerland/USA".

International automatic exchange of information on tax matters:

This umbrella fund and the sub-funds qualify as Non-reporting Financial Institutions for the purposes of the automatic exchange of information pursuant to the Common Reporting and Due Diligence Standard (CRS) of the Organisation for Economic Co-operation and Development (OECD) relating to information on financial accounts.

1.4 Accounting year

The accounting year runs from 1 January to 31 December.

1.5 External auditors

The audit firm is Ernst & Young AG, Basel.

1.6 Units

The units represent contractual claims against the fund management company for a proportion of the collective investment scheme's assets and income. Units exist purely in book-entry form. Deliverable units may be certificated and delivered to a Swiss central securities depository in the form of a global certificate.

Units do not take the form of actual certificates but exist purely as book entries. Investors are not entitled to demand the delivery of a registered or bearer unit certificate. In general, the units must be kept as book entries in a safekeeping account held with the custodian bank. Unit classes whose units may be held with SIX SIS Ltd as external custodian (deliverability) are shown in the table at the end of the prospectus. In consultation with the fund management company, the custodian bank shall oversee the procedures for ensuring that the conditions of eligibility are satisfied by the circle of investors.

In accordance with the fund contract, the fund management company is entitled to establish, liquidate or merge different unit classes for each sub-fund at any time, subject to the consent of the custodian bank and the approval of the supervisory authority. As things stand, the following unit classes have been approved for the umbrella fund and for all the sub-funds and can be launched for the respective sub-funds:

P-dist, (CHF hedged) P-dist, (EUR hedged) P-dist, (USD hedged) P-dist, P-acc, (CHF hedged) P-acc, (EUR hedged) P-acc, (USD hedged) P-acc, K-1-dist, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist, (USD hedged) K-1-dist, K-1-acc, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc, (USD hedged) K-1-acc, K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist, (USD hedged) K-1 25-dist, K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc, (USD hedged) K-1 25-acc, Q-dist, (CHF hedged) Q-dist, (EUR hedged) Q-dist, (USD hedged) Q-dist, Q-acc, (CHF hedged) Q-acc, (EUR hedged)

Q-acc, (USD hedged) Q-acc, F-dist, (CHF hedged) F-dist, (EUR hedged) F-dist, (USD hedged) F-dist, F-acc, (CHF hedged) F-acc, (EUR hedged) F-acc, (USD hedged) F-acc, I-A1-dist, (CHF hedged) I-A1-dist, (EUR hedged) I-A1-dist, (USD hedged) I-A1-dist, I-A1-acc, (CHF hedged) I-A1-acc, (EUR hedged) I-A1-acc, (USD hedged) I-A1-acc, I-A2-dist, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist, (USD hedged) I-A2-dist, I-A2-acc, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc, (USD hedged) I-A2-acc, I-A3-dist, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist, (USD hedged) I-A3-dist, I-A3-acc, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc, (USD hedged) I-A3-acc, I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc, (USD hedged) I-B-acc, I-X-dist, (CHF hedged) I-X-dist, (EUR hedged) I-X-dist, (USD hedged) I-X-dist, I-X-acc, (CHF hedged) I-X-acc, (EUR hedged) I-X-acc, (USD hedged) I-X-acc, U-X-dist, (CHF hedged) U-X-dist, (EUR hedged) U-X-dist, (USD hedged) U-X-dist, U-X-acc, (CHF hedged) U-X-acc, (EUR hedged) U-X-acc, (USD hedged) U-X-acc.

Detailed information concerning subscription and redemption of units in the individual classes, together with the commissions and charges incurred as a result, is set out in the table at the end of the prospectus.

The following unit classes are not restricted to certain investors:

Class **P-dist, (CHF hedged) P-dist, (EUR hedged) P-dist and (USD hedged) P-dist** units are distribution units and are offered to all investors. A minimum subscription or minimum amount is not required.

Class P-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) P-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) P-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) P-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) P-dist, (EUR hedged) P-dist and (USD hedged) P-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class P-dist, (CHF hedged) P-dist, (EUR hedged) P-dist and (USD hedged) P-dist units.

Class **P-acc, (CHF hedged) P-acc, (EUR hedged) P-acc and (USD hedged) P-acc** units are capital growth units and are offered to all investors. A minimum subscription or minimum amount is not required.

Class P-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) P-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) P-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) P-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) P-acc, (EUR hedged) P-acc and (USD hedged) P-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class P-acc, (CHF hedged) P-acc, (EUR hedged) P-acc and (USD hedged) P-acc units.

Class **K-1-dist, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist and (USD hedged) K-1-dist** units are distribution units and are offered to all investors. Investors who invest in this unit class must subscribe to shares for an amount equal to the initial minimum investment of CHF 5,000,000 for classes in the reference currency CHF or USD 5,000,000 for classes in the reference currency USD or EUR 3,000,000 for classes in the reference currency EUR. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved. Class K-1-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1-dist, (EUR hedged) K-1-dist and (USD hedged) K-1-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1-dist, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist and (USD hedged) K-1-dist units.

Class **K-1-acc, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc and (USD hedged) K-1-acc** units are capital growth units and are offered to all investors. Investors who invest in this unit class must subscribe to shares for an amount equal to the initial minimum investment of CHF 5,000,000 for classes in the reference currency CHF or USD 5,000,000 for classes in the reference currency USD or EUR 3,000,000 for classes in the reference currency EUR. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved. Class K-1-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1-acc, (EUR hedged) K-1-acc and (USD hedged) K-1-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1-acc, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc and (USD hedged) K-1-acc units.

Class **K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist** units are distribution units. The minimum initial investment for class K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist units per investor (minimum investment) and the minimum number of class K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum

holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Class K-1 25-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1 25-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1 25-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1 25-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1 25 dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist units.

Existing unit classes are closed for subscriptions. The fund management company will not create any new unit classes within this category.

Class **K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc** units are capital growth units. The minimum initial investment for class K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units per investor (minimum investment) and the minimum number of class K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Class K-1 25-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1 25-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1 25-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1 25-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1 25 acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units.

Existing unit classes are closed for subscriptions. The fund management company will not create any new unit classes within this category.

The following classes of units are restricted to certain investors:

Units in classes **Q-dist, (CHF hedged) Q-dist, (EUR hedged) Q-dist and (USD hedged) Q-dist** are distribution units and are offered exclusively to financial intermediaries who make investments for their own account and/or to clients of such financial intermediaries who, according to regulatory requirements, are not allowed to receive sales commission and/or who, according to written contracts or fund savings plan contracts with their clients, can only offer them classes without retrocession, provided they are available in the relevant investment fund.

The corresponding entries must be made in a safekeeping account at the custodian bank. Class Q-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) Q-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) Q-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) Q-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) Q-dist, (EUR hedged) Q-dist and (USD hedged) Q-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class Q-dist, (CHF hedged) Q-dist, (EUR hedged) Q-dist and (USD hedged) Q-dist units.

Units in classes **Q-acc, (CHF hedged) Q-acc, (EUR hedged) Q-acc and (USD hedged) Q-acc** are capital growth units and are offered exclusively to financial intermediaries who make investments for their own account and/or to clients of such financial intermediaries who, according to regulatory requirements, are not allowed to receive sales commission and/or who, according to written contracts or fund savings plan contracts with their clients, can only offer them classes without retrocession, provided they are available in the relevant investment fund.

The corresponding entries must be made in a safekeeping account at the custodian bank. Class Q-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) Q-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) Q-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) Q-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) Q-acc, (EUR hedged) Q-acc and (USD hedged) Q-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class Q-acc, (CHF hedged) Q-acc, (EUR hedged) Q-acc and (USD hedged) Q-acc units.

Units in classes **F-dist, (CHF hedged) F-dist, (EUR hedged) F-dist and (USD hedged) F-dist** are distribution units and may only be offered to investors who have entered into a written investment management mandate with UBS. Class F-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) F-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) F-dist units are issued and redeemed in euros

(EUR), the reference currency. Class (USD hedged) F-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) F-dist, (EUR hedged) F-dist and (USD hedged) F-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class F-dist, (CHF hedged) F-dist, (EUR hedged) F-dist and (USD hedged) F-dist units.

Units in unit classes **F-acc, (CHF hedged) F-acc, (EUR hedged) F-acc** and **(USD hedged) F-acc** are capital growth units and may only be offered to investors who have entered into a written investment management mandate with UBS. Class F-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) F-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) F-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) F-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) F-acc, (EUR hedged) F-acc and (USD hedged) F-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class F-acc, (CHF hedged) F-acc, (EUR hedged) F-acc and (USD hedged) F-acc units.

Units in classes **I-A1-dist, (CHF hedged) I-A1-dist, (EUR hedged) I-A1-dist** and **(USD hedged) I-A1-dist** are distribution units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3 and 3ter CISA. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Class 1-A1-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-A1-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-A1-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-A1-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-A1-dist, (EUR hedged) 1-A1-dist and (USD hedged) 1-A1-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

Units in classes **I-A1-acc, (CHF hedged) I-A1-acc, (EUR hedged) I-A1-acc** and **(USD hedged) I-A1-acc** are capital growth units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3 and 3ter CISA. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Class 1-A1-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-A1-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-A1-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-A1-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-A1-acc, (EUR hedged) 1-A1-acc and (USD hedged) 1-A1-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

Units in classes **I-A2-dist, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist** and **(USD hedged) I-A2-dist** as well as **I-A3-dist, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist** and **(USD hedged) I-A3-dist** are distribution units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3-3ter CISA who have signed a written agreement with UBS or an authorised contractual partner – or a written agreement with UBS Asset Management Switzerland AG – or an authorised contractual partner for the purpose of investment in the assets of this sub-fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class.

Class I-A2-dist and I-A3-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) I-A2-dist and (CHF hedged) I-A3-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) I-A2-dist and (EUR hedged) I-A3-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) I-A2-dist and (USD hedged) I-A3-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist and (USD hedged) I-A2-dist as well as (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist and (USD hedged) I-A3-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. Unit classes I-A2-dist, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist and (USD hedged) I-A2-dist, on the one hand, and I-A3-dist, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist and (USD hedged) I-A3-dist, on the other, differ with regard to the amount of the management fee as well as the amount of the required minimum subscription and required minimum amount. Investors who invest in unit class I-A2 must subscribe to shares for an amount equal to the initial minimum investment of CHF 10,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved. Investors who invest in unit class I-A3 must subscribe to shares for an amount equal to the initial minimum investment of CHF 30,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.

Units in classes **I-A2-acc, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc** and **(USD hedged) I-A2-acc** as well as **I-A3-acc, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc** and **(USD hedged) I-A3-acc** are capital growth units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3-3ter CISA who have signed a written agreement with UBS or an authorised contractual partner – or a written agreement with UBS Asset Management Switzerland AG – or an authorised contractual partner for the purpose of investment in the assets of this sub-fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment

advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Class I-A2-acc and I-A3-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) I-A2-acc and (CHF hedged) I-A3-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) I-A2-acc and (EUR hedged) I-A3-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) I-A2-acc and (USD hedged) I-A3-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc and (USD hedged) I-A2-acc as well as (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc and (USD hedged) I-A3-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. Unit classes I-A2-acc, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc and (USD hedged) I-A2-dist, on the one hand, and I-A3-acc, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc and (USD hedged) I-A3-dist, on the other, differ with regard to the amount of the management fee as well as the amount of the required minimum subscription and required minimum amount. Investors who invest in unit class I-A2 must subscribe to shares for an amount equal to the initial minimum investment of CHF 10,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved. Investors who invest in unit class I-A3 must subscribe to shares for an amount equal to the initial minimum investment of CHF 30,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.

Units in classes **I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist and (USD hedged) I-B-dist** are distribution units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3- 3ter CISA who

- a) have concluded a written agreement (excluding asset management and investment advisory agreements) for the purpose of explicit investment (for example by means of a fund access agreement or cooperation agreement) in the class with a unit belonging to the UBS Group;
- b) have concluded a written asset management with a unit of the UBS Group belonging to the Asset Management division;
- c) have concluded a written asset management with a unit belonging to the UBS Group, provided it has delegated asset management to a unit of the UBS Group belonging to the Asset Management division.

Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class.

The costs for administration of the fund (encompassing fund management company, administration, services provided in relation to currency hedging and custodian bank) are charged directly to the assets of the sub-fund by means of a management fee. The costs for asset management and distribution activities for the sub-funds are charged to the investor under the above written agreement. This written agreement concluded with the investor covers the costs to be borne by the investor for the services of asset management, but not those for administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). Class 1-B-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-B-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-B-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-B-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-B-dist, (EUR hedged) 1-B-dist and (USD hedged) 1-B-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. No minimum investment is required.

Units in classes **I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc** are capital growth units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3- 3ter CISA who

- a) have concluded a written agreement (excluding asset management and investment advisory agreements) for the purpose of explicit investment (for example by means of a fund access agreement or cooperation agreement) in the class with a unit belonging to the UBS Group;
- b) have concluded a written asset management with a unit of the UBS Group belonging to the Asset Management division;
- c) have concluded a written asset management with a unit belonging to the UBS Group, provided it has delegated asset management to a unit of the UBS Group belonging to the Asset Management division.

Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class.

The costs for administration of the fund (encompassing fund management company, administration, services provided in relation to currency hedging and custodian bank) are charged directly to the assets of the sub-fund by means of a management fee. The costs for asset management and distribution activities for the sub-funds are charged to the investor under the above written agreement. This written agreement concluded with the investor covers the costs to be borne by the investor for the services of asset management, but not those for administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). Class 1-B-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-B-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-B-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-B-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-B-acc, (EUR hedged) 1-B-acc and (USD hedged) 1-B-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. No minimum investment is required.

Class **I-X-dist, (CHF hedged) I-X-dist, (EUR hedged) I-X-dist and (USD hedged) I-X-dist** units are distribution units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or an authorised contractual partner for the purpose of investment in this sub-fund's assets. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the frame-

work of a long-term investment advisory relationship do not qualify for this unit class. The costs for asset management, administration of the fund (encompassing fund management company, administration and custodian bank) and distribution activities for the sub-funds are charged to the investor under the written agreement. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). Class 1-X-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-X-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-X-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-X-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-X-dist, (EUR hedged) 1-X-dist and (USD hedged) 1-X-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

Class I-X-acc, (CHF hedged) I-X-acc, (EUR hedged) I-X-acc and (USD hedged) I-X-acc units are capital growth units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or an authorised contractual partner for the purpose of investment in this sub-fund's assets. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. The costs for asset management, administration of the fund (encompassing fund management company, administration and custodian bank) and distribution activities for the sub-funds are charged to the investor under the written agreement. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). Class 1-X-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-X-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-X-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-X-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-X-acc, (EUR hedged) 1-X-acc and (USD hedged) 1-X-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

Class U-X-dist, (CHF hedged) U-X-dist, (EUR hedged) U-X-dist and (USD hedged) U-X-dist units are distribution units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS or an authorised contractual partner for the purpose of investment in one or more sub-funds of this investment fund. The costs for asset management, distribution activity in relation to the sub-funds and administration of the fund (consisting of fund management, administration and activities of the custodian bank) are charged to the investor under the above written agreement. This remuneration covers the costs to be borne by the investor for the services of asset management, distribution activities and administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). This unit class is available only to other collective investment schemes (regardless of their legal form) for the purposes of simplifying administration. Class U-X-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) U-X-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) U-X-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) U-X-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) U-X-dist, (EUR hedged) U-X-dist and (USD hedged) U-X-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

Class U-X-acc, (CHF hedged) U-X-acc, (EUR hedged) U-X-acc and (USD hedged) U-X-acc units are capital growth units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS or an authorised contractual partner for the purpose of investment in one or more sub-funds of this investment fund. The costs for asset management, distribution activity in relation to the sub-funds and administration of the fund (consisting of fund management, administration and activities of the custodian bank) are charged to the investor under the above written agreement. This remuneration covers the costs to be borne by the investor for the services of asset management, distribution activities and administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). This unit class is available only to other collective investment schemes (regardless of their legal form) for the purposes of simplifying administration. Class U-X-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) U-X-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) U-X-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) U-X-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) U-X-acc, (EUR hedged) U-X-acc and (USD hedged) U-X-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

The net asset value of unit classes (CHF hedged) P-dist, (EUR hedged) P-dist, (USD hedged) P-dist, (CHF hedged) P-acc, (EUR hedged) P-acc, (USD hedged) P-acc, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist, (USD hedged) K-1-dist, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc, (USD hedged) K-1-acc, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist, (USD hedged) K-1 25-dist, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc, (USD hedged) K-1 25-acc, (CHF hedged) Q-dist, (EUR hedged) Q-dist, (USD hedged) Q-dist, (CHF hedged) Q-acc, (EUR hedged) Q-acc, (USD hedged) Q-acc, (CHF hedged) F-dist, (EUR hedged) F-dist, (USD hedged) F-dist, (CHF hedged) F-acc, (EUR hedged) F-acc, (USD hedged) F-acc, (CHF hedged) I-A1-dist, (EUR hedged) I-A1-dist, (USD hedged) I-A1-dist, (CHF hedged) I-A1-acc, (EUR hedged) I-A1-acc, (USD hedged) I-A1-acc, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist, (USD hedged) I-A2-dist, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc, (USD hedged) I-A2-acc, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist, (USD hedged) I-A3-dist, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc, (USD hedged) I-A3-acc, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc, (USD hedged) I-B-acc, (CHF

hedged) I-X-dist, (EUR hedged) I-X-dist, (USD hedged) I-X-dist, (CHF hedged) I-X-acc, (EUR hedged) I-X-acc, (USD hedged) I-X-acc, (CHF hedged) U-X-dist, (EUR hedged) U-X-dist, (USD hedged) U-X-dist, (CHF hedged) U-X-acc, (EUR hedged) U-X-acc and (USD hedged) U-X-acc does not develop in the same way as that of the unit classes issued in the sub-fund's accounting currency.

"Reference currency-hedged": For the unit classes above whose reference currencies do not correspond to the accounting currency of the relevant sub-fund and which include "hedged" in their name ("hedged unit classes"), the risk of exchange rate fluctuation of the reference currencies of the unit classes against the accounting currency of the relevant sub-fund is hedged. This hedge will generally amount to between 95% and 105% of the total net assets of the hedged unit class. Changes in the market value of the portfolio and subscriptions and redemptions for hedged unit classes may result in the hedge being temporarily outside the aforementioned range. This hedge does not affect potential currency risks resulting from investments denominated in currencies other than the accounting currency of the relevant sub-fund.

If the fund management company accepts subscriptions of units by the UBS Group (in its own name), it is possible – in connection with the activation of sub-funds/unit classes or the continuation of unit classes – to waive compliance with the limits specified in the table at the end of the prospectus (minimum initial investment/minimum holding) or the need for a written contract.

The individual unit classes do not constitute segregated pools of assets. Although costs are in principle charged only to the unit class for which the service in question was rendered, the possibility of a unit class being held liable for the liabilities of another unit class cannot be ruled out.

1.7 Listing and trading

The units are not listed.

1.8 Terms for the issue and redemption of sub-fund units

Sub-fund units will be issued and redeemed on every bank working day (Monday to Friday). Each day that the banks in the City of Zurich are open for business shall be deemed to be a bank working day. No issues or redemptions will take place on Swiss public holidays – Easter, Whitsun, Christmas (incl. Christmas Eve), New Year (incl. 31 December), 1 August, etc. – or on days when the stock exchanges and markets in the main investment countries of the sub-fund are closed, or under the exceptional circumstances defined under § 17 prov. 4 of the fund contract.

Instead of a cash payment, investors may request that assets be transferred into the fund's assets at subscription or, in the event of a redemption, be transferred to them out of the fund's assets ("transfer of assets in kind"). This request must be submitted with the subscription or redemption application. The fund management company is not obliged to permit contributions and redemptions in kind. The fund management company decides on any request for a transfer of assets in kind at its own discretion and only gives its consent if the execution of such a transaction complies fully with the investment policy of the umbrella fund or sub-fund and does not harm the interests of the other investors. Details of contributions and redemptions in kind are set out in § 18 of the fund contract.

At present and for the foreseeable future, the fund management company does not generally permit payments and withdrawals by the transfer of assets in kind. As a rule, any payment or withdrawal by the transfer of assets in kind must have a minimum transaction volume of CHF 5 million.

Subscription and redemption orders received by the custodian bank at the latest by the time mentioned in the table at the end of the prospectus on a bank working day (order day) will be executed on the next bank working day (valuation day) on the basis of the net asset value calculated for that day. The net asset value taken as the basis for the settlement of the order is therefore not known when the order is placed (forward pricing). It is calculated on the valuation day on the basis of the closing prices on the order day.

The corresponding sub-fund's assets will not be calculated on days on which the exchanges / markets in a sub-fund's main investment countries are closed (e.g. bank and stock exchange holidays). To the extent that payment is made by the transfer of assets in kind (see § 18 of the fund contract), this applies likewise to the valuation of such assets.

The issue price of the units of a given class corresponds to the modified net asset value for that class calculated on the valuation day, plus issuing commission as per § 19 of the fund contract. The level of the incidental costs and the issuing commission is set out in the table at the end of the prospectus.

The redemption price of the units of a given class corresponds to the modified net asset value for that class calculated on the valuation day, less redemption commission as per § 19 of the fund contract. The level of the incidental costs and the redemption commission is set out in the table at the end of the prospectus.

Incidental costs attached to the purchase and sale of investments (such as standard brokerage charges, commission, taxes and duties), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred on average by the sub-fund in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), shall be charged using the SSP method described below in § 16 prov. 7 of the fund contract. Subscriptions and redemptions made the same day that have an evident, direct economic link and that therefore entail no ancillary costs for the purchase and sale of investments are excluded from the application of swinging single pricing. These incidental costs will not be charged if the fund management company permits a payment or withdrawal by the transfer of assets in kind instead of cash pursuant to § 18.

The issue and redemption prices are rounded up or down to the next smallest unit of the accounting currency.

Any taxes and duties imposed by certain countries on the issue and redemption of sub-fund units are payable by the investor.

1.9 Appropriation of income

The net income will be distributed or reinvested within four months of the end of the financial year.

The following applies for the distributing unit classes of the sub-funds UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF), UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF) and UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF): Distribution encompasses net income (from dividends, interest coupons and other sources of income) and option premiums. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3%. This involves a repayment of paid-up capital, without the fund being (partially) liquidated. No direct costs shall arise as a result of the partial repayment for

either the sub-fund or the investors. The partial repayment may take place in conjunction with the audited annual financial statements and will be shown in the annual report. The fund management company shall publish the partial repayment in the official medium of publication in advance.

1.10 Investment objective and investment policy, investment restrictions

The investment objective of the sub-funds is principally to achieve an appropriate return in the accounting currency by investing in the instruments listed below for each sub-fund. Due account shall be taken of the principle of risk diversification, security of the capital invested and liquidity of the sub-funds' assets.

The specific investment objectives of the sub-funds are described in the sections below.

The assets of a sub-fund are subject to normal market fluctuations. The value of the investments is governed by the market value at any given time. Depending on the prevailing stock market trend and the performance of the investments held in the sub-funds, the net asset value can fluctuate considerably. The possibility of a depreciation in value over longer periods cannot be ruled out. There can therefore be no guarantee that the investment objective will be met. Historical performance is no guarantee of a sub-fund's future returns.

Detailed information on the investment policy and the investment restrictions, as well as the permitted investment techniques and instruments (in particular the use of derivatives), can be found in the fund contract (see Part II, §§ 7 to 15).

1.10.1 Sustainability

The asset manager defines sustainability as the ability to leverage the environmental, social and governance (ESG) factors of business practices to generate opportunities and mitigate risks that contribute to the long-term performance of issuers ("sustainability"). The asset manager believes that consideration of these factors will deliver better informed investment decisions.

For sub-funds that are categorised by UBS Asset Management as "Sustainability Focus" in accordance with its investment policy (§ 8), one or more specific sustainability goals are followed with a specific ESG characteristic or sustainability objective defined in their investment policy <https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html>.

Sustainability Focus funds use ESG integration and define binding minimum standards with regard to possible identified increased ESG risks in portfolio construction.

This UBS Asset Management ESG classification, where available, is listed in the investment objective of the specific sub-funds.

1. ESG approaches

The ESG approaches indicated below, or a combination thereof, may be used with respect to **sustainable investing** for the specified sub-funds classified as sustainable:

- UBS (CH) Fund 1 - Privilege 20 CHF
- UBS (CH) Fund 1 - Privilege 35 CHF
- UBS (CH) Fund 1 - Privilege 45 CHF
- UBS (CH) Fund 1 - Privilege 75 CHF

ESG integration

ESG integration is implemented by considering material ESG risks as part of the research process. For investments, this process uses the asset manager's ESG Material Issues Framework, which identifies financially relevant factors that may impact investment decisions. Identifying financially relevant ESG factors means analysts can concentrate on sustainability factors that may affect the investment return. ESG integration can also identify opportunities for engagement to improve the company's ESG risk profile and thereby mitigate the potentially negative impact of ESG issues on the investment's financial performance.

The asset manager applies a system that uses internal and/or external data sources to identify investments with material ESG risks. External data sources include, in particular, ESG research and ESG data providers MSCI ESG Research and Sustainalytics for general ESG data such as ESG ratings, ESG scores, business practices, greenhouse gas emissions), which may be supplemented by external ESG speciality data providers such as ISS Ethix for controversial weapons. The analysis of material sustainability/ESG issues can include many different aspects such as: carbon footprint, health and well-being, human rights, supply chain management, fair customer treatment and corporate governance.

When allocating funds to the underlying strategies, including target funds, the asset manager takes into account the concept of **ESG integration**. In the case of strategies managed by UBS, the asset manager identifies ESG-integrated assets based on the ESG integration research process described above.

Similar sustainability criteria are applied to investments in passive or rule-based strategies, but without specifying the data providers and sources or the precise operationalisation of the criteria. In doing so, the asset manager evaluates the passive or rules-based strategies to ensure that they meet UBS sustainability standards.

Similar sustainability criteria are applied to investments in strategies from external asset managers, but without specifying the data providers and sources or the precise operationalisation of the criteria. In doing so, the asset manager evaluates the strategies of external asset managers to ensure that they meet UBS sustainability standards. See below for a description of the Sustainability Focus funds category defined by UBS Asset Management.

Exclusions (negative screening)

Where the sub-funds invest in actively managed UBS Asset Management Sustainability Focus funds or strategies, they use exclusion guidelines. These encompass in particular companies that are involved in the manufacture of controversial weapons, coal production and the energy production based on it, as well as oil sands and gas extraction, and companies for which other exclusion criteria that are considered relevant apply. Data from an external consultant is used to identify companies that are involved in the manufacture of controversial weapons (ISS Ethix - <https://www.iss-governance.com/esg/screening/#controversial-weapons>). The external advisor provides data for a screening list from companies involved in manufacturing, sales or distribution.

The restrictions on the investment universe that apply to all actively managed sub-funds, as well as the applicable exclusion criteria and thresholds, are publicly available and updated regularly, and are recorded in the Sustainability Exclusion Policy: <https://www.ubs.com/global/en/asset-management/investment-capabilities/sustainability.html>

Due to the multi-asset fund structure, the exclusion for SVVK-ASIR (see definition below) is applied only for Swiss target fund strategies, while the exclusion for Ethix (see definition below) is applied for all UBS target fund strategies. Exclusions for external target funds: Investments are permitted in investment strategies managed outside Switzerland. These may apply different exclusion criteria, exclusion criteria that are not comparable to those in Switzerland, or no exclusion criteria at all. Consequently, compliance with the exclusion criteria/methods cannot be guaranteed for these investment strategies. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Exclusion criteria for direct investments (e.g. individual shares and bonds) and UBS target funds:

Ethix: No investments are made in issuers covered by the UBS Asset Management exclusion guidelines (exclusion criteria), such as production of controversial weapons (anti-personnel mines, cluster munitions, biological, chemical or nuclear weapons). Data from an external consultant are used to identify such companies (ISS Ethix <https://www.issgovernance.com/esg/screening/#controversial-weapons>).

SVVK-ASIR: The sub-funds basically cannot invest in direct investments of companies and sovereigns that are included in the list of recommendations published by the Swiss Association for Responsible Investment (SVVK-ASIR) governing the exclusion of companies (see www.svvk-asir.ch). Adjustments to the portfolio to this list shall be subject to appropriate market conditions, feasibility (e.g. market liquidity or sanctions) as soon as possible.

Best-in-class approach:

Sub-funds that use the best-in-class approach to select securities invest in such a way that the “asset-weighted” sustainability profile of the sub-fund, based on data and analyses from internal or recognised external data sources (see ESG integration) is improved compared with a benchmark with no ESG standard (broad market index/reference), measured by an ESG rating or ESG score.

The fund may invest in the following types of underlyings: equities issued by companies that are able to mitigate ESG risks or seize ESG opportunities; bonds issued by companies that are able to mitigate ESG risks or seize ESG opportunities, units of collective investment schemes that pursue an approach aimed at improving the respective sub-fund’s sustainability profile compared with a benchmark index that does not include ESG criteria (broader market index / reference); strategies or target funds that are classified by UBS Asset Management as “Sustainability Focus” and select their investments based on quantitative and qualitative criteria, especially ESG ratings and scores over time.

Investments in strategies from external asset managers may pursue a similar approach, but without specifying the data providers and sources or the precise implementation of the criteria. The asset manager evaluates the strategies from external asset managers to ensure that they meet UBS sustainability standards. If the asset manager takes the view that the strategies of the external asset manager do not yet meet the UBS sustainability standard, either in whole or in part, it may nevertheless invest in such non-sustainable assets within the UBS sustainability standard as part of the 20% limit described below.

Stewardship (active ownership):

A combination of engagement and voting is applicable for strategies or target funds that predominantly contain equity paper/equities. Where possible, all strategies or target funds categorised by UBS Asset Management as sustainability focus funds involve active engagement with companies to target identified ESG risks and opportunities through direct dialogue.

Sub-funds that are subject to engagement and voting:

- UBS (CH) Fund 1 - Privilege 75 CHF

Sub-funds that are only subject to voting:

- UBS (CH) Fund 1 - Privilege 20 CHF
- UBS (CH) Fund 1 - Privilege 35 CHF
- UBS (CH) Fund 1 - Privilege 45 CHF

Engagement programme: The engagement programme aims to prioritise/select companies in respect of which UBS Asset Management has certain reservations or wishes to address issues relating to specific ESG factors. These companies are selected from the entire universe of companies in which UBS Asset Management invests using a top-down approach in accordance with our principles as described in the Global Stewardship Policy. A prioritisation process determines whether and when engagement with a company is necessary. If a company is selected for the engagement programme, the engagement dialogue is conducted for at

least two years. This is not an indication that there has been any engagement on specific reservations of UBS Asset Management or ESG issues in relation to companies in this portfolio in any specific period or that the companies in this portfolio have been selected with the intention of engaging actively. Information on the selection of companies, engagement activities, the prioritisation process and UBS Asset Management's understanding of reservations and ESG issues can be found in the UBS Asset Management Stewardship Annual Report.

Voting: UBS will actively exercise voting rights based on the principles set out in the UBS Asset Management Proxy Voting Policy and UBS Asset Management Stewardship Approach. Two fundamental objectives are pursued:

1. To act in the best financial interests of our clients in order to increase the long-term value of their investments.
2. To promote best practice in management and supervisory bodies, as well as sustainability practices.

This is not an indication that a vote on sustainability-related issues has taken place in relation to companies held by a sub-fund in any particular period. Information on the exercise of voting rights at specific companies can be found in the UBS Asset Management Stewardship Annual Report.

Where possible, a policy-driven process for exercising voting rights is applied to all equity-based target funds.

Information on cooperation and voting activities with specific companies can be found in the UBS Asset Management Stewardship Annual Report. <https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing/stewardship-engagement.html>

Climate focus: Sub-funds that apply this sustainability approach focus their portfolio on reducing the environmental footprint over time by cutting the greenhouse gas emissions of the portfolio or the issuers contained in it over time.

Sustainable thematic investments: Strategies or target funds classified by UBS Asset Management as ESG-themed equities or green, social and sustainability bonds, and development bonds invest in such a way that investments are identified and aggregated into a thematic investment universe based on internal and external data sources such as analyses of the UBS Wealth Management Chief Investment Office or the EU Green Bond Standard.

- ESG-themed equities: Equities in companies that sell products and services that address specific environmental or social challenges and/or whose businesses manage a single ESG factor particularly well, such as gender equality.
- Green, social and sustainability bonds: Includes bonds that fund environmental projects, social welfare agencies, or other sustainable issues. Issuers of such bonds typically include companies, municipalities and development banks.
- Bonds issued by a multilateral development bank ("multilateral development bonds"): Bonds issued by multilateral development banks (MDBs) such as the World Bank. MDBs are supported by various governments with the objective of financing sustainable economic growth.

Similar sustainability criteria are applied to investments in strategies from external asset managers, but without specifying the data providers and sources or the precise operationalisation of the criteria.

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

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

The asset manager compares the ESG approaches of the external asset managers with its own ESG approaches, as appropriate, to gain an additional perspective on the external asset managers' ability to actually achieve their stated sustainability goals.

Notes on investments that do not meet the sustainability requirements:

While the asset manager strives for all investments to be sustainable, it may not be able to apply sustainability criteria for certain instruments / target funds for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity, e.g. in the case of commodities, alternative investments such as real estate, or equity or bond futures. In addition, index derivatives and/or investment products that replicate an index (including ETFs) are permitted for the purpose of efficient implementation of the investment policy. Investments in target funds that are not categorised as actively managed sustainability focus funds are also permitted.

ESG risks

As the selection of investments is partly dependent on external data providers, this may represent an additional risk for investors, as sustainability data is to a large extent shaped by qualitative estimates of the external ESG data providers used, which may lead to different estimates of sustainability levels across the external ESG data providers in the presence of the same objective facts. As there is currently no universally accepted valuation benchmark for sustainability levels, an incorrect estimate of sustainability levels and thus a sub-optimal construction of the sustainability benchmarks on which passive sub-funds are based cannot be ruled out. As a consequence, the risk/return profile of the sub-funds may be disadvantageous for the investor compared to a sustainability benchmark constructed on the basis of correct estimates of sustainability levels and/or cause reporting to deviate from the correct actual position.

Annual sustainability report

The UBS Sustainability Report is the medium for the sustainability reporting of UBS. The report, which is published annually, aims to present UBS's sustainability approach and activities in an open and transparent manner, consistently applying UBS's information policy and disclosure principles. <https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing.html>

2. The specific exclusions indicated below apply for the specified sub-funds classified as sustainable:

- UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)
- UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)
- UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

For direct investments (e.g. individual shares and bonds) and UBS target funds:

Ethix: No investments are made in issuers covered by the UBS Asset Management exclusion guidelines (exclusion criteria), such as production of controversial weapons (anti-personnel mines, cluster munitions, biological, chemical or nuclear weapons). Data from an external consultant are used to identify such companies (ISS Ethix <https://www.issgovernance.com/esg/screening/#controversial-weapons>).

SVVK-ASIR: The sub-funds basically cannot invest in direct investments of companies and sovereigns that are included in the list of recommendations published by the Swiss Association for Responsible Investment (SVVK-ASIR) governing the exclusion of companies (see www.svvk-asir.ch). Adjustments to the portfolio to this list shall be subject to appropriate market conditions, feasibility (e.g. market liquidity or sanctions) as soon as possible.

For index derivatives / derivatives / certificates or combinations thereof, as well as investment products that replicate an index:

Index derivatives / derivatives / certificates and/or other investment products that replicate an index and are used for efficient implementation of the investment policy are permitted. These sub-funds also allow combinations of such instruments for the purpose of generating additional returns. However, compliance with exclusion criteria cannot be guaranteed.

The following specific exclusions also apply for external target funds:

Investments are permitted in investment strategies managed outside Switzerland. These may apply different exclusion criteria, exclusion criteria that are not comparable to those in Switzerland, or no exclusion criteria at all. Consequently, compliance with the exclusion criteria/methods cannot be guaranteed for these investment strategies.

1.10.2 Investment objective and investment policy of the sub-funds

a) UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)

The investment objective of this sub-fund is to achieve capital growth and returns in line with the risk profile of the sub-fund. For this sub-fund, in addition to distributions pursuant to § 23 prov. 1 and 2, the fund management company may choose to make partial repayments to the investors, as defined in section 1.9 of this prospectus and § 23 prov. 3 of the fund contract. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3% per year.

The sub-fund does not qualify as sustainable and is not managed sustainably.

The sub-fund invests in a broadly diversified global portfolio of passively and actively managed instruments, individual investments and derivatives.

To achieve this goal, the sub-fund can invest dynamically in asset classes such as equities (issued by companies operating in both developed and emerging markets), bonds (including corporate and government bonds, high-yield bonds, senior loans and bonds focused on emerging markets), real estate, alternative investments, money market instruments and/or liquid assets.

In addition to its global investment character, the sub-fund invests to a moderate to significant extent in Swiss equities and similar instruments as well as in debt instruments in CHF pursuant to prov. 4 below.

In accordance with the investment principles, a derivative strategy using options is also applied to individual equities in the global equity market or to the global, regional or country-specific equity market as a whole. The derivative strategy aims to generate additional returns through the sale of call and put options. If substantial price gains are recorded in the individual underlyings, the level of upside participation in price gains may be limited (calls) or the level of downside participation in price gains may be increased (put). Returns can stem from interest, dividends, option premiums or other sources. The sub-fund may consequently make use of derivative financial instruments for investment purposes. The asset manager can decide to apply the derivative strategy only in part or suspend it completely for a certain time.

1. For this sub-fund, the fund management company invests at least 30% but no more than 80% of the sub-fund's total assets in:
 - a) debt instruments and rights (notes, bonds, debentures, warrant bonds, convertible bonds (voluntary conversion, mandatory conversion or conditional mandatory conversion (incl. contingent convertible bonds (CoCo bonds), fund-linked notes with a capital guarantee, mortgage-backed securities (MBS), inflation-linked bonds, etc.) of private, semi-private and public-law borrowers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to a) to c);
 - e) structured products of issuers worldwide on the investments specified in a) to c);
 - f) derivatives of issuers worldwide in the investments pursuant to a) to c) as well as interest rate swaps, credit default swaps and interest rate and bond futures.
2. Furthermore, the fund management company invests at least 15% but no more than 50% of the sub-fund's total assets in:

- a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
- b) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to a);
- c) structured products of issuers worldwide on the investments specified in a);
- d) derivatives of issuers worldwide on the investments specified in a).
- 3. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh).
- 4. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - At least 20% and up to 70% of the sub-fund's assets are invested in the investments listed in prov. 1. a) to f), prov. 2. a) to d) and prov. 3 of the preceding sections from issuers that have their registered office in Switzerland or are listed on a Swiss stock exchange, or in investments that are denominated in Swiss francs.
- 5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - up to a total of 30% in:
 - equity paper and rights from companies in emerging markets;
 - equity paper and rights from small caps;
 - debt instruments and rights with a rating below investment grade;
 - up to 10% in CoCo bonds;
 - up to 20% in alternative investments pursuant to § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh), which includes: hedge funds, indirect investments in private equity, indirect investments in precious metals, indirect investments in commodities, indirect investments in real estate (including REITs), indirect investments in insurance-linked securities, indirect investments in senior secured loans, and indirect investments in master limited partnerships (MLPs). The fund management company can invest up to 5% of the sub-fund's total assets in hedge funds and indirect investments in private equity pursuant to § 8 prov. 2 ga) and gb), of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses.

The leverage of exposures to long equity futures that are not covered by cash or cash equivalents is limited to 20%.

The currency designation contained in the sub-fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company can hedge the currency risk of investments that are not denominated in the sub-fund's accounting currency.

Investments can in principle be made worldwide, in particular in emerging markets.

Debt instruments and rights with an investment grade or non-investment grade rating, as well as those with no rating, may be purchased for the sub-fund. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.

The redemption frequency of the target funds should in general correspond to that of the investing sub-fund.

b) UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)

The investment objective of this sub-fund is to achieve capital growth and returns in line with the risk profile of the sub-fund. For this sub-fund, in addition to distributions pursuant to § 23 prov. 1 and 2, the fund management company may choose to make partial repayments to the investors, as defined in section 1.9 of this prospectus and § 23 prov. 3 of the fund contract. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3% per year.

The sub-fund does not qualify as sustainable and is not managed sustainably.

The sub-fund invests in a broadly diversified global portfolio of passively and actively managed instruments, individual investments and derivatives.

To achieve this goal, the sub-fund can invest dynamically in asset classes such as equities (issued by companies operating in both developed and emerging markets), bonds (including corporate and government bonds, high-yield bonds, senior loans and bonds focused on emerging markets), real estate, alternative investments, money market instruments and/or liquid assets.

In addition to its global investment character, the sub-fund invests to a moderate to significant extent in Swiss equities and similar instruments as well as in debt instruments in CHF pursuant to prov. 4 below.

In accordance with the investment principles, a derivative strategy using options is also applied to individual equities in the global equity market or to the global, regional or country-specific equity market as a whole. The derivative strategy aims to generate additional returns through the sale of call and put options. If substantial price gains are recorded in the individual underlyings, the level of upside participation in price gains may be limited (calls) or the level of downside participation in price gains may be increased (put). Returns can stem from interest, dividends, option premiums or other sources. The sub-fund may consequently make use of derivative financial instruments for investment purposes. The asset manager can decide to apply the derivative strategy only in part or suspend it completely for a certain time.

- 1. For this sub-fund, the fund management company invests at least 35% but no more than 70% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to a);
 - c) structured products of issuers worldwide on the investments specified in a);
 - d) derivatives of issuers worldwide on the investments specified in a).
- 2. Furthermore, the fund management company invests at least 10% but no more than 60% of the sub-fund's total assets in:
 - a) debt instruments and rights (notes, bonds, debentures, warrant bonds, convertible bonds (voluntary conversion, mandatory conversion or conditional mandatory conversion (incl. contingent convertible bonds (CoCo bonds), fund-linked notes with a

- capital guarantee, mortgage-backed securities (MBS), inflation-linked bonds, etc.) of private, semi-private and public-law borrowers worldwide, denominated in any freely convertible currency;
- b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to a) to c);
 - e) structured products of issuers worldwide on the investments specified in a) to c);
 - f) derivatives of issuers worldwide in the investments pursuant to a) to c) as well as interest rate swaps, credit default swaps and interest rate and bond futures.
3. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh).
4. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
- At least 20% and up to 70% of the sub-fund's assets are invested in the investments listed in prov. 1. a) to d), prov. 2. a) to f) and prov. 3 of the preceding sections from issuers that have their registered office in Switzerland or are listed on a Swiss stock exchange, or in investments that are denominated in Swiss francs.
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
- up to a total of 30% in:
 - equity paper and rights from companies in emerging markets;
 - equity paper and rights from small caps;
 - debt instruments and rights with a rating below investment grade;
 - up to 10% in CoCo bonds;
 - up to 20% in alternative investments pursuant to § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh), which includes: hedge funds, indirect investments in private equity, indirect investments in precious metals, indirect investments in commodities, indirect investments in real estate (including REITs), indirect investments in insurance-linked securities, indirect investments in senior secured loans, and indirect investments in master limited partnerships (MLPs). The fund management company can invest up to 5% of the sub-fund's total assets in hedge funds and indirect investments in private equity pursuant to § 8 prov. 2 ga) and gb), of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses.

The leverage of exposures to long equity futures that are not covered by cash or cash equivalents is limited to 20%.

The currency designation contained in the sub-fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company can hedge the currency risk of investments that are not denominated in the sub-fund's accounting currency.

Investments can in principle be made worldwide, in particular in emerging markets.

Debt instruments and rights with an investment grade or non-investment grade rating, as well as those with no rating, may be purchased for the sub-fund. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk. The redemption frequency of the target funds should in general correspond to that of the investing sub-fund.

c) UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

The investment objective of this sub-fund is to achieve capital growth and returns in line with the risk profile of the sub-fund. For this sub-fund, in addition to distributions pursuant to § 23 prov. 1 and 2, the fund management company may choose to make partial repayments to the investors, as defined in section 1.9 of this prospectus and § 23 prov. 3 of the fund contract. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3% per year.

The sub-fund does not qualify as sustainable and is not managed sustainably.

The sub-fund invests in a broadly diversified global portfolio of passively and actively managed instruments, individual investments and derivatives.

To achieve this goal, the sub-fund can invest dynamically in asset classes such as equities (issued by companies operating in both developed and emerging markets), bonds (including corporate and government bonds, high-yield bonds, senior loans and bonds focused on emerging markets), real estate, alternative investments, money market instruments and/or liquid assets.

In addition to its global investment character, the sub-fund invests to a moderate to significant extent in Swiss equities and similar instruments as well as in debt instruments in CHF pursuant to prov. 4 below.

In accordance with the investment principles, a derivative strategy using options is also applied to individual equities in the global equity market or to the global, regional or country-specific equity market as a whole. The derivative strategy aims to generate additional returns through the sale of call and put options. If substantial price gains are recorded in the individual underlyings, the level of upside participation in price gains may be limited (calls) or the level of downside participation in price gains may be increased (put). Returns can stem from interest, dividends, option premiums or other sources. The sub-fund may consequently make use of derivative financial instruments for investment purposes. The asset manager can decide to apply the derivative strategy only in part or suspend it completely for a certain time.

1. For this sub-fund, the fund management company invests at least 55% but no more than 95% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to a);
 - c) structured products of issuers worldwide on the investments specified in a);
 - d) derivatives of issuers worldwide on the investments specified in a).

2. Furthermore, the fund management company invests up to 40% of the sub-fund's total assets in:
 - a) debt instruments and rights (notes, bonds, debentures, warrant bonds, convertible bonds (voluntary conversion, mandatory conversion or conditional mandatory conversion (incl. contingent convertible bonds (CoCo bonds), fund-linked notes with a capital guarantee, mortgage-backed securities (MBS), inflation-linked bonds, etc.) of private, semi-private and public-law borrowers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to a) to c);
 - e) structured products of issuers worldwide on the investments specified in a) to c);
 - f) derivatives of issuers worldwide in the investments pursuant to a) to c) as well as interest rate swaps, credit default swaps and interest rate and bond futures.
3. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh).
4. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - At least 20% and up to 70% of the sub-fund's assets are invested in the investments listed in prov. 1. a) to d), prov. 2. a) to f) and prov. 3 of the preceding sections from issuers that have their registered office in Switzerland or are listed on a Swiss stock exchange, or in investments that are denominated in Swiss francs.
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - up to a total of 30% in:
 - equity paper and rights from companies in emerging markets;
 - equity paper and rights from small caps;
 - debt instruments and rights with a rating below investment grade;
 - up to 10% in CoCo bonds;
 - up to 20% in alternative investments pursuant to § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh), which includes: hedge funds, indirect investments in private equity, indirect investments in precious metals, indirect investments in commodities, indirect investments in real estate (including REITS), indirect investments in insurance-linked securities, indirect investments in senior secured loans, and indirect investments in master limited partnerships (MLPs). The fund management company can invest up to 5% of the sub-fund's total assets in hedge funds and indirect investments in private equity pursuant to § 8 prov. 2 ga) and gb), of which up to 100 % may be funds of funds. Alternative investments entail an increased potential for losses.

The leverage of exposures to long equity futures that are not covered by cash or cash equivalents is limited to 20%.

The currency designation contained in the sub-fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company can hedge the currency risk of investments that are not denominated in the sub-fund's accounting currency.

Investments can in principle be made worldwide, in particular in emerging markets.

Debt instruments and rights with an investment grade or non-investment grade rating, as well as those with no rating, may be purchased for the sub-fund. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.

The redemption frequency of the target funds should in general correspond to that of the investing sub-fund.

d) UBS (CH) Fund 1 - Privilege 35 CHF

The investment objective of this sub-fund is principally to achieve capital preservation in real terms and long-term growth in capital through capital and currency gains.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds as described in section 1.10.1 of the prospectus. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds.

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of

methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria.

With the following rules, the fund management company broadly follows the requirements of the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances (BVV2). In the case of collective investment schemes, the fund management company assesses their compatibility with BVG/BVV2 without reviewing the underlying investments with regard to the respective collective investment scheme's fund documentation. Pursuant to §8 Investment objective and investment policy, prov. 4 let. D. prov. 2 and prov. 3 of the fund contract, the following collective investment schemes are eligible: collective investment schemes set up under CISA Commitment Approach I; index funds; other collective investment schemes that do not specifically provide for short positions or leverage in their investment policy. In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.

For this sub-fund, the fund management company invests no more than 80% of the sub-fund's total assets in:

- a) bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights issued by private, semi-private and public-law issuers worldwide, denominated in any freely convertible currency;
- b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
- c) sight and time deposits;
- d) units or shares of other collective investment schemes that invest in debt instruments and rights or money market instruments;
- e) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
- f) derivatives (futures and swaps) on debt instruments and rights, interest rates and reference borrowers (credit default swaps) in each case accounted for based on their underlying equivalent for exposure-increasing derivatives and accounted for based on their market value for exposure-reducing derivatives.

Furthermore, the fund management company invests at least 20% but no more than 45% of the sub-fund's total assets in:

- a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
- b) units or shares of other collective investment schemes that invest in equities and similar instruments;
- c) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
- d) derivatives (calls, puts, futures) of issuers worldwide on equities and similar instruments as well as equity indices accounted for based on their underlying equivalent for exposure-increasing and exposure-decreasing derivatives.

In addition, the fund management company may invest up to 5% of the sub-fund's total assets in alternative investments pursuant to § 8 prov. 2 ga) (hedge funds) and gb) (indirect investments in private equity) and may invest up to 10% of the sub-fund's total assets in alternative investments pursuant to § 8 prov. 2 ge) (indirect investments in real estate, of which up to 100% may be funds of funds). Alternative investments entail an increased potential for losses.

In addition, the fund management company may invest up to 40% of the sub-fund's total assets in exposure-increasing derivatives (in each case accounted for based on their underlying equivalent).

The fund management company may invest a total of up to 30% of the sub-fund's total assets in debt instruments and rights with a non-investment grade rating as well as those with no rating. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.

The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company may employ forward foreign exchange contracts as well as currency options and futures on currencies on a worldwide basis for currency allocation and hedging purposes. The foreign-currency risk totals no more than 30%.

The redemption frequency of the target funds shall in general correspond to that of the sub-fund.

e) UBS (CH) Fund 1 - Privilege 45 CHF

The investment objective of this sub-fund is principally to achieve capital preservation in real terms and long-term growth in capital through capital and currency gains.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds as described in section 1.10.1 of the prospectus. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds.

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria.

With the following rules, the fund management company broadly follows the requirements of the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances (BVV2). In the case of collective investment schemes, the fund management company assesses their compatibility with BVG/BVV2 without reviewing the underlying investments with regard to the respective collective investment scheme's fund documentation. Pursuant to §8 Investment objective and investment policy, prov. 4 let. E. prov. 2 and prov. 3 of the fund contract, the following collective investment schemes are eligible: collective investment schemes set up under CISA Commitment Approach I; index funds; other collective investment schemes that do not specifically provide for short positions or leverage in their investment policy. In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.

For this sub-fund, the fund management company invests no more than 75% of the sub-fund's total assets in:

- a) bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights issued by private, semi-private and public-law issuers worldwide, denominated in any freely convertible currency;
- b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
- c) sight and time deposits;
- d) units or shares of other collective investment schemes that invest in debt instruments and rights or money market instruments;
- e) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
- f) derivatives (futures and swaps) on debt instruments and rights, interest rates and reference borrowers (credit default swaps) in each case accounted for based on their underlying equivalent for exposure-increasing derivatives and accounted for based on their market value for exposure-reducing derivatives.

Furthermore, the fund management company invests at least 25% but no more than 50% of the sub-fund's total assets in:

- a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
- b) units or shares of other collective investment schemes that invest in equities and similar instruments;
- c) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
- d) derivatives (calls, puts, futures) of issuers worldwide on equities and similar instruments as well as equity indices accounted for based on their underlying equivalent for exposure-increasing and exposure-decreasing derivatives.

In addition, the fund management company may invest up to 5% of the sub-fund's total assets in alternative investments pursuant to § 8 prov. 2 ga) (hedge funds) and gb) (indirect investments in private equity) and may invest up to 10% of the sub-fund's total assets in alternative investments pursuant to § 8 prov. 2 ge) (indirect investments in real estate, of which up to 100% may be funds of funds). Alternative investments entail an increased potential for losses.

In addition, the fund management company may invest up to 40% of the sub-fund's total assets in exposure-increasing derivatives (in each case accounted for based on their underlying equivalent).

The fund management company may invest a total of up to 30% of the sub-fund's total assets in debt instruments and rights with a non-investment grade rating as well as those with no rating. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.

The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company may employ forward foreign exchange contracts as well as currency options and futures on currencies on a worldwide basis for currency allocation and hedging purposes. The foreign-currency risk totals no more than 30%.

The redemption frequency of the target funds shall in general correspond to that of the sub-fund.

f) UBS (CH) Fund 1 - Privilege 75 CHF

The investment objective of this sub-fund is principally to achieve long-term capital growth through capital and currency gains.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds as described in section 1.10.1 of the prospectus. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds.

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria.

With the following rules, the fund management company broadly follows the requirements of the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances (BVV2). The maximum equity component nevertheless exceeds the category limit for equities as specified in the BVV2. In the case of collective investment schemes, the fund management company assesses their compatibility with BVG/BVV2 without reviewing the underlying investments with regard to the respective collective investment scheme's fund documentation. Pursuant to §8 Investment objective and investment policy, prov. 4 let. F. prov. 2 and prov. 3 of the fund contract, the following collective investment schemes are eligible: collective investment schemes set up under CISA Commitment Approach I; index funds; other collective investment schemes that do not specifically provide for short positions or leverage in their investment policy. In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.

For this sub-fund, the fund management company invests no more than 50% of the sub-fund's total assets in:

- a) bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights issued by private, semi-private and public-law issuers worldwide, denominated in any freely convertible currency;
- b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
- c) sight and time deposits;
- d) units or shares of other collective investment schemes that invest in debt instruments and rights or money market instruments;
- e) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
- f) derivatives (futures and swaps) on debt instruments and rights, interest rates and reference borrowers (credit default swaps) in each case accounted for based on their underlying equivalent for exposure-increasing derivatives and accounted for based on their market value for exposure-reducing derivatives.

Furthermore, the fund management company invests at least 50% but no more than 85% of the sub-fund's total assets in:

- a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
- b) units or shares of other collective investment schemes that invest in equities and similar instruments;
- c) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
- d) derivatives (calls, puts, futures) of issuers worldwide on equities and similar instruments as well as equity indices accounted for based on their underlying equivalent for exposure-increasing and exposure-decreasing derivatives.

In addition, the fund management company may invest up to 5% of the sub-fund's total assets in alternative investments pursuant to § 8 prov. 2 ga) (hedge funds) and gb) (indirect investments in private equity) and may invest up to 10% of the sub-fund's total assets in alternative investments pursuant to § 8 prov. 2 ge) (indirect investments in real estate, of which up to 100% may be funds of funds). Alternative investments entail an increased potential for losses.

In addition, the fund management company may invest up to 40% of the sub-fund's total assets in exposure-increasing derivatives (in each case accounted for based on their underlying equivalent).

The fund management company may invest a total of up to 20% of the sub-fund's total assets in debt instruments and rights with a non-investment grade rating as well as those with no rating. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.

The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company may employ forward foreign exchange contracts as well as currency options and futures on currencies on a worldwide basis for currency allocation and hedging purposes. The foreign-currency risk totals no more than 30%.

The redemption frequency of the target funds shall in general correspond to that of the sub-fund.

g) UBS (CH) Fund 1 - Privilege 20 CHF

The investment objective of this sub-fund is principally to achieve capital preservation in real terms. This sub-fund pursues an income-driven investment strategy with the Swiss franc as its accounting currency.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the

concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds as described in section 1.10.1 of the prospectus. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds.

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria.

The fund management company invests at least 25% and no more than 85% of the sub-fund's total assets in:

- a) bonds denominated in Swiss francs (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-interest debt instruments and rights issued by private, semi-private and public-law borrowers worldwide with a good credit rating;
- b) units or shares in other collective investment schemes in Swiss francs that invest in assets pursuant to a) above;
- c) derivatives of issuers worldwide in the investments pursuant to a) above, as well as interest rate swaps, credit default swaps and interest rate and bond futures.

In addition, the fund management company invests at least 10% and no more than 25% of the sub-fund's total assets in:

- a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) in Swiss francs of companies worldwide;
- b) units or shares in other collective investment schemes in Swiss francs that invest in assets pursuant to a) above;
- c) derivatives of issuers worldwide on the investments pursuant to a) above and on equity indices.

Furthermore, the fund management company may invest up to 75% of this sub-fund's total assets in:

- a) Swiss franc-denominated money market instruments of issuers worldwide with a good credit rating;
- b) units or shares in other collective investment schemes in Swiss francs that invest in assets pursuant to a) above;
- c) sight and time deposits denominated in Swiss francs with a maturity of up to 12 months with banks that have their registered office in Switzerland.

The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:

- a) exposure-increasing derivatives (in each case accounted for based on their underlying equivalent): up to 20%;
- b) sight and time deposits: up to 20%;
- c) units or shares in other collective investment schemes: up to 49%;
- d) up to 49% in bonds denominated in Swiss francs issued by companies worldwide (companies whose registered office is not in Switzerland).

The fund management company may use derivatives for hedging purposes.

For this sub-fund, the fund management company is not permitted to invest in alternative investments pursuant to § 8 prov. 2 g) of the fund contract.

With the above rules, the fund management company is largely following the requirements of Art. 7 para. 1 of the Ordinance on the Management of the Assets within the Framework of Legal Assistance and Guardianship (VBVV; status as at 23 August 2013). In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.

1.10.3 Investment restrictions of the sub-funds

- a) **UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)**
- b) **UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)**
- c) **UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)**
- d) **UBS (CH) Fund 1 - Privilege 35 CHF**
- e) **UBS (CH) Fund 1 - Privilege 45 CHF**
- f) **UBS (CH) Fund 1 - Privilege 75 CHF**
- g) **UBS (CH) Fund 1 - Privilege 20 CHF**

Including derivatives and structured products, the fund management company may invest up to 10% of a sub-fund's assets in securities and money market instruments of the same issuer/borrower. The total value of the securities and money market instruments of issuers/borrowers in which more than 5% of the assets of a sub-fund are invested may not exceed 40% of the assets of the corresponding sub-fund.

The fund management company may invest up to 35% of the sub-fund's assets in securities of the same issuer, provided these are issued or guaranteed by a state or public-law entity of the OECD or by international organisations with public-law characteristics in which Switzerland or a European Union member state participate.

In accordance with the authorisation granted to it by the Swiss Financial Market Supervisory Authority FINMA, the fund management company may invest up to 100% of the assets of a sub-fund in securities of the same issuer, provided these are issued or guaranteed by a state or public-law entity of the OECD or by international organisations with public-law characteristics in which Switzerland or a European Union member state participate. The following are authorised as issuers or guarantors: OECD member states or organisations with public-law characteristics from OECD member states and the following international organisations: the Council of Europe, the International Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

Detailed information on the sub-funds' investment restrictions can be found in the fund contract (see Part 2, § 15).

1.10.4 Investment objective of the sub-funds

The fund management company may use derivatives. However, even under extreme market circumstances, the use of derivatives must not result in a deviation from the investment objectives or a change in the investment character of the sub-funds.

In connection with collective investment schemes, derivatives may only be used to hedge currency risks. They may, however, be used to hedge market, interest rate and credit risks of collective investment schemes where the risks are clearly definable and measurable.

Commitment Approach I:

UBS (CH) Fund 1 - Privilege 35 CHF

UBS (CH) Fund 1 - Privilege 45 CHF

UBS (CH) Fund 1 - Privilege 75 CHF

UBS (CH) Fund 1 - Privilege 20 CHF

For these sub-funds, the Commitment I approach is applied to the assessment of risk.

Derivatives form part of the investment strategy and are not used solely to hedge investment positions.

Only basic forms of derivatives may be used, i.e. call or put options, swaps, credit default swaps (CDS), and futures and forward transactions, as described in more detail in the fund contract (cf. § 12), provided the underlying securities are permitted as investments under the investment policy. The derivative transactions may be concluded on an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading. In addition to the market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract fails to meet its obligations and thus causes a financial loss.

With a CDS, the default risk of a credit position is transferred from the risk seller to the risk buyer. The latter receives a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss; both factors are generally difficult to assess, which increases the risk associated with the CDS. The sub-funds may act as both risk buyers and risk sellers.

Even in exceptional market conditions, the use of these instruments may not result in the sub-funds' assets being leveraged, neither may they correspond to a short sale.

Commitment Approach II:

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

For these sub-funds, the Commitment II approach is applied to the assessment of risk.

Derivatives form part of the investment strategy and are not used solely to hedge investment positions.

Both basic forms of derivatives and exotic derivatives may be used to a negligible extent, as described in more detail in the fund contract (see § 12), provided the underlying securities are permitted as investments under the investment policy. The derivative transactions may be concluded on either an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading. In addition to market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to meet its obligations and may thus cause a financial loss.

In addition to credit default swaps (CDS), all other types of credit derivatives may be acquired (e.g. total return swaps (TRS), credit spread options (CSO), credit linked notes (CLN)) by which credit risks can be transferred to third parties (risk buyers). The risk buyers receive a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss; both factors are generally difficult to assess, which increases the risk associated with credit derivatives. The sub-funds may act as both risk buyers and risk sellers.

The use of derivatives may have a leverage effect on a sub-fund's assets or may correspond to a short sale. A sub-fund's total exposure to derivatives may be up to 100% of its net assets, and the total exposure may thus be up to 200% (up to 225% taking into account the possibility of borrowing) of its net assets.

1.10.5 Collateral strategy

With regard to the use of certain investment techniques and in connection with OTC transactions, the fund management company accepts collateral as per the CISO-FINMA, which may have the effect of reducing the level of counterparty risk assumed.

The fund management company currently considers the following types of assets as permissible collateral:

- Cash in Swiss francs, euros, US dollars, or a reference currency of a sub-fund;
- Fixed- or variable-interest debt instruments or rights issued or guaranteed by an OECD state or a public-law entity in the OECD or by an international organisation with public-law characteristics to which Switzerland or a member state of the European Union belongs;
- Fixed- or variable-interest debt instruments or rights of an issuer domiciled in an OECD member state;
- Equities, insofar as these are ordinary shares traded on an exchange or other regulated market open to the public in Switzerland, an EU member state, an OECD member state, or the United States of America (US), as well as equities represented in a widely diversified reference benchmark.

Fixed or variable interest-bearing debt instruments or securities must generally have a long-term minimum rating of "A-" or the equivalent and a short-term minimum rating of "A-2" or the equivalent.

If an issuer or security is the subject of different ratings from Standard and Poor's, Moody's or Fitch, the lowest of these ratings shall apply.

The fund management company is entitled to issue restrictions with respect to certain OECD countries and equity indices and limit their acceptance onto the list of permissible countries or benchmark indices, as well as exclude them from the list altogether, or, at a more general level, impose further restrictions on permissible collateral vis-à-vis counterparties and intermediaries.

The fund management shall determine the necessary scope of collateralisation on the basis of the applicable risk diversification rules, taking into account the nature and characteristics of the transactions, the creditworthiness of the counterparties and the prevailing market conditions. In the case of securities lending, the fund management company agrees with the borrower or intermediary that collateral shall be pledged or transferred to the fund management company; the value of this collateral should be adequate and at all times equal to at least 100% of the market value of the loaned securities.

Received collateral is valued at least once a day on all trading days. For all types of assets accepted as collateral, the fund management company employs a "haircut" strategy. A haircut (security margin) is a discount applied to the value of an asset accepted as collateral, in order to take account of the fact that the valuation or liquidity profile of this asset may deteriorate from time to time. The haircut strategy takes into account the characteristics of each asset, particularly the type and creditworthiness of the issuer of the collateral, as well as its price volatility. In the corresponding agreement with the relevant counterparty, which may stipulate minimum transfer amounts, the fund management company seeks to ensure that all collateral received is assigned an adjusted value in keeping with the haircut strategy.

On the basis of its haircut strategy, the fund management company generally applies the following discounts:

Types of collateral	Discount
Cash in Swiss francs, euros, US dollars, or a reference currency of a sub-fund	0%
Fixed- or variable-interest debt instruments or rights issued or guaranteed by an OECD state or a public-law entity in the OECD or by an international organisation with public-law characteristics to which Switzerland or a member state of the European Union belongs.	0.5%–5%
Fixed or variable interest-bearing debt instruments or securities relating to an issuer domiciled in an OECD member state	1%–8%
Equities, insofar as these are ordinary shares traded on an exchange or other regulated market open to the public in Switzerland, an EU member state, an OECD member state, or the United States of America (US), as well as equities represented in a widely diversified reference benchmark.	5%–15%

The fund management company reserves the right vis-à-vis counterparties and brokers, particularly in the event of unusual market volatility, to increase the discounts that apply to collateral with a view to ensuring that the sub-funds have greater collateral protection, thereby reducing the level of counterparty risk.

When managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, the fund management company shall ensure appropriate diversification of collateral by country, market and issuer. With respect to issuer cluster risks, these will be deemed to be appropriately diversified if the collateral accounted for by a single issuer does not exceed 20% of the net asset value. Exceptions for publicly guaranteed or publicly issued investments pursuant to Art. 83 CISO remain reserved.

With respect to cash collateral received, the fund management company may only invest this in the corresponding currency in the form of liquid assets, government bonds of high quality, and directly or indirectly in money market instruments with short terms, or use these instruments as reverse repos.

A sub-fund may suffer a loss from the reinvestment of received cash collateral, particularly if the investment made with this cash collateral depreciates. As a result of the reduction in value of such an investment, the amount available for transfer back to the counterparty will also be reduced. Any resulting difference in value of the received cash collateral must be made good by the sub-fund in question, and this sub-fund will consequently incur a loss.

Collateral other than liquid assets may not be lent out, repledged, sold, reinvested, or used for repo transactions or to cover the liabilities of derivative financial instruments.

The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held in safekeeping by a supervised third-party custodian on behalf of the fund management company provided that ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

1.10.6 Total expense ratio

The coefficient of the total costs charged to the sub-funds' assets on an ongoing basis (total expense ratio, TER) is shown in the table at the end of the prospectus

1.10.7 Payment of retrocessions and rebates

The fund management company, its agents and the custodian bank may use the management fee to pay retrocessions (trailer fees) as remuneration for the marketing of fund units in or from Switzerland. This remuneration covers the following services in particular:

- any activity aimed at promoting the distribution or transfer of fund units;
- organising road shows;
- participating at events and trade fairs;
- producing promotional materials;
- training sales staff;

– etc.

Retrocessions are not deemed to be rebates, even if they are ultimately passed on to investors in whole or in part.

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

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes to these investors.

The fund management company, its agents and the custodian bank may, upon request, pay discounts directly to investors in order to reduce the fees and costs charged to the umbrella fund and sub-funds. Rebates are permitted provided that they

- are paid from fees that were charged to the assets of the sub-fund concerned and therefore are not charged additionally to the fund assets;
- are granted on the basis of objective criteria;
- are granted equally to all investors meeting the objective criteria, provided the timeframe is the same.

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

- amount subscribed by the investor or the total amount held by the investor in the investment fund, or possibly in the product range of the promoter;
- the amount of the fees generated by the investor;
- investment behaviour shown by the investor (e.g. expected investment period);
- investor's willingness to provide support during the investment fund's launch phase.

At the request of the investor, the fund management company must disclose the amounts of such rebates free of charge.

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

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

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

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

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

1.10.8 Commission-sharing agreements and soft commissions

Commission-sharing agreements exist for UBS (CH) Fund 1. However, the fund management company has not concluded any agreements in respect of trailer fees in the form of soft commissions.

1.10.9 Investments in related collective investment schemes

No issuing and redemption commissions are charged in the case of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a significant direct or indirect interest.

1.11 Viewing the reports

Further information on the umbrella fund and the sub-funds may be found in the latest annual or semi-annual report. In addition, the latest information can be found on the Internet at www.credit-suisse.com and/or www.ubs.com.

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

1.12 Legal form of the umbrella fund

UBS (CH) Fund 1 (formerly CS Fund 1) is a contractual umbrella fund under Swiss law of the "Other funds for traditional investments" type which was established under the Swiss Federal Act on Collective Investment Schemes Act of 23 June 2006.

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

The investor is only entitled to participate in the assets and income of the sub-fund in which it holds units. Any liabilities attributable to individual sub-funds are borne solely by the sub-fund concerned.

1.13 The material risks

The risk information below describes specific risk factors that may be associated with investing in the sub-funds. This risk information should be considered by investors before investing in a sub-fund. The following risk warnings should not be construed as a comprehensive description of all the risks associated with an investment in the sub-funds.

The material risks associated with the sub-funds are:

The investments in the respective sub-fund are subject to normal market fluctuations and other risks associated with investments in securities. There is no guarantee that the value of the investments will increase. Both the value and income of the investments can fall or rise. There is no guarantee that the investment objective will actually be achieved. There is no guarantee that investors will obtain a specific income or be able to redeem the units with the fund management company at a specific price. The currency denomination included in the name of the sub-funds refers solely to the currency used to measure the performance of the sub-funds, and not to the investment currency of the sub-funds. Investments are made in the currencies best suited for the performance of the sub-fund and may be made all over the world.

1.14 Liquidity risk management

The fund management company must ensure appropriate liquidity management. It assesses the liquidity of the sub-funds of the umbrella fund in the context of structuring and launch, and thereafter on a monthly basis. Assessment involves analysis of various scenarios and takes account of criteria including diversification and size of the sub-fund, fungibility of the investments, characteristics of the fund-specific investment market, market elasticity and depth of the markets in which the sub-fund invests. For certain asset classes with restricted liquidity or where the availability of market information is limited (e.g. real estate, mortgages, alternative investments), this analysis may be performed at longer intervals and the criteria used may differ. The fund management company documents the results of this analysis and, if necessary, defines and implements appropriate measures for limiting any liquidity risks. The factors influencing liquidity risk can change constantly, sometimes in unexpected and significant ways. It is therefore possible that liquidity risks will arise for the sub-funds despite the analysis performed by the fund management company and measures taken (cf. also prov. 1.15.1).

2 Information on the fund management company

2.1 General information on the fund management company

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

2.2 Additional information on the fund management company

As at 31 December 2023, the fund management company managed a total of 423 securities funds and eight real estate funds in Switzerland, with total assets of CHF 339.3 billion.

Credit Suisse Funds AG managed a total of 284 collective investment schemes (including sub-funds) in Switzerland as at 31 December 2023, with assets under management amounting to a combined CHF 342.1 billion.

Address:

UBS Fund Management (Switzerland) AG
Aeschenvorstadt 1
4051 Basel

Website:

www.ubs.com

2.3 Board of Directors and Executive Board

Board of Directors

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

Executive Board

- Eugène Del Cioppo, Managing Director, Head ManCo Substance & Oversight
- Georg Pfister, Deputy Managing Director, Head Operating Office, Finance, HR
- Yves Schepperle, Head WLS – Products
- Urs Fäs, Head Real Estate Funds
- Marcus Eberlein, Head Investment Risk Control
- Thomas Reisser, Head Compliance & Operational Risk Control
- Béatrice Amez-Droz, Head WLS – BD / CRM

2.4 Subscribed and paid-up capital

The subscribed share capital of the fund management company amounts to CHF 1 million and is fully paid up. The share capital is divided into registered shares.

UBS Fund Management (Switzerland) AG is a wholly owned Group company of UBS Group AG.

2.5 Delegation of investment decisions

Investment decisions for all sub-funds have been delegated to UBS Asset Management Switzerland AG, Zurich, as asset manager.

UBS Asset Management Switzerland AG, a group company of UBS Group AG, has many years of experience in asset management and extensive knowledge of the investment markets of the sub-funds. UBS Asset Management Switzerland AG is an approved asset manager of collective investment schemes and subject to supervision by FINMA.

The precise details of the mandate are set out in an asset management agreement entered into between UBS Fund Management (Switzerland) AG and UBS Asset Management Switzerland AG.

UBS Asset Management Switzerland AG has engaged UBS Switzerland AG with registered office in Zurich for the following sub-funds:

- UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)
- UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)
- UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

The investment advisor has an exclusively advisory capacity; all investment decisions are taken by UBS Asset Management Switzerland AG

2.6 Delegation of other specific tasks

The fund management company has transferred various specific tasks in connection with the administration of the group companies of UBS Group AG in Switzerland and abroad. The precise details of the mandate are governed by an agreement entered into between the fund management company and the group companies of UBS Group AG.

2.7 Exercising of membership and creditors' rights

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

In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party and to waive the exercise of membership and creditors' rights.

In the case of all other events that might have a lasting impact on the interests of the investors, such as, in particular, the exercise of membership and creditors' rights the fund management company holds as a shareholder or creditor of the custodian bank or another related legal entity, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the asset manager, the company concerned, or from voting rights advisors or other third parties, or that it ascertains from the media.

2.8 Privacy notice

Detailed information on how the fund management company and the custodian bank process personal data in connection with this fund contract can be found at: <https://www.ubs.com/global/de/legal/privacy/switzerland.html>.

3 Information on the custodian bank

3.1 General information on the custodian bank

The custodian bank is UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich. The Bank was founded in 2014 as a stock corporation with its registered office in Zurich and with effect from 14 June 2015 it took over the Private and Corporate Banking business booked in Switzerland as well as the Wealth Management business booked in Switzerland of UBS AG.

3.2 Further information on the custodian bank

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

UBS Switzerland AG is a group company of UBS Group AG. With consolidated total assets of USD 1,717,246 million and published capital and reserves of USD 86,639 million as at 31 December 2023, UBS Group AG is financially one of the strongest banks in the world. It employs a staff of 112,842 worldwide and has an extensive network of branches.

The custodian bank may delegate the safekeeping of the sub-funds' assets to third-party custodians and central securities depositories in Switzerland or abroad, provided this is in the interests of efficient safekeeping.

In respect of financial instruments, such delegation may be made only to regulated third-party custodians and central securities depositories. This does not apply to mandatory safekeeping at a location where the transfer to regulated third-party custodians and central securities depositories is not possible, in particular due to mandatory legal provisions or the procedural details for the investment product, for example.

This is subject to the following risks: The use of third-party custodians and central securities depositories means that the fund management company is no longer the sole owner but only a co-owner of the deposited securities. Moreover, if the third-party custodians and central securities depositories are not regulated, they are unlikely to meet the requirements placed on Swiss banks in organisational terms.

The custodian bank is liable for damage or loss caused by its agents unless it is able to prove that it exercised the due diligence required in the circumstances in respect of selection, instruction and monitoring.

The custodian bank is registered with the US tax authorities as a reporting financial institution under a Model 2 IGA pursuant to sections 1471 through 1474 of the US Internal Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, "FATCA").

4 Information on third parties

4.1 Paying agents

The paying agents are UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich and all its branches in Switzerland.

4.2 Distributors

UBS Asset Management Switzerland AG, Zurich, has been entrusted with the distribution activities in relation to the sub-funds.

5 Further information

5.1 Key data

Swiss sec. no.:	See table at the end of the prospectus
ISIN number:	See table at the end of the prospectus
Accounting currency	See table at the end of the prospectus

5.2 Publication of official notices by the umbrella fund and sub-funds

In the event of an amendment to the fund contract, a change of fund management company or of custodian bank, as well the dissolution of the umbrella fund or sub-fund, the corresponding notice will be published by the fund management company on the electronic platform Swiss Fund Data (www.swissfunddata.ch).

Prices and net asset values (using the SSP method of modified net asset values) for all unit classes of each sub-fund are published daily on the electronic platform Swiss Fund Data (www.swissfunddata.ch) and, if required, in other Swiss and international newspapers as well as electronic media.

5.3 Sales restrictions

With respect to the issue and redemption of units of the sub-funds outside Switzerland, the regulations regarding investment funds and taxes in the country in question apply.

Units of this collective investment scheme may not be offered, sold or delivered within the United States of America or its territories. Units of this collective investment scheme may not be offered, sold or delivered to citizens and/or residents of the United States of America and/or persons or entities whose income and/or revenue, irrespective of source, is subject to US income tax, including those deemed to be US persons under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act, as amended.

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

5.4 Details on distribution activity abroad

The fund management company may at any time apply for the fund to be distributed in other countries.

6 Further investment information

6.1 Profile of the typical investor

a) UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)

The sub-fund UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF) is suitable for investors who attach importance to capital preservation and an appropriate additional return.

b) UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)

The sub-fund UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF) is suitable for investors who attach importance to returns but have limited risk tolerance.

c) UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

The sub-fund UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF) is suitable for investors who attach importance to returns and capital growth.

d) UBS (CH) Fund 1 - Privilege 35 CHF and UBS (CH) Fund 1 - Privilege 45 CHF

The sub-funds UBS (CH) Fund 1 - Privilege 35 CHF and UBS (CH) Fund 1 - Privilege 45 CHF are suitable for investors who would prefer a balanced portfolio that is broadly diversified internationally across all traditional asset classes in compliance with the requirements of the BVG and its ordinances (BVV2 and 3). These sub-funds have above-average growth prospects, but exhibit increased volatility.

e) UBS (CH) Fund 1 - Privilege 75 CHF

The sub-fund UBS (CH) Fund 1 - Privilege 75 CHF is suitable for investors who attach importance to returns and capital growth and would prefer a balanced portfolio that is broadly diversified internationally across all traditional asset classes in compliance with the requirements of the BVG and its ordinances (BVV2 and 3). These sub-funds have above-average growth prospects, but exhibit increased volatility.

f) UBS (CH) Fund 1 - Privilege 20 CHF

The sub-fund UBS (CH) Fund 1 - Privilege 20 CHF is suitable for investors who attach importance to capital preservation and an appropriate additional return and are seeking a regular income.

6.2 Specific information in connection with the fund of funds structure of the sub-fund

The sub-funds UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF), UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF), UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF), UBS (CH) Fund 1 - Privilege 35 CHF, UBS (CH) Fund 1 - Privilege 45 CHF and UBS (CH) Fund 1 - Privilege 75 CHF may invest up to 100% of the sub-funds' total assets in units or shares of other collective investment schemes (target funds).

In addition to traditional investments, up to 20% of the total assets of a sub-fund may also be invested in target funds that qualify as alternative investments pursuant to § 8 prov. 2 g) of the fund contract.

The main advantages and disadvantages of a "fund of funds" structure compared with direct investments are:

Advantages:

- broad spread of risk over different investment styles and strategies;
- comprehensive selection procedure implemented by the investment manager based on qualitative and quantitative criteria;
- constant control and monitoring of the various target funds;

- collective investment instruments such as the above sub-funds also enable investors who would normally have no direct access to alternative investments in particular because of the high minimum investment required, or who for some other reason wish to make a limited financial commitment, to invest in this asset class.

Disadvantages:

- the broad diversification of risks may adversely affect performance;
- the target funds incur costs that add to the sub-fund's own direct costs.

6.3 Investment Process for Investments in Target Funds

Selection and monitoring procedures:

The investment manager continually looks for the best investment opportunities in the traditional as well as alternative investment universe. Potential investment opportunities are pre-selected on the basis of quantitative and qualitative criteria.

The target funds/target investment vehicles enjoy a high degree of latitude with regard to the strategies, investment instruments and investment techniques they use. The careful selection of individual portfolio managers is thus of the utmost importance.

Monitoring/risk management:

All target funds/target investment vehicles are monitored continuously.

Investments are made in the wide variety of investment instruments listed, which are weighted within the specified limits.

General conditions for alternative and traditional target funds:

The legal status of the alternative and traditional target funds is irrelevant. Specifically, they may be domestic or foreign contractual investment funds, collective investment schemes in the form of companies, or unit trusts.

Foreign collective investment schemes may be those that are approved for distribution to non-qualified investors in Switzerland as well as those that are not approved for distribution to non-qualified investors in Switzerland. The alternative target funds pursuant to § 8 prov. 2 g) of the fund contract may be collective investment schemes that cannot be approved under Swiss collective investment schemes legislation, in particular because in their country of origin they are not subject to supervision that is designed to protect investors and is equivalent to that of Switzerland.

The target funds must be open-ended collective investment schemes whose units or shares can be redeemed or repurchased periodically on the basis of their net asset values or closed-end collective investment schemes that are traded on another exchange or other regulated market that is open to the public.

Investments in traditional funds of funds are excluded.

6.4 Partial tax exemption according to German Investment Tax Act of 2018

All sub-funds count as "other funds" within the meaning of the German Investment Tax Act (InvStG) and therefore no partial exemption pursuant to §20 InvStG is possible.

2 Detailed provisions

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

Summary of the sub-funds and Unit Classes

Sub-fund	Unit class	Valor number	ISIN no.	Accounting currency	Max. issuing / redemption commission charged to investors ¹⁾	Max. management fee ¹⁾	Max. servicing fee ¹²⁾	Max. management fee charged to the sub-fund ²⁾	Max. custodian bank commission charged to the sub-fund ⁸⁾	Valuation date: no. of bank working days as of subscription/re-demption	Value dates: no. of bank working days as of valuation date	Deadline for daily subscription and redemption of fund units (CET)	Min. investment/min. holding	Delegation of investment decisions for sub-funds	Total expense ratio (TER)		
															31 December 2021	31 December 2022	31 December 2023
UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)	P-dist ⁴⁾	2087602	CH0020876022	CHF	5.0%/2.0%	1.16%	0.10%	1.26%	0.05%	1	1	13:00		UBS Asset Management Switzerland AG, Zurich	1.56% ⁹⁾	1.54% ⁹⁾	1.56% ⁹⁾
	(EUR hedged) P-dist ⁴⁾	43431872	CH0434318728												1.65% ⁹⁾	1.62% ⁹⁾	1.64% ⁹⁾
	P-acc ⁴⁾	19955023	CH0199550234												1.56% ⁹⁾	1.54% ⁹⁾	1.56% ⁹⁾
	(EUR hedged) P-acc ⁴⁾	43431873	CH0434318736												1.65% ⁹⁾	1.62% ⁹⁾	1.64% ⁹⁾
	I-B-dist ⁶⁾																
	I-B-acc ⁶⁾																
	K-1-dist ⁶⁾	27360265	CH0273602653												0.86% ⁹⁾	0.84% ⁹⁾	0.87% ⁹⁾
	Q-dist ⁷⁾	26530928	CH0265309283												1.31% ⁹⁾	1.29% ⁹⁾	1.31% ⁹⁾
	(EUR hedged) Q-dist ⁷⁾	43431874	CH0434318744												1.40% ⁹⁾	1.37% ⁹⁾	1.39% ⁹⁾
	Q-acc ⁷⁾	26530957	CH0265309572												1.31% ⁹⁾	1.29% ⁹⁾	1.31% ⁹⁾
	(EUR hedged) Q-acc ⁷⁾	43431875	CH0434318751												1.40% ⁹⁾	1.37% ⁹⁾	1.39% ⁹⁾
	I-A1-dist ⁵⁾																
	I-A1-acc ⁵⁾																
UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)	P-dist ⁴⁾	2087605	CH0020876055	CHF	5.0%/2.0%	1.30%	0.10%	1.4060%	0.05%	1	1	13:00		UBS Asset Management Switzerland AG, Zurich	1.72% ¹⁹⁾	1.71% ⁹⁾	1.73% ⁹⁾
	(EUR hedged) P-dist ⁴⁾	43431884	CH0434318843												1.81% ⁹⁾	1.79% ⁹⁾	1.81% ⁹⁾
	P-acc ⁴⁾	19955038	CH0199550382												1.72% ⁹⁾	1.71% ⁹⁾	1.73% ⁹⁾
	(EUR hedged) P-acc ⁴⁾	43431885	CH0434318850												1.81% ¹⁹⁾	1.79% ⁹⁾	1.81% ⁹⁾
	I-B-dist ⁶⁾																
	I-B-acc ⁶⁾																
	K-1-dist														0.82% ⁹⁾		
	Q-dist ⁷⁾	26530752	CH0265307527												1.47% ⁹⁾	1.46% ⁹⁾	1.48% ⁹⁾
	(EUR hedged) Q-dist ⁷⁾	43431886	CH0434318868												1.56% ⁹⁾	1.54% ⁹⁾	1.56% ⁹⁾
	Q-acc ⁷⁾	26530769	CH0265307691												1.47% ⁹⁾	1.46% ⁹⁾	1.48% ⁹⁾
	(EUR hedged) Q-acc ⁷⁾	43431887	CH0434318876												1.56% ⁹⁾	1.54% ⁹⁾	1.56% ⁹⁾
	I-A1-dist ⁵⁾																
	I-A1-acc ⁵⁾																

Sub-fund	Unit class	Valor number	ISIN no.	Accounting currency	Max. issuing / redemption commission charged to investors ¹⁾	Max. management fee ¹⁾	Max servicing fee ¹²⁾	Max. management fee charged to the sub-fund ²⁾	Max. custodian bank commission charged to the sub-fund ⁸⁾	Valuation date: no. of bank working days as of subscription/redemption	Value dates: no. of bank working days as of valuation date	Deadline for daily subscription and redemption of fund units (CET)	Min. investment/min. holding	Delegation of investment decisions for sub-funds	Total expense ratio (TER)		
															31 December 2021	31 December 2022	31 December 2023
UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)	P-dist ⁴⁾	2087611	CH0020876113	CHF	5.0%/2.0%	1.45%	0.10%	1.55%	0.05%	1	1	13:00		UBS Asset Management Switzerland AG, Zurich	1.89% ⁹⁾	1.88% ⁹⁾	1.92% ⁹⁾
	(EUR hedged) P-dist ⁴⁾	43431889	CH0434318892			1.45%	0.15%	1.60%							2.02% ⁹⁾	1.96% ⁹⁾	2.00% ⁹⁾
	P-acc ⁴⁾	19955053	CH0199550531			1.45%	0.10%	1.55%							1.89% ⁹⁾	1.88% ⁹⁾	1.92% ⁹⁾
	(EUR hedged) P-acc ⁴⁾	43431890	CH0434318900			1.45%	0.15%	1.60%							2.02% ⁹⁾	1.96% ⁹⁾	2.00% ⁹⁾
	I-B-dist ⁶⁾							0.20%									
	I-B-acc ⁶⁾							0.20%									
	K-1-dist	27375461	CH0273754611			0.90%	0.10%	1.00%							0.79% ⁹⁾	0.78% ⁹⁾	0.82% ⁹⁾
	Q-dist ⁷⁾	26530793	CH0265307931			0.83%	0.10%	0.93%							1.59% ⁹⁾	1.58% ⁹⁾	1.62% ⁹⁾
	(EUR hedged) Q-dist ⁷⁾	43431891	CH0434318918			0.83%	0.15%	0.98%							1.72% ⁹⁾	1.66% ⁹⁾	1.70% ⁹⁾
	Q-acc ⁷⁾	26530796	CH0265307964			0.83%	0.10%	0.93%							1.59% ⁹⁾	1.58% ⁹⁾	1.62% ⁹⁾
	(EUR hedged) Q-acc ⁷⁾	43431892	CH0434318926			0.83%	0.15%	0.98%							1.72% ⁹⁾	1.66% ⁹⁾	1.70% ⁹⁾
	I-A1-dist ⁵⁾					0.78%	0.10%	0.88%									
	I-A1-acc ⁴⁵⁾					0.78%	0.10%	0.88%									

Sub-fund	Unit class	Valor number	ISIN no.	Accounting currency	Max. issuing / redemption commission charged to investors ¹⁾	Max. management fee ¹¹⁾	Max. servicing fee ¹²⁾	Max. management fee charged to the sub-fund ²⁾	Max. custodian bank commission charged to the sub-fund ³⁾	Max. premium or discount to net asset value based on SSP method (swing factor) ⁴⁾	Valuation date: no. of bank working days as of subscription/redemption	Value dates: no. of bank working days as of valuation date	Deadline for daily subscription and redemption of fund units (CET)	Min. investment/min. holding	Delegation of investment decisions for sub-funds	Total expense ratio (TER)		
																31 December 2021	31 December 2022	31 December 2023
UBS (CH) Fund 1 - Privilege 35 CHF	P-dist ⁴⁾			CHF	5.0%/2.0%	1.20%	0.10%	1.30%	0.05%	2%	1	1	13:00		UBS Asset Management Switzerland AG, Zurich			
	P-acc ⁴⁾	38714599	CH0387145995			1.20%	0.10%	1.30%								1.28% ⁹⁾	1.28% ⁹⁾	1.28% ⁹⁾
	I-B-dist ⁵⁾							0.20%										
	I-B-acc ⁶⁾							0.20%										
	K-1-dist					0.60%	0.10%	0.70%						³⁾				
	Q-dist ⁷⁾	38714600	CH0387146001			1.00%	0.10%	1.10%								1.08% ⁹⁾	1.08% ⁹⁾	1.08% ⁹⁾
	Q-acc ⁷⁾	38714601	CH0387146019			1.00%	0.10%	1.10%								1.08% ⁹⁾	1.08% ⁹⁾	1.08% ⁹⁾
	I-A1-dist ⁵⁾					0.60%	0.10%	0.70%										
	I-A1-acc ⁵⁾	8714605	CH0387146050			0.60%	0.10%	0.70%								0.73% ⁹⁾	0.73% ⁹⁾	0.73% ⁹⁾

Sub-fund	Unit class	Valor number	ISIN no.	Accounting currency	Max. issuing / redemption commission charged to investors ¹⁾	Max. management fee ¹⁾	Max. servicing fee ¹²⁾	Max. management fee charged to the sub-fund ²⁾	Max. custodian bank commission charged to the sub-fund ³⁾	Max. premium or discount to net asset value based on SSP method (swing factor) ⁴⁾	Valuation date: no. of bank working days as of subscription/redemption	Value dates: no. of bank working days as of valuation date	Deadline for daily subscription and redemption of fund units (CET)	Minimum investment/minimum holding	Delegation of investment decisions for sub-funds	Total expense ratio (TER)		
																31 December 2021	31 December 2022	31 December 2023
UBS (CH) Fund 1 - Privilege 45 CHF	P-dist ⁴⁾	1021110	CH0010211107	CHF	5.0%/2.0%	1.50%	0.10%	1.60%	0.05%	2%	1	1	13:00		UBS Asset Management Switzerland AG, Zurich	1.36% ⁹⁾	1.37% ⁹⁾	1.37% ⁹⁾
	P-acc ⁴⁾	24665730	CH0246657305			1.50%	0.10%	1.60%								1.36% ⁹⁾	1.37% ⁹⁾	1.37% ⁹⁾
	I-B-dist ⁶⁾							0.20%										
	I-B-acc ⁶⁾							0.20%										
	K-1-dist	14954548	CH0149545482			0.90%	0.10%	1.00%						³⁾		0.76% ⁹⁾	0.77% ⁹⁾	0.77% ⁹⁾
	K-1-acc					0.90%	0.10%	1.00%						³⁾				
	Q-dist ⁷⁾	26530247	CH0265302478			1.25%	0.10%	1.35%								1.16% ⁹⁾	1.17% ⁹⁾	1.17% ⁹⁾
	Q-acc ⁷⁾	26530564	CH0265305646			1.25%	0.10%	1.35%								1.16% ⁹⁾	1.17% ⁹⁾	1.17% ⁹⁾
	K-1-25 dist	48232427	CH0482324271			0.70%	0.10%	0.80%						¹⁰⁾		0.46% ⁹⁾	0.47% ⁹⁾	0.47% ⁹⁾
	I-A1-dist ⁵⁾	48232425	CH0482324255			0.90%	0.10%	1.00%								0.76% ⁹⁾	0.77% ⁹⁾	0.77% ⁹⁾
	I-A1-acc ⁵⁾					0.90%	0.10%	1.00%										

Sub-fund	Unit class	Valor number	ISIN no.	Accounting currency	Max. issuing / redemption commission charged to investors ¹⁾	Max. management fee ¹¹⁾	Max. servicing fee ¹²⁾	Max. management fee charged to the sub-fund ²⁾	Max. custodian bank commission charged to the sub-fund ³⁾	Max. premium or discount to net asset value based on SSP method (swing factor) ⁴⁾	Valuation date: no. of bank working days as of subscription/redemption	Value dates: no. of bank working days as of valuation date	Deadline for daily subscription and redemption of fund units (CET)	Min. investment/ min. holding	Delegation of investment decisions for sub-funds	Total expense ratio (TER)		
																31 December 2021	31 December 2022	31 December 2023
UBS (CH) Fund 1 - Privilege 75 CHF	P-dist ⁴⁾	55294084	CH0552940840	CHF	5.0%/2.0%	1.60%	0.10%	1.70%	0.05%	2%	1	1	13:00		UBS Asset Management Switzerland AG, Zurich	1.60 % ⁹⁾	1.61 % ⁹⁾	1.61 % ⁹⁾
	P-acc ⁴⁾	55294085	CH0552940857			1.60%	0.10%	1.70%								1.60 % ⁹⁾	1.61 % ⁹⁾	1.61 % ⁹⁾
	I-B-dist ⁶⁾							0.20%										
	I-B-acc ⁶⁾							0.20%										
	K-1-dist					0.90%	0.10%	1.00%										
	K-1-acc					0.90%	0.10%	1.00%										
	Q-dist ⁷⁾	55294090	CH0552940907			1.30%	0.10%	1.40%								1.29 % ⁹⁾	1.31 % ⁹⁾	1.31 % ⁹⁾
	Q-acc ⁷⁾	55294091	CH0552940915			1.30%	0.10%	1.40%								1.29 % ⁹⁾	1.31 % ⁹⁾	1.31 % ⁹⁾
	I-A1-dist ⁵⁾					0.90%	0.10%	1.00%										
	I-A1-acc ⁵⁾	55294087	CH0552940873			0.90%	0.10%	1.00%								0.77 % ⁹⁾	0.81 % ⁹⁾	0.81 % ⁹⁾

Sub-fund	Unit class	Valor number	ISIN no.	Accounting currency	Max. issuing / redemption commission charged to investors ¹⁾	Max. management fee ¹⁾	Max. servicing fee ¹²⁾	Max. management fee charged to the sub-fund ²⁾	Max. custodian bank commission charged to the sub-fund ⁸⁾	Max. premium or discount to net asset value based on SSP method (swing factor) ⁶⁾	Valuation date: no. of bank working days as of valuation date	Deadline for daily subscription and redemption of fund units (CET)	Min. investment / min. holding	Delegation of investment decisions for sub-funds	Total expense ratio (TER)		
															31 December 2021	31 December 2022	31 December 2023
UBS (CH) Fund 1 - Privilege 20 CHF	P-dist ⁴⁾	277301	CH0002773015	CHF	5.0%/2.0%	1.20%	0.10%	1.30%	0.05%	2%	1	1	13:00	UBS Asset Management Switzerland AG, Zurich	1.12%	1.12%	1.12%
	P-acc ⁴⁾	26337013	CH0263370139			1.20%	0.10%	1.30%							1.12%	1.12%	1.12%
	I-B-dist ⁶⁾							0.20%									
	I-B-acc ⁶⁾							0.20%									
	K-1-dist	49129578	CH0491295785			0.60%	0.10%	0.70%							0.64%	0.57%	0.62%
	K-1-acc					0.60%	0.10%	0.70%									
	Q-dist ⁷⁾	26738505	CH0267385059			0.90%	0.10%	1.00%							0.67%	0.67%	0.67%
	Q-acc ⁷⁾	27201443	CH0272014439			0.90%	0.10%	1.00%							0.67%	0.67%	0.67%
	I-A1-dist ⁵⁾					0.60%	0.10%	0.70%									
	I-A1-acc ⁵⁾	24900157	CH0249001576			0.60%	0.10%	0.70%							0.62%	0.62%	0.62%

- 1) Fees and incidental costs charged to the investor (excerpt from § 19 of the fund contract): Issuing and redemption commission accruing to the fund management company, custodian bank and/or distributors within Switzerland or abroad.
- 2) Fees and incidental costs charged to the sub-funds (excerpt from § 20 of the fund contract): The management fee payable to the fund management company consists of the management fee and the servicing fee. The sum of the management and the servicing fee corresponds to the management fee payable to the fund management company and shall not exceed the maximum rates shown in the table (§ 20 prov. 1 of the fund contract). Furthermore, the fees and incidental costs listed under § 20 of the fund contract may also be charged to the sub-funds. In the case of I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc (all currencies), this is a flat-rate management fee that covers administration, services provided in relation to currency hedging for currency-hedged unit classes (FX hedging) as well as the custodian bank commission. The flat-rate management fee does not necessarily include payments and ancillary costs pursuant to § 20 prov. 3, which may be charged directly to the sub-fund's assets.
- 3) Minimum initial investment for class K-1-dist, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist, (USD hedged) K-1-dist, K-1-acc, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc and (USD hedged) K-1-acc units per investor: Investors who invest in this unit class must subscribe to shares for an amount equal to the initial minimum investment of CHF 5,000,000 for classes in the reference currency CHF or USD 5,000,000 for classes in the reference currency USD or EUR 3,000,000 for classes in the reference currency EUR. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.
- 4) Units of these unit classes may be held with SIX SIS Ltd as external custodian (deliverability). In consultation with the fund management company, the custodian bank shall oversee the procedures for ensuring that the conditions of eligibility are satisfied by the circle of investors.
- 5) Investor eligibility is restricted to the following types of qualified investors:
- Qualified investors pursuant to Art. 10 para. 3 and 3ter CISA.
 - Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class.
- 6) Units may only be held by investors who
- have concluded a written agreement (excluding asset management and investment advisory agreements) for the purpose of explicit investment (for example by means of a fund access agreement or cooperation agreement) in the class with a unit belonging to the UBS Group;
 - have concluded a written asset management with a unit of the UBS Group belonging to the Asset Management division;
 - have concluded a written asset management with a unit belonging to the UBS Group, provided it has delegated asset management to a unit of the UBS Group belonging to the Asset Management division.
- Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this class.
- 7) These units are offered exclusively to financial intermediaries who make investments for their own account and/or to clients of such financial intermediaries who, according to regulatory requirements, are not allowed to receive sales commission and/or who, according to written contracts or fund savings plan contracts with their clients, can only offer them classes without retrocession, provided they are available in the relevant investment fund. The corresponding entries must be made in a safekeeping account at the custodian bank.
- 8) not applicable to classes I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, (CHF hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc, (USD hedged) I-B-acc and (CHF hedged) I-B-acc (all currencies). In the case of classes I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc (all currencies), a flat-rate management fee covering all custodian bank duties is charged in accordance with § 20 prov. 1.
- 9) Combined TER, as more than 10% of the net assets were invested in other collective investment schemes (target funds) on the valuation date.
- 10) Minimum initial investment for class K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist, (USD hedged) K-1 25-dist, K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units per investor: CHF/EUR/USD 25,000,000 / Minimum initial investment for K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist, (USD hedged) K-1 25-dist, K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units that must be held by the investor:

CHF/EUR/USD 15,000,000. Existing unit classes are closed for subscriptions. The fund management company will not create any new unit classes within this category.

- 11) Fees and incidental costs charged to the sub-funds' assets (excerpt from § 20 prov. 1 of the fund contract): For the administration (excluding the services listed in § 20 prov. 1 b)), asset management and distribution activities in connection with the sub-funds, the fund management company shall charge to the assets of the sub-funds the annual commission (management fee) shown in the table.
- 12) Fees and incidental costs charged to the sub-funds' assets (excerpt from § 20 prov. 1 of the fund contract): For the services provided in relation to the calculation of net asset values and the currency hedging of currency-hedged unit classes (FX hedging), the fund management company shall charge to the assets of the sub-funds the annual commission (servicing fee) shown in the table.
- 13) Investors who invest in class I-A2 must subscribe to shares for an amount equal to the initial minimum investment of CHF 10,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved. Investors who invest in class I-A3 must subscribe to shares for an amount equal to the initial minimum investment of CHF 30,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.

Part 2: Fund contract

I. Basics

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

1. A contractual umbrella fund of the "other fund for traditional investments" type (the "umbrella fund") has been established under the name UBS (CH) Fund 1 in accordance with Art. 25 et seqq. in conjunction with Art. 68 et seqq. and Art. 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA), which currently consists of the following sub-funds:
 - Swiss & Global Income Strategy - Yield (CHF)
 - Swiss & Global Income Strategy - Balanced (CHF)
 - Swiss & Global Income Strategy - Growth (CHF)
 - Privilege 35 CHF
 - Privilege 45 CHF
 - Privilege 75 CHF
 - Privilege 20 CHF
2. The fund management company is UBS Fund Management (Switzerland) AG, Basel.
3. The custodian bank is UBS Switzerland AG, Zurich.
4. The asset manager is UBS Asset Management Switzerland AG, Zurich.

II. Rights and obligations of the parties to the contract

§ 2 The fund contract

The legal relationship between the investor¹, on the one hand, and the fund management company and the custodian bank, on the other, is governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

§ 3 The fund management company

1. The fund management company manages the sub-funds at its own discretion and in its own name, but for the account of the investors. It decides in particular on the issue of units, the investments and their valuation. It calculates the net asset values of the sub-funds and determines the issue and redemption prices of units as well as distributions of income. It exercises all rights associated with the umbrella fund and sub-funds.
2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They account for the collective investment schemes they manage and provide information on all fees and costs charged directly or indirectly to investors and on compensation received from third parties, in particular commissions, discounts or other financial benefits.
3. The fund management company may transfer to third parties investment decisions as well as specific tasks for all sub-funds or for individual sub-funds, provided this is in the interests of efficient management. It shall commission only persons who have the necessary expertise, knowledge and experience as well as hold the requisite licences or authorisation. It carefully instructs and monitors the third parties engaged. Investment decisions may only be delegated to asset managers who hold the necessary licences or authorisation. The fund management company remains responsible for fulfilling the supervisory obligations and safeguards the interests of the investors when transferring tasks. The fund management company shall be liable for the actions of persons to whom it has transferred tasks as if they were its own actions.
4. The fund management company may with the consent of the custodian bank submit a change to the present fund contract to the supervisory authority for approval (cf. § 27) and, with the approval of the supervisory authority, may also establish further sub-funds.
5. The fund management company can merge individual sub-funds with other sub-funds or with other investment funds pursuant to the provisions set down under § 25 and can dissolve the umbrella fund or the individual sub-funds pursuant to the provisions set down under § 26.
6. The fund management company is entitled to receive the fees stipulated in §§ 19 and 20. It is further entitled to be exempt from any liabilities which may have arisen in the course of the proper execution of its duties, and to be reimbursed for expenses incurred in connection with such liabilities.

§ 4 The custodian bank

1. The custodian bank is responsible for the safekeeping of sub-funds assets. It handles the issue and redemption of fund units as well as payment transfers on behalf of the sub-funds.
2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They account for the collective investment schemes they hold in safekeeping and provide information on all fees and costs charged directly or indirectly to investors and on compensation received from third parties, in particular commissions, discounts or other financial benefits.
3. The custodian bank is responsible for operating the sub-funds' accounts and safekeeping accounts, but may not independently dispose of their assets.

¹ For simplicity, this document does not differentiate between genders, e.g. female and male investors. All terms throughout the document apply to both genders.

4. The custodian bank shall ensure that the countervalue of transactions relating to the sub-funds' assets is transferred within the usual time limit. It notifies the fund management company if the counter value is not remitted within the usual time limit and, where possible, requests reimbursement for the asset item concerned from the counterparty.
5. The custodian bank keeps the required records and accounts in such a way that the deposited assets of the individual investment funds can be differentiated from each other at all times.
For assets that are not taken into safekeeping, the custodian bank shall investigate the fund management company's ownership and keep records thereof.
6. The custodian bank may delegate the safekeeping of the sub-funds' assets to third-party custodians and central securities depositories in Switzerland or abroad, provided this is in the interests of proper safekeeping. It verifies and monitors that the third-party custodian and central securities depository it appoints:
 - a) has an appropriate organisational structure, financial guarantees and the specialist qualifications required given the nature and complexity of the assets entrusted to it;
 - b) is subject to regular external auditing so that it can be ascertained that the financial instruments are in its possession;
 - c) holds in safekeeping the assets received from the custodian bank in such a manner that by means of regular portfolio comparisons they can, at all times, be clearly identified as belonging to the sub-fund's assets;
 - d) complies with the provisions applicable to the custodian bank with respect to the performance of the tasks delegated to it and the avoidance of conflicts of interest.

The custodian bank is liable for damage or loss caused by its agents unless it is able to prove that it exercised the due diligence required in the circumstances in respect of selection, instruction and monitoring. The prospectus contains information on the risks associated with the delegation of safekeeping to third-party custodians and central securities depositories.

In the case of financial instruments, any transfer as referred to in the above paragraph may only be to regulated third-party custodians and central securities depositories. This does not apply to mandatory safekeeping at a location where the transfer to regulated third-party custodians and central securities depositories is not possible, in particular due to mandatory legal provisions or the procedural details for the investment product, for example. Investors will be informed about safekeeping by unregulated third-party custodians or central securities depositories in the prospectus.
7. The custodian bank ensures that the fund management company complies with the law and the fund contract. It verifies that the calculation of the net asset values and of the issue and redemption prices of the units, as well as the investment decisions, are in compliance with the law and the fund contract, and that net income is appropriated in accordance with the fund contract. The custodian bank is not responsible for the choice of investments which the fund management company makes in accordance with the investment regulations.
8. The custodian bank is entitled to receive the fees stipulated in §§ 19 and 20. It is further entitled to be exempt from any liabilities which may have arisen in the course of the proper execution of its duties, and to be reimbursed for expenses incurred in connection with such liabilities.
9. The custodian bank is not responsible for the safekeeping of the assets of the target funds in which individual sub-funds invest, unless this task has been delegated to it.

§ 5 The investors

1. There are no restrictions in terms of investor eligibility.
Investor eligibility may be restricted for certain unit classes (cf. § 6 prov. 4).
2. On concluding the contract and making a payment in cash, the investor acquires a claim against the fund management company in respect of participation in the assets and income of a sub-fund of the umbrella fund. Instead of a cash payment, a transfer of assets in kind pursuant to the provisions of § 18 may be made at the request of the investor. The investor's claim is evidenced in the form of units.
3. Investors are entitled to participate in the assets and income of only that sub-fund in which they hold units. Only the sub-fund in question shall be liable for the obligations incumbent on said sub-fund.
4. Investors are obliged only to remit payment for the units of the relevant sub-fund they subscribe. They are not held personally liable for the liabilities of the umbrella fund and sub-funds.
5. Investors may obtain information concerning the basis of the calculation of the net asset value per unit from the fund management company at any time. If investors express an interest in more detailed information on specific business transactions effected by the fund management company, such as the exercising of membership and creditors' rights, or on risk management or on transfers of assets in kind (§ 18), they must be given such information by the fund management company at any time. Investors may request before the courts of the registered office of the fund management company that the audit firm or another expert investigate the matter which requires clarification and furnish the investors with a report.
6. The investors may in principle terminate the fund contract at any time and demand that their share in the corresponding sub-fund be paid out in cash. Instead of a cash payout, a transfer of assets in kind pursuant to the provisions of § 18 may be made at the request of the investor.
7. Upon request, the investors are obliged to provide the fund management company and/or the custodian bank and their agents with proof that they comply with or continue to comply with the conditions laid down in the law or the fund contract in respect of participation in a sub-fund or in a unit class. Furthermore, they are obliged to inform the fund management company, the custodian bank and their agents immediately if they no longer meet these conditions.
8. The fund management company in conjunction with the custodian bank must make an enforced redemption of the units of an investor at the current redemption price if:

- a) this is necessary to safeguard the reputation of the financial market, and specifically to combat money laundering;
 - b) the investor no longer meets the statutory or contractual conditions for participation in a sub-fund.
9. The fund management company in conjunction with the custodian bank may also make an enforced redemption of the units of an investor at the current redemption price if:
- a) the participation of the investor in a sub-fund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the umbrella fund or a sub-fund in Switzerland or abroad;
 - b) investors have acquired or hold their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, of the present fund contract or the prospectus;
 - c) there is a detrimental impact on the economic interests of the investors, in particular in cases in which individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a financial benefit by exploiting the time differences between the setting of the closing prices and the valuation of the sub-fund's assets (market timing).
10. If a fraction of a unit has arisen in the overall portfolio of an investor as a result of a split or merger performed in the interest of the investors, it may subsequently be redeemed by the fund management company on a cut-off date to be determined, in the form of a pro-rata amount of the net asset value. Redemption must be exclusive of commission and fees. If the fund management company intends to make use of this right, investors must be informed of such decision at least one week prior to redemption by means of a single notice in the publication designated by the fund, while the supervisory authorities and auditor must be notified in advance.

§ 6 Units and unit classes

1. The fund management company can establish different unit classes and can also merge or dissolve unit classes for each sub-fund at any time subject to the consent of the custodian bank and the approval of the supervisory authority. All unit classes embody an entitlement to a share in the undivided assets of the sub-fund concerned, which are not segmented. This share may differ due to class-specific costs or distributions or class-specific income and the various classes may therefore have different net asset values per unit of a given sub-fund. Class-specific costs are covered by the assets of the sub-fund as a whole.
2. Notification of the establishment, dissolution or merger of unit classes shall be published in the medium of publication. Only mergers are deemed a change to the fund contract pursuant to § 27.
3. The various unit classes of the sub-funds may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility.
Fees and costs are only charged to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to a unit class shall be charged to the individual unit classes on a pro rata basis in relation to their share of the sub-fund's assets.
4. As things stand, the following unit classes have been approved for the umbrella fund and for all the sub-funds and can be launched for the respective sub-funds:

P-dist, (CHF hedged) P-dist, (EUR hedged) P-dist, (USD hedged) P-dist, P-acc, (CHF hedged) P-acc, (EUR hedged) P-acc, (USD hedged) P-acc, K-1-dist, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist, (USD hedged) K-1-dist, K-1-acc, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc, (USD hedged) K-1-acc, K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist, (USD hedged) K-1 25-dist, K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc, (USD hedged) K-1 25-acc, Q-dist, (CHF hedged) Q-dist, (EUR hedged) Q-dist, (USD hedged) Q-dist, Q-acc, (CHF hedged) Q-acc, (EUR hedged) Q-acc, (USD hedged) Q-acc, F-dist, (CHF hedged) F-dist, (EUR hedged) F-dist, (USD hedged) F-dist, F-acc, (CHF hedged) F-acc, (EUR hedged) F-acc, (USD hedged) F-acc, I-A1-dist, (CHF hedged) I-A1-dist, (EUR hedged) I-A1-dist, (USD hedged) I-A1-dist, I-A1-acc, (CHF hedged) I-A1-acc, (EUR hedged) I-A1-acc, (USD hedged) I-A1-acc, I-A2-dist, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist, (USD hedged) I-A2-dist, I-A2-acc, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc, (USD hedged) I-A2-acc, I-A3-dist, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist, (USD hedged) I-A3-dist, I-A3-acc, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc, (USD hedged) I-A3-acc, I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc, (USD hedged) I-B-acc, I-X-dist, (CHF hedged) I-X-dist, (EUR hedged) I-X-dist, (USD hedged) I-X-dist, I-X-acc, (CHF hedged) I-X-acc, (EUR hedged) I-X-acc, (USD hedged) I-X-acc, U-X-dist, (CHF hedged) U-X-dist, (EUR hedged) U-X-dist, (USD hedged) U-X-dist, U-X-acc, (CHF hedged) U-X-acc, (EUR hedged) U-X-acc, (USD hedged) U-X-acc.

Detailed information concerning subscription and redemption of units in the individual classes, together with the commissions and charges incurred as a result, is set out in the table at the end of the prospectus.

The following unit classes are not restricted to certain investors:

Class **P-dist, (CHF hedged) P-dist, (EUR hedged) P-dist** and **(USD hedged) P-dist** units are distribution units and are offered to all investors. A minimum subscription or minimum amount is not required.

Class P-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) P-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) P-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) P-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) P-dist, (EUR hedged) P-dist and (USD hedged) P-dist, the risk of a depreciation of the sub-fund's accounting currency

against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class P-dist, (CHF hedged) P-dist, (EUR hedged) P-dist and (USD hedged) P-dist units.

Class **P-acc, (CHF hedged) P-acc, (EUR hedged) P-acc** and **(USD hedged) P-acc** units are capital growth units and are offered to all investors. A minimum subscription or minimum amount is not required.

Class P-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) P-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) P-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) P-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) P-acc, (EUR hedged) P-acc and (USD hedged) P-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class P-acc, (CHF hedged) P-acc, (EUR hedged) P-acc and (USD hedged) P-acc units.

Class **K-1-dist, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist** and **(USD hedged) K-1-dist** units are distribution units and are offered to all investors. Investors who invest in this unit class must subscribe to shares for an amount equal to the initial minimum investment of CHF 5,000,000 for classes in the reference currency CHF or USD 5,000,000 for classes in the reference currency USD or EUR 3,000,000 for classes in the reference currency EUR. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved. Class K-1-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1-dist, (EUR hedged) K-1-dist and (USD hedged) K-1-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1-dist, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist and (USD hedged) K-1-dist units.

Class **K-1-acc, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc** and **(USD hedged) K-1-acc** units are capital growth units and are offered to all investors. Investors who invest in this unit class must subscribe to shares for an amount equal to the initial minimum investment of CHF 5,000,000 for classes in the reference currency CHF or USD 5,000,000 for classes in the reference currency USD or EUR 3,000,000 for classes in the reference currency EUR. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved. Class K-1-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1-acc, (EUR hedged) K-1-acc and (USD hedged) K-1-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1-acc, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc and (USD hedged) K-1-acc units.

Class **K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist** and **(USD hedged) K-1 25-dist** units are distribution units. The minimum initial investment for class K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist units per investor (minimum investment) and the minimum number of class K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Class K-1 25-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1 25-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1 25-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1 25-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1 25-dist, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist and (USD hedged) K-1 25-dist units.

K-1 25-dist units. **Existing unit classes are closed for subscriptions. The fund management company will not create any new unit classes within this category.**

Class **K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc** and **(USD hedged) K-1 25-acc** units are capital growth units. The minimum initial investment for class K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units per investor (minimum investment) and the minimum number of class K-1 25-acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units that must be held by the investor at any given time (minimum holding) are stated in the table at the end of the prospectus. If the value of the units held falls below this minimum holding figure, the fund management company may take steps to switch the investment into units of another class for which the investor is eligible. Should unit holdings fall below the minimum figure for market or performance-related reasons, switching into another unit class is not mandatory; such a switch is, however, mandatory if the minimum holding figure is undershot due to a redemption. Class K-1 25-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) K-1 25-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) K-1 25-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) K-1 25-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class K-1 25 acc, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc and (USD hedged) K-1 25-acc units. **Existing unit classes are closed for subscriptions. The fund management company will not create any new unit classes within this category.**

The following classes of units are restricted to certain investors:

Units in classes **Q-dist, (CHF hedged) Q-dist, (EUR hedged) Q-dist** and **(USD hedged) Q-dist** are distribution units and are offered exclusively to financial intermediaries who make investments for their own account and/or to clients of such financial intermediaries who, according to regulatory requirements, are not allowed to receive sales commission and/or who, according to written contracts or fund savings plan contracts with their clients, can only offer them classes without retrocession, provided they are available in the relevant investment fund.

The corresponding entries must be made in a safekeeping account at the custodian bank. Class Q-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) Q-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) Q-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) Q-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) Q-dist, (EUR hedged) Q-dist and (USD hedged) Q-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class Q-dist, (CHF hedged) Q-dist, (EUR hedged) Q-dist and (USD hedged) Q-dist units.

Units in classes **Q-acc, (CHF hedged) Q-acc, (EUR hedged) Q-acc** and **(USD hedged) Q-acc** are capital growth units and are offered exclusively to financial intermediaries who make investments for their own account and/or to clients of such financial intermediaries who, according to regulatory requirements, are not allowed to receive sales commission and/or who, according to written contracts or fund savings plan contracts with their clients, can only offer them classes without retrocession, provided they are available in the relevant investment fund.

The corresponding entries must be made in a safekeeping account at the custodian bank. Class Q-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) Q-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) Q-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) Q-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) Q-acc, (EUR hedged) Q-acc and (USD hedged) Q-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class Q-acc, (CHF hedged) Q-acc, (EUR hedged) Q-acc and (USD hedged) Q-acc units.

Units in classes **F-dist, (CHF hedged) F-dist, (EUR hedged) F-dist** and **(USD hedged) F-dist** are distribution units and may only be offered to investors who have entered into a written investment management mandate with UBS. Class F-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) F-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) F-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) F-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) F-dist, (EUR hedged) F-dist and (USD hedged) F-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value

of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class F-dist, (CHF hedged) F-dist, (EUR hedged) F-dist and (USD hedged) F-dist units.

Units in unit classes **F-acc, (CHF hedged) F-acc, (EUR hedged) F-acc** and **(USD hedged) F-acc** are capital growth units and may only be offered to investors who have entered into a written investment management mandate with UBS. Class F-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) F-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) F-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) F-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) F-acc, (EUR hedged) F-acc and (USD hedged) F-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. The issue and redemption of units through contributions and redemptions in kind (cf. §18) is excluded for class F-acc, (CHF hedged) F-acc, (EUR hedged) F-acc and (USD hedged) F-acc units.

Units in classes **I-A1-dist, (CHF hedged) I-A1-dist, (EUR hedged) I-A1-dist** and **(USD hedged) I-A1-dist** are distribution units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3 and 3ter CISA. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Class I-A1-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) I-A1-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) I-A1-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) I-A1-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) I-A1-dist, (EUR hedged) I-A1-dist and (USD hedged) I-A1-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

Units in classes **I-A1-acc, (CHF hedged) I-A1-acc, (EUR hedged) I-A1-acc** and **(USD hedged) I-A1-acc** are capital growth units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3 and 3ter CISA. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Class I-A1-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) I-A1-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) I-A1-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) I-A1-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) I-A1-acc, (EUR hedged) I-A1-acc and (USD hedged) I-A1-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions.

Units in classes **I-A2-dist, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist** and **(USD hedged) I-A2-dist** as well as **I-A3-dist, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist** and **(USD hedged) I-A3-dist** are distribution units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3-3ter CISA who have signed a written agreement with UBS or an authorised contractual partner – or a written agreement with UBS Asset Management Switzerland AG – or an authorised contractual partner for the purpose of investment in the assets of this sub-fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Class I-A2-dist and I-A3-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) I-A2-dist and (CHF hedged) I-A3-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) I-A2-dist and (EUR hedged) I-A3-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) I-A2-dist and (USD hedged) I-A3-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist and (USD hedged) I-A2-dist as well as (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist and (USD hedged) I-A3-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. Unit classes I-A2-dist, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist and (USD hedged) I-A2-dist, on the one hand, and I-A3-dist, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist and (USD hedged) I-A3-dist, on the other, differ with regard to the amount of the management fee as well as the amount of the required minimum subscription and required minimum amount. Investors who invest in unit class I-A2 must subscribe to shares for an amount equal to the initial minimum investment of CHF 10,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.

Investors who invest in unit class I-A3 must subscribe to shares for an amount equal to the initial minimum investment of CHF 30,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.

Units in classes **I-A2-acc, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc and (USD hedged) I-A2-acc as well as I-A3-acc, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc and (USD hedged) I-A3-acc** are capital growth units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3-3ter CISA who have signed a written agreement with UBS or an authorised contractual partner – or a written agreement with UBS Asset Management Switzerland AG – or an authorised contractual partner for the purpose of investment in the assets of this sub-fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Class I-A2-acc and I-A3-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) I-A2-acc and (CHF hedged) I-A3-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) I-A2-acc and (EUR hedged) I-A3-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) I-A2-acc and (USD hedged) I-A3-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc and (USD hedged) I-A2-acc as well as (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc and (USD hedged) I-A3-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. Unit classes I-A2-acc, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc and (USD hedged) I-A2-dist, on the one hand, and I-A3-acc, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc and (USD hedged) I-A3-dist, on the other, differ with regard to the amount of the management fee as well as the amount of the required minimum subscription and required minimum amount. Investors who invest in unit class I-A2 must subscribe to shares for an amount equal to the initial minimum investment of CHF 10,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.

Investors who invest in unit class I-A3 must subscribe to shares for an amount equal to the initial minimum investment of CHF 30,000,000 for classes in the reference currency CHF or the equivalent sum in EUR or USD for classes in the reference currency EUR or USD. In the case of a subsequent subscriptions/redemptions, at least the value of the initial minimum investment must be achieved.

Units in classes **I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist and (USD hedged) I-B-dist** are distribution units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3- 3ter CISA who

- a) have concluded a written agreement (excluding asset management and investment advisory agreements) for the purpose of explicit investment (for example by means of a fund access agreement or cooperation agreement) in the class with a unit belonging to the UBS Group;
- b) have concluded a written asset management with a unit of the UBS Group belonging to the Asset Management division;
- c) have concluded a written asset management with a unit belonging to the UBS Group, provided it has delegated asset management to a unit of the UBS Group belonging to the Asset Management division.

Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class.

The costs for administration of the fund (encompassing fund management company, administration, services provided in relation to currency hedging and custodian bank) are charged directly to the assets of the sub-fund by means of a management fee. The costs for asset management and distribution activities for the sub-funds are charged to the investor under the above written agreement. This written agreement concluded with the investor covers the costs to be borne by the investor for the services of asset management, but not those for administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). Class 1-B-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-B-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-B-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-B-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-B-dist, (EUR hedged) 1-B-dist and (USD hedged) 1-B-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. No minimum investment is required.

Units in classes **I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc** are capital growth units and are offered exclusively to qualified investors pursuant to Art. 10 para. 3- 3ter CISA who

- a) have concluded a written agreement (excluding asset management and investment advisory agreements) for the purpose of explicit investment (for example by means of a fund access agreement or cooperation agreement) in the class with a unit belonging to the UBS Group;
- b) have concluded a written asset management with a unit of the UBS Group belonging to the Asset Management division;
- c) have concluded a written asset management with a unit belonging to the UBS Group, provided it has delegated asset management to a unit of the UBS Group belonging to the Asset Management division.

Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class.

The costs for administration of the fund (encompassing fund management company, administration, services provided in relation to currency hedging and custodian bank) are charged directly to the assets of the sub-fund by means of a management fee. The costs for asset management and distribution activities for the sub-

funds are charged to the investor under the above written agreement. This written agreement concluded with the investor covers the costs to be borne by the investor for the services of asset management, but not those for administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). Class 1-B-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-B-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-B-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-B-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-B-acc, (EUR hedged) 1-B-acc and (USD hedged) 1-B-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. No minimum investment is required.

Class I-X-dist, (CHF hedged) I-X-dist, (EUR hedged) I-X-dist and (USD hedged) I-X-dist units are distribution units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or an authorised contractual partner for the purpose of investment in this sub-fund's assets. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. The costs for asset management, administration of the fund (encompassing fund management company, administration and custodian bank) and distribution activities for the sub-funds are charged to the investor under the written agreement. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). Class 1-X-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-X-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-X-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-X-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-X-dist, (EUR hedged) 1-X-dist and (USD hedged) 1-X-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

Class I-X-acc, (CHF hedged) I-X-acc, (EUR hedged) I-X-acc and (USD hedged) I-X-acc units are capital growth units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or an authorised contractual partner for the purpose of investment in this sub-fund's assets. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. The costs for asset management, administration of the fund (encompassing fund management company, administration and custodian bank) and distribution activities for the sub-funds are charged to the investor under the written agreement. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus).

Class 1-X-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) 1-X-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) 1-X-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) 1-X-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) 1-X-acc, (EUR hedged) 1-X-acc and (USD hedged) 1-X-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

Class U-X-dist, (CHF hedged) U-X-dist, (EUR hedged) U-X-dist and (USD hedged) U-X-dist units are distribution units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS or an authorised contractual partner for the purpose of investment in one or more sub-funds of this investment fund. The costs for asset management, distribution activity in relation to the sub-funds and administration of the fund (consisting of fund management, administration and activities of the custodian bank) are charged to the investor under the above written agreement. This remuneration covers the costs to be borne by the investor for the services of asset management, distribution activities and administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). This unit class is available only to other collective investment schemes (regardless of their legal form) for the purposes of simplifying administration. Class U-X-dist units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) U-X-dist units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) U-X-dist units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) U-X-dist units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) U-X-dist, (EUR hedged) U-X-dist and (USD hedged) U-X-dist, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

Class U-X-acc, (CHF hedged) U-X-acc, (EUR hedged) U-X-acc and (USD hedged) U-X-acc units are capital growth units and are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS or an authorised contractual partner for the purpose of investment in

one or more sub-funds of this investment fund. The costs for asset management, distribution activity in relation to the sub-funds and administration of the fund (consisting of fund management, administration and activities of the custodian bank) are charged to the investor under the above written agreement. This remuneration covers the costs to be borne by the investor for the services of asset management, distribution activities and administration of the fund. The fee arrangement set out in this agreement may vary depending on the investor (cf. section 1.10.7 of the prospectus). This unit class is available only to other collective investment schemes (regardless of their legal form) for the purposes of simplifying administration. Class U-X-acc units are issued and redeemed in the accounting currency of the respective sub-fund. Class (CHF hedged) U-X-acc units are issued and redeemed in Swiss francs (CHF), the reference currency. Class (EUR hedged) U-X-acc units are issued and redeemed in euros (EUR), the reference currency. Class (USD hedged) U-X-acc units are issued and redeemed in US dollars (USD), the reference currency. With unit classes (CHF hedged) U-X-acc, (EUR hedged) U-X-acc and (USD hedged) U-X-acc, the risk of a depreciation of the sub-fund's accounting currency against the reference currency of each of these unit classes is reduced by extensively hedging the net asset value of the respective unit class – calculated in the sub-fund's accounting currency – against the respective reference currency of the unit class by means of forward foreign exchange transactions. There is no minimum subscription or minimum holding.

The net asset value of unit classes (CHF hedged) P-dist, (EUR hedged) P-dist, (USD hedged) P-dist, (CHF hedged) P-acc, (EUR hedged) P-acc, (USD hedged) P-acc, (CHF hedged) K-1-dist, (EUR hedged) K-1-dist, (USD hedged) K-1-dist, (CHF hedged) K-1-acc, (EUR hedged) K-1-acc, (USD hedged) K-1-acc, (CHF hedged) K-1 25-dist, (EUR hedged) K-1 25-dist, (USD hedged) K-1 25-dist, (CHF hedged) K-1 25-acc, (EUR hedged) K-1 25-acc, (USD hedged) K-1 25-acc, (CHF hedged) Q-dist, (EUR hedged) Q-dist, (USD hedged) Q-dist, (CHF hedged) Q-acc, (EUR hedged) Q-acc, (USD hedged) Q-acc, (CHF hedged) F-dist, (EUR hedged) F-dist, (USD hedged) F-dist, (CHF hedged) F-acc, (EUR hedged) F-acc, (USD hedged) F-acc, (CHF hedged) I-A1-dist, (EUR hedged) I-A1-dist, (USD hedged) I-A1-dist, (CHF hedged) I-A1-acc, (EUR hedged) I-A1-acc, (USD hedged) I-A1-acc, (CHF hedged) I-A2-dist, (EUR hedged) I-A2-dist, (USD hedged) I-A2-dist, (CHF hedged) I-A2-acc, (EUR hedged) I-A2-acc, (USD hedged) I-A2-acc, (CHF hedged) I-A3-dist, (EUR hedged) I-A3-dist, (USD hedged) I-A3-dist, (CHF hedged) I-A3-acc, (EUR hedged) I-A3-acc, (USD hedged) I-A3-acc, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc, (USD hedged) I-B-acc, (CHF hedged) I-X-dist, (EUR hedged) I-X-dist, (USD hedged) I-X-dist, (CHF hedged) I-X-acc, (EUR hedged) I-X-acc, (USD hedged) I-X-acc, (CHF hedged) U-X-dist, (EUR hedged) U-X-dist, (USD hedged) U-X-dist, (CHF hedged) U-X-acc, (EUR hedged) U-X-acc and (USD hedged) U-X-acc does not develop in the same way as that of the unit classes issued in the sub-fund's accounting currency.

"Reference currency-hedged": For the unit classes above whose reference currencies do not correspond to the accounting currency of the relevant sub-fund and which include "hedged" in their name ("hedged unit classes"), the risk of exchange rate fluctuation of the reference currencies of the unit classes against the accounting currency of the relevant sub-fund is hedged. This hedge will generally amount to between 95% and 105% of the total net assets of the hedged unit class. Changes in the market value of the portfolio and subscriptions and redemptions for hedged unit classes may result in the hedge being temporarily outside the aforementioned range. This hedge does not affect potential currency risks resulting from investments denominated in currencies other than the accounting currency of the relevant sub-fund.

5. If the fund management company accepts subscriptions of units by the UBS Group (in its own name), it is possible – in connection with the activation of sub-funds/unit classes or the continuation of unit classes – to waive compliance with the limits specified in the table at the end of the prospectus (minimum initial investment/minimum holding) or the need for a written contract.
6. Units do not take the form of actual certificates but exist purely as book entries. Investors are not entitled to demand the delivery of a registered or bearer unit certificate. In general, the units must be kept as book entries in a safekeeping account held with the custodian bank. Unit classes whose units may be held with SIX SIS Ltd as external custodian (deliverability) are shown in the table at the end of the prospectus. In consultation with the fund management company, the custodian bank shall oversee the procedures for ensuring that the conditions of eligibility are satisfied by the circle of investors.
7. The fund management company and the custodian bank are obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to § 17, or switched into units of another unit class of the same sub-fund whose prerequisites they do meet. If an investor fails to comply with this demand, the fund management company must, in cooperation with the custodian bank, make an enforced switch into another unit class of the same sub-fund or, should this not be possible, enforce the redemption of the units in question pursuant to § 5 prov. 8.

III. Investment policy guidelines

A. Investment principles

§ 7 Compliance with investment guidelines

1. In selecting individual investments of each sub-fund, the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the individual sub-funds' assets at market value and must be complied with at all times. The individual sub-funds must have fulfilled the terms of the investment restrictions no later than six months after the expiry of the subscription period (launch).
2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to § 12 below are exceeded due to a change in the delta, this is to be rectified within three bank working days at the latest, taking due account of the investors' interests.

§ 8 Investment objective and investment policy

1. The investment objective of this umbrella fund is principally to achieve an appropriate return in the particular sub-fund's accounting currency by investing in the instruments listed below. Due account shall be taken of the principle of risk diversification, security of the capital invested and liquidity of the fund's assets. The specific investment objectives of the sub-funds are described in prov. 4 below.
2. Within the framework of the specific investment policy of each sub-fund pursuant to prov. 4, the fund management company may invest the assets of the individual sub-funds in the following investments. The risks involved in these investments must be disclosed in the prospectus.
 - a) Securities issued on a large scale and non-certificated rights with a like function which are traded on a stock exchange or another regulated market open to the public and which embody participation rights and claims or the right to purchase such securities and rights by subscription or exchange, i.e. notably warrants.
Investments in securities from new issues are only permitted if their admission to a stock exchange or another regulated market open to the public is envisaged under the terms of issue. If they have not been admitted to a stock exchange or other regulated market open to the public within a year of their acquisition, these securities must be sold within one month or included under the restriction set down in prov. 2 h).
 - b) Derivatives, if (i) the underlying securities are securities pursuant to a), derivatives pursuant to b), units or shares in collective investment schemes pursuant to d), money market instruments pursuant to e), alternative investments pursuant to g), financial indices, interest rates, exchange rates, credits or currencies, and (ii) the underlying securities are permitted as investments under the fund contract. Derivatives are either traded on a stock exchange or another regulated market open to the public, or are traded OTC.
OTC transactions are permitted only if (i) the counterparty is a regulated financial intermediary specialising in such transactions, and (ii) the OTC derivatives can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.
 - c) Structured products, if (i) the underlying securities are securities pursuant to a), derivatives pursuant to b), units or shares in collective investment schemes pursuant to d), money market instruments pursuant to e), alternative investments pursuant to g), or financial indices, interest rates, exchange rates, credits, currencies, precious metals or commodities, and (ii) the underlying securities are permitted as investments under the fund contract. Structured products are either traded on a stock exchange or other regulated market open to the public, or are traded OTC.
OTC transactions are permitted only if (i) the counterparty is a regulated financial intermediary specialising in such transactions; and (ii) the OTC products can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner.
 - d) Units or shares of other collective investment schemes (target funds). The following are considered as "other collective investment schemes" within the meaning of this fund contract:
 - domestic listed and unlisted investment funds of the "securities fund" and "other fund for traditional investments" types (excluding "other fund for alternative investments" type) which are regulated by the Federal Financial Market Supervisory Authority (FINMA);
 - foreign listed and unlisted collective investment schemes in accordance with Directive 2009/65/EC in its currently applicable version (UCITS) and which are regulated by a foreign supervisory authority equivalent to the Federal Financial Market Supervisory Authority (FINMA);
 - foreign listed and unlisted collective investment schemes which are not compliant with Directive 2009/65/EC (UCIT) and which are regulated by a foreign supervisory authority equivalent to the Federal Financial Market Supervisory Authority (FINMA), but excluding UCIT which correspond to the "other fund for alternative investments" type under Swiss law.

The target funds must (i) within their documents restrict investments for their part in other target funds to a total of 49% (except for investments in non-traditional funds of funds pursuant to g) below); (ii) be subject to provisions equivalent to those pertaining to other funds for traditional investments in respect of the purpose, organisation, investment policy, investor protection, risk diversification, asset segregation, borrowing, lending, short-selling of securities and money market instruments, the issuing and redemption of fund units and the content of the semi-annual and annual reports; and (iii) be authorised as collective investment schemes in their country of domicile and subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and that international legal assistance is ensured.

Accordingly, collective investment schemes may be established in accordance with Swiss or foreign law; they may be organised as contractual investment funds or as companies, or they may have a trust structure.

Foreign collective investment schemes (UCITS/UCIs) may be those that are approved for distribution to non-qualified investors in Switzerland as well as those that are not approved for distribution to non-qualified investors in Switzerland.

Investments in units or shares of traditional funds of funds and in shares of closed-end, unlisted collective investment schemes (e.g. limited partnerships in accordance with CISA or equivalent foreign investment vehicles) are excluded. Funds of funds are collective investment schemes whose fund contract, prospectus or articles of incorporation permit them to invest more than 49% of their assets in other collective investment schemes, except for investments in non-traditional funds of funds pursuant to g) below.

Subject to § 20, the fund management company may acquire units or shares of other sub-funds or other collective investment schemes that are managed directly or indirectly by the fund management company itself or by a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake ("related target funds").

- e) Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public; money market instruments that are not traded on an exchange or other regulated market open to the public may only be acquired if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by borrowers pursuant to Art. 74 para. 2 Collective Investment Schemes Ordinance (CISO).
- f) Sight or time deposits with terms to maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union, or in another country provided that the bank is subject to supervision in that country which is equivalent to the supervision in Switzerland.
- g) Alternative investments: the term "alternative investments" within the meaning of the present fund contract comprises the investments described below. To the extent that the sub-funds make alternative investments, there is an increased potential for losses. Alternative investments as defined in gb) to gh) below may only be made indirectly, in particular by investing in units or shares of other collective investment schemes. The legal status of the target funds is irrelevant. Specifically, they may be contractual investment funds, collective investment schemes in the form of companies, or unit trusts. The target funds may be collective investment schemes that are approved for distribution to non-qualified investors in Switzerland (in particular Swiss collective investment schemes of the "other fund for alternative investments" type); however, they may also be foreign collective investment schemes that are not approved for distribution to non-qualified investors in Switzerland and cannot be approved under the Swiss collective investment schemes legislation, in particular because in their country of origin they are not subject to supervision that is designed to protect investors and is equivalent to that of Switzerland. The target funds must be open-ended collective investment schemes whose units or shares can be redeemed or repurchased periodically on the basis of their net asset values or closed-end collective investment schemes that are traded on another exchange or other regulated market that is open to the public. Only units or shares of collective investment schemes with no additional funding obligation may be acquired.

The following alternative investments, or combinations thereof, may be made for the sub-funds:

- ga) Hedge funds, funds of hedge funds or hedge fund replication strategies: Units of shares of collective investment schemes which are defined as hedge funds on the basis of their investment policy or investments, or replications of hedge funds (e.g. by using quantitative or factor models, by exploiting risk premiums, etc.) and whose underlying investments are sufficiently diversified. These can be either open-ended or closed-ended collective investment schemes, as defined below: 1. Units or shares of open-ended Swiss or foreign collective investment schemes whose units or shares can be redeemed or repurchased periodically on the basis of their net asset value, and which were established under the laws of the respective state. 2. Units or shares of closed-ended Swiss or foreign collective investment schemes, investment companies or other closed-ended undertakings for collective investment with a similar function which have been established under the laws of any state, provided that the units or notes are traded on an exchange or another regulated market which is open to the public.
Unlike traditional investments, where securities are acquired using investors' own funds (long positions), alternative investment strategies used by hedge funds may involve the short-selling of assets (short positions); by taking out loans and using derivatives a leverage effect can be achieved. Many hedge funds may use financial derivatives without restriction and pursue alternative strategies (e.g. relative value, event-driven, equity hedge and directional trading), which can involve special risks. In addition, indirect investments are permitted in certificates, baskets or other instruments with a similar function of issuers worldwide whose direct or indirect underlyings are hedge funds and that are traded on an exchange or other regulated market open to the public, or OTC.
- gb) Indirect investments in private equity: 1. units or shares of open-ended collective investment schemes that invest mainly in private equity; 2. certificates, baskets or other instruments with a similar function of issuers worldwide whose underlyings are private equity investments and that are traded on an exchange or other regulated market open to the public, or OTC.
- gc) Indirect investments in precious metals: 1. units or shares of other collective investment schemes that invest mainly in precious metals; 2. certificates, baskets or other instruments with a similar function of issuers worldwide whose direct or indirect underlyings are precious metals and that are traded on an exchange or other regulated market open to the public, or OTC. In regards to indirect investments in precious metals, the fund management company ensures that there is no physical delivery of the underlying precious metals.
- gd) Indirect investments in commodities: 1. units or shares of other collective investment schemes that invest mainly in commodities (e.g. industrial metals, energy (oil, gas), and agricultural goods); 2. certificates, baskets or other instruments with a similar function of issuers worldwide whose direct or indirect underlyings are commodities in the aforementioned sense and that are traded on an exchange or other regulated market open to the public, or OTC. With regard to indirect investments in commodities, the fund management company ensures that there is no physical delivery of the underlying commodities.
- ge) indirect investments in real estate: 1. units or shares of other collective investment schemes that directly or indirectly invest mainly in real estate; 2. certificates, baskets or other instruments with a similar function of issuers worldwide whose direct or indirect underlyings are real estate investments and that are traded on an exchange or other regulated market open to the public, or OTC; 3. equity paper and rights of real estate companies (including real estate investment trusts (REITs)). The direct acquisition of real estate is excluded.
- gf) Indirect investments in insurance-linked securities: 1. units or shares of other collective investment schemes that invest mainly in insurance-linked securities (catastrophe bonds, life bonds and collateralised debt

- obligations) either directly or indirectly; 2. certificates, baskets or other instruments with a similar function of issuers worldwide whose underlyings – direct or indirect – are insurance-linked securities and that are traded on an exchange or other regulated market open to the public, or OTC.
- gg) Indirect investments in senior secured loans: 1. units or shares of other collective investment schemes that invest mainly in senior secured loans; 2. certificates, baskets or other instruments with a similar function of issuers worldwide whose direct or indirect underlyings are senior secured loans and that are traded on an exchange or other regulated market open to the public, or OTC.
- gh) Indirect investments in master limited partnerships (MLPs): 1. units or shares of other collective investment schemes that invest directly or indirectly in US MLPs; 2. certificates, baskets or other instruments with a similar function of issuers worldwide whose direct or indirect underlyings are US MLPs and that are traded on an exchange or other regulated market open to the public, or OTC. MLPs are publicly traded partnerships (PTPs) under US law that are mainly involved in the energy and energy infrastructure sector and that provide infrastructure for the US energy sector.
- h) Investments other than those specified in a)–g) above up to a total of 10% of the assets of an individual sub-fund. The following are not permitted: (i) direct investments in precious metals and commodities as well as (ii) genuine short-selling (physical short-selling) of investments of any kind.
3. The fund management company must ensure appropriate liquidity management. Detailed information is contained in the prospectus.
4. The investment objective and investment policy of the individual sub-funds are outlined below:

A. UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)

The investment objective of this sub-fund is to achieve capital growth and returns in line with the risk profile of the sub-fund.

For this sub-fund, in addition to distributions pursuant to § 23 prov. 1 and 2, the fund management company may choose to make partial repayments to the investors, as defined in section 1.9 of the prospectus and § 23 prov. 3 of the fund contract. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3% per year.

The sub-fund does not qualify as sustainable and is not managed sustainably.

The sub-fund invests in a broadly diversified global portfolio of passively and actively managed instruments, individual investments and derivatives.

To achieve this goal, the sub-fund can invest dynamically in asset classes such as equities (issued by companies operating in both developed and emerging markets), bonds (including corporate and government bonds, high-yield bonds, senior loans and bonds focused on emerging markets), real estate, alternative investments, money market instruments and/or liquid assets.

In addition to its global investment character, the sub-fund invests to a moderate to significant extent in Swiss equities and similar instruments as well as in debt instruments in CHF pursuant to prov. 4 below.

In accordance with the investment principles, a derivative strategy using options is also applied to individual equities in the global equity market or to the global, regional or country-specific equity market as a whole. The derivative strategy aims to generate additional returns through the sale of call and put options. If substantial price gains are recorded in the individual underlyings, the level of upside participation in price gains may be limited (calls) or the level of downside participation in price gains may be increased (put). Returns can stem from interest, dividends, option premiums or other sources. The sub-fund may consequently make use of derivative financial instruments for investment purposes. The asset manager can decide to apply the derivative strategy only in part or suspend it completely for a certain time.

1. The fund management company invests at least 30% but no more than 80% of the sub-fund's total assets in:
 - a) debt instruments and rights (notes, bonds, debentures, warrant bonds, convertible bonds (voluntary conversion, mandatory conversion or conditional mandatory conversion (incl. contingent convertible bonds (CoCo bonds), fund-linked notes with a capital guarantee, mortgage-backed securities (MBS), inflation-linked bonds, etc.) of private, semi-private and public-law borrowers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to prov. 1 a) to c);
 - e) structured products of issuers worldwide on the investments specified in prov. 1 a) to c);
 - f) derivatives of issuers worldwide in the investments 1 pursuant to prov. 1 a) to c) as well as interest rate swaps, credit default swaps and interest rate and bond futures.
2. Furthermore, the fund management company invests at least 15% but no more than 50% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to prov. 2 a);
 - c) structured products of issuers worldwide on the investments specified in prov. 2 a);
 - d) derivatives of issuers worldwide on the investments specified in prov. 2 a).
3. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh).

4. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - At least 20% and up to 70% of the sub-fund's assets are invested in the investments listed in prov. 1. a) to f), prov. 2. a) to d) and prov. 3 of the preceding sections from issuers that have their registered office in Switzerland or are listed on a Swiss stock exchange, or in investments that are denominated in Swiss francs.
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - a) up to a total of 30% in:
 - equity paper and rights from companies in emerging markets;
 - equity paper and rights from small caps;
 - debt instruments and rights with a rating below investment grade;
 - up to 10% in CoCo bonds;
 - up to 20% in alternative investments pursuant to § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh), which includes: hedge funds, indirect investments in private equity, indirect investments in precious metals, indirect investments in commodities, indirect investments in real estate (including REITS), indirect investments in insurance-linked securities, indirect investments in senior secured loans, and indirect investments in master limited partnerships (MLPs). The fund management company can invest up to 5% of the sub-fund's total assets in hedge funds and indirect investments in private equity pursuant to § 8 prov. 2 ga) and gb), of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses. The prospectus contains further information in this regard.
 - b) The leverage of exposures to long equity futures that are not covered by cash or cash equivalents is limited to 20%.
 - c) The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company can hedge the currency risk of investments that are not denominated in the sub-fund's accounting currency.
 - d) Investments can in principle be made worldwide, in particular in emerging markets.
 - e) Debt instruments and rights with an investment grade or non-investment grade rating, as well as those with no rating, may be purchased for the sub-fund. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.
 - f) The redemption frequency of the target funds shall generally correspond to that of the sub-fund.

B. UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)

The investment objective of this sub-fund is to achieve capital growth and returns in line with the risk profile of the sub-fund.

For this sub-fund, in addition to distributions pursuant to § 23 prov. 1 and 2, the fund management company may choose to make partial repayments to the investors, as defined in section 1.9 of the prospectus and § 23 prov. 3 of the fund contract. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3% per year.

The sub-fund does not qualify as sustainable and is not managed sustainably.

The sub-fund invests in a broadly diversified global portfolio of passively and actively managed instruments, individual investments and derivatives.

To achieve this goal, the sub-fund can invest dynamically in asset classes such as equities (issued by companies operating in both developed and emerging markets), bonds (including corporate and government bonds, high-yield bonds, senior loans and bonds focused on emerging markets), real estate, alternative investments, money market instruments and/or liquid assets.

In addition to its global investment character, the sub-fund invests to a moderate to significant extent in Swiss equities and similar instruments as well as in debt instruments in CHF pursuant to prov. 4 below.

In accordance with the investment principles, a derivative strategy using options is also applied to individual equities in the global equity market or to the global, regional or country-specific equity market as a whole. The derivative strategy aims to generate additional returns through the sale of call and put options. If substantial price gains are recorded in the individual underlyings, the level of upside participation in price gains may be limited (calls) or the level of downside participation in price gains may be increased (put). Returns can stem from interest, dividends, option premiums or other sources. The sub-fund may consequently make use of derivative financial instruments for investment purposes. The asset manager can decide to apply the derivative strategy only in part or suspend it completely for a certain time.

1. The fund management company invests at least 35% but no more than 70% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to prov. 1 a);
 - c) structured products of issuers worldwide on the investments specified in prov. 1 a);
 - d) derivatives of issuers worldwide on the investments specified in prov. 1 a).
2. Furthermore, the fund management company invests at least 10% but no more than 60% of the sub-fund's total assets in:

- a) debt instruments and rights (notes, bonds, debentures, warrant bonds, convertible bonds (voluntary conversion, mandatory conversion or conditional mandatory conversion (incl. contingent convertible bonds (CoCo bonds), fund-linked notes with a capital guarantee, mortgage-backed securities (MBS), inflation-linked bonds, etc.) of private, semi-private and public-law borrowers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to prov. 2 a) to c);
 - e) structured products of issuers worldwide on the investments specified in prov. 2 a) to c);
 - f) derivatives of issuers worldwide in the investments 2 pursuant to prov. 1 a) to c) as well as interest rate swaps, credit default swaps and interest rate and bond futures.
3. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh).
4. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
- At least 20% and up to 70% of the sub-fund's assets are invested in the investments listed in prov. 1. a) to d), prov. 2. a) to f) and prov. 3 of the preceding sections from issuers that have their registered office in Switzerland or are listed on a Swiss stock exchange, or in investments that are denominated in Swiss francs.
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
- a) up to a total of 30% in:
 - equity paper and rights from companies in emerging markets;
 - equity paper and rights from small caps;
 - debt instruments and rights with a rating below investment grade;
 - up to 10% in CoCo bonds;
 - up to 20% in alternative investments pursuant to § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh), which includes: hedge funds, indirect investments in private equity, indirect investments in precious metals, indirect investments in commodities, indirect investments in real estate (including REITs), indirect investments in insurance-linked securities, indirect investments in senior secured loans, and indirect investments in master limited partnerships (MLPs). The fund management company can invest up to 5% of the sub-fund's total assets in hedge funds and indirect investments in private equity pursuant to § 8 prov. 2 ga) and gb), of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses. The prospectus contains further information in this regard.
 - b) The leverage of exposures to long equity futures that are not covered by cash or cash equivalents is limited to 20%.
 - c) The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company can hedge the currency risk of investments that are not denominated in the sub-fund's accounting currency.
 - d) Investments can in principle be made worldwide, in particular in emerging markets.
 - e) Debt instruments and rights with an investment grade or non-investment grade rating, as well as those with no rating, may be purchased for the sub-fund. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.
 - f) The redemption frequency of the target funds shall generally correspond to that of the sub-fund.

C. UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

The investment objective of this sub-fund is to achieve capital growth and returns in line with the risk profile of the sub-fund.

For this sub-fund, in addition to distributions pursuant to § 23 prov. 1 and 2, the fund management company may choose to make partial repayments to the investors, as defined in section 1.9 of the prospectus and § 23 prov. 3 of the fund contract. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3% per year.

The sub-fund does not qualify as sustainable and is not managed sustainably.

The sub-fund invests in a broadly diversified global portfolio of passively and actively managed instruments, individual investments and derivatives. To achieve this goal, the sub-fund can invest dynamically in asset classes such as equities (issued by companies operating in both developed and emerging markets), bonds (including corporate and government bonds, high-yield bonds, senior loans and bonds focused on emerging markets), real estate, alternative investments, money market instruments and/or liquid assets.

In addition to its global investment character, the sub-fund invests to a moderate to significant extent in Swiss equities and similar instruments as well as in debt instruments in CHF pursuant to prov. 4 below.

In accordance with the investment principles, a derivative strategy using options is also applied to individual equities in the global equity market or to the global, regional or country-specific equity market as a whole. The derivative strategy aims to generate additional returns through the sale of call and put options. If substantial price gains are recorded in the individual underlyings, the level of upside participation in price gains may be limited (calls) or the level of downside participation in price gains may be increased (put). Returns can stem from interest, dividends, option premiums or other

sources. The sub-fund may consequently make use of derivative financial instruments for investment purposes. The asset manager can decide to apply the derivative strategy only in part or suspend it completely for a certain time.

1. The fund management company invests at least 55% but no more than 95% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to prov. 1 a);
 - c) structured products of issuers worldwide on the investments specified in prov. 1 a);
 - d) derivatives of issuers worldwide on the investments specified in prov. 1 a).
2. Furthermore, the fund management company invests up to 40% of the sub-fund's total assets in:
 - a) debt instruments and rights (notes, bonds, debentures, warrant bonds, convertible bonds (voluntary conversion, mandatory conversion or conditional mandatory conversion (incl. contingent convertible bonds (CoCo bonds), fund-linked notes with a capital guarantee, mortgage-backed securities (MBS), inflation-linked bonds, etc.) of private, semi-private and public-law borrowers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares in other collective investment schemes that invest their assets primarily in investments pursuant to prov. 2 a) to c);
 - e) structured products of issuers worldwide on the investments specified in prov. 2 a) to c);
 - f) derivatives of issuers worldwide in the investments 2 pursuant to prov. 1 a) to c) as well as interest rate swaps, credit default swaps and interest rate and bond futures.
3. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh).
4. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - At least 20% and up to 70% of the sub-fund's assets are invested in the investments listed in prov. 1. a) to d), prov. 2. a) to f) and prov. 3 of the preceding sections from issuers that have their registered office in Switzerland or are listed on a Swiss stock exchange, or in investments that are denominated in Swiss francs.
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - a) up to a total of 30% in:
 - equity paper and rights from companies in emerging markets;
 - equity paper and rights from small caps;
 - debt instruments and rights with a rating below investment grade;
 - up to 10% in CoCo bonds;
 - up to 20% in alternative investments pursuant to § 8 prov. 2 ga), gb), gc), gd), ge), gf), gg) and gh), which includes: hedge funds, indirect investments in private equity, indirect investments in precious metals, indirect investments in commodities, indirect investments in real estate (including REITS), indirect investments in insurance-linked securities, indirect investments in senior secured loans, and indirect investments in master limited partnerships (MLPs). The fund management company can invest up to 5% of the sub-fund's total assets in hedge funds and indirect investments in private equity pursuant to § 8 prov. 2 ga) and gb), of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses. The prospectus contains further information in this regard.
 - b) The leverage of exposures to long equity futures that are not covered by cash or cash equivalents is limited to 20%.
 - c) The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company can hedge the currency risk of investments that are not denominated in the sub-fund's accounting currency.
 - d) Investments can in principle be made worldwide, in particular in emerging markets.
 - e) Debt instruments and rights with an investment grade or non-investment grade rating, as well as those with no rating, may be purchased for the sub-fund. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.
 - f) The redemption frequency of the target funds shall generally correspond to that of the sub-fund.

D. UBS (CH) Fund 1 - Privilege 35 CHF

The investment objective of this sub-fund is principally to achieve capital preservation in real terms and long-term growth in capital through capital and currency gains.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds.;

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria. Further information can be found in the prospectus.

1. With the following rules, the fund management company broadly follows the requirements of the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances (BVV2). In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.
2. The fund management company invests no more than 80% of the sub-fund's total assets in:
 - a) bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights issued by private, semi-private and public-law issuers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares of other collective investment schemes that invest in debt instruments and rights or money market instruments;
 - e) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
 - f) derivatives (futures and swaps) on debt instruments and rights, interest rates and reference borrowers (credit default swaps) in each case accounted for based on their underlying equivalent for exposure-increasing derivatives and accounted for based on their market value for exposure-reducing derivatives.
3. The fund management company invests at least 20% but no more than 45% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares of other collective investment schemes that invest in equities and similar instruments;
 - c) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
 - d) derivatives (calls, puts, futures) of issuers worldwide on equities and similar instruments as well as equity indices accounted for based on their underlying equivalent for exposure-increasing and exposure-decreasing derivatives.
4. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb) and ge).
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - a) Alternative investments as defined in § 8 prov. 2 ga), gb) and ge): up to 10% in total, of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses. The prospectus contains further information in this regard.
 - b) Hedge funds and Indirect investments in private equity as defined in § 8 prov. 2 ga) and gb): up to 5%
Exposure-increasing derivatives (in each case accounted for based on their underlying equivalent): up to 40%;
 - c) Debt instruments and rights with a non-investment grade rating or no rating: up to a total of 30%. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.
6. The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company may employ forward foreign exchange contracts as well as currency options and futures on currencies on a worldwide basis for currency allocation and hedging purposes. The foreign-currency risk totals no more than 30%.
7. The redemption frequency of the target funds shall in general correspond to that of the sub-fund.

E. UBS (CH) Fund 1 - Privilege 45 CHF

The investment objective of this sub-fund is principally to achieve capital preservation in real terms and long-term growth in capital through capital and currency gains.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds as described in section 1.10.1 of the prospectus. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds.;

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria. Further information can be found in the prospectus.

1. With the following rules, the fund management company broadly follows the requirements of the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances (BVV2). In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.
2. The fund management company invests no more than 75% of the sub-fund's total assets in:
 - a) bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights issued by private, semi-private and public-law issuers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares of other collective investment schemes that invest in debt instruments and rights or money market instruments;
 - e) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
 - f) derivatives (futures and swaps) on debt instruments and rights, interest rates and reference borrowers (credit default swaps) in each case accounted for based on their underlying equivalent for exposure-increasing derivatives and accounted for based on their market value for exposure-reducing derivatives.
3. The fund management company invests at least 25% but no more than 50% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares of other collective investment schemes that invest in equities and similar instruments;
 - c) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
 - d) derivatives (calls, puts, futures) of issuers worldwide on equities and similar instruments as well as equity indices accounted for based on their underlying equivalent for exposure-increasing and exposure-decreasing derivatives.
4. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb) and ge).
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - a) Alternative investments as defined in § 8 prov. 2 ga), gb) and ge): up to 10% in total, of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses. The prospectus contains further information in this regard.
 - b) Hedge funds and Indirect investments in private equity as defined in § 8 prov. 2 ga) and gb): up to 5%
Exposure-increasing derivatives (in each case accounted for based on their underlying equivalent): up to 40%;
 - c) Debt instruments and rights with a non-investment grade rating or no rating: up to a total of 30%. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.

6. The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company may employ forward foreign exchange contracts as well as currency options and futures on currencies on a worldwide basis for currency allocation and hedging purposes. The foreign-currency risk totals no more than 30%.
7. The redemption frequency of the target funds shall in general correspond to that of the sub-fund.

F. UBS (CH) Fund 1 - Privilege 75 CHF

The investment objective of this sub-fund is principally to achieve long-term capital growth through capital and currency gains.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds as described in section 1.10.1 of the prospectus. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds;

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria. Further information can be found in the prospectus.

1. With the following rules, the fund management company broadly follows the requirements of the Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) and its ordinances (BVV2). The maximum equity component nevertheless exceeds the category limit for equities as specified in the BVV2. In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.
2. The fund management company invests no more than 50% of the sub-fund's total assets in:
 - a) bonds (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed- or variable-interest debt instruments and rights issued by private, semi-private and public-law issuers worldwide, denominated in any freely convertible currency;
 - b) money market instruments of issuers worldwide, denominated in any freely convertible currency;
 - c) sight and time deposits;
 - d) units or shares of other collective investment schemes that invest in debt instruments and rights or money market instruments;
 - e) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
 - f) derivatives (futures and swaps) on debt instruments and rights, interest rates and reference borrowers (credit default swaps) in each case accounted for based on their underlying equivalent for exposure-increasing derivatives and accounted for based on their market value for exposure-reducing derivatives.
3. The fund management company invests at least 50% but no more than 85% of the sub-fund's total assets in:
 - a) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) of companies worldwide;
 - b) units or shares of other collective investment schemes that invest in equities and similar instruments;
 - c) units or shares of other collective investment schemes that invest in equities and similar instruments as well as in debt instruments and rights or money market instruments;
 - d) derivatives (calls, puts, futures) of issuers worldwide on equities and similar instruments as well as equity indices accounted for based on their underlying equivalent for exposure-increasing and exposure-decreasing derivatives.

4. In addition, the fund management company may invest within the scope of prov. 5 below in alternative investments as defined in § 8 prov. 2 ga), gb) and ge).
5. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - a) Alternative investments as defined in § 8 prov. 2 ga), gb) and ge): up to 10% in total, of which up to 100% may be funds of funds. Alternative investments entail an increased potential for losses. The prospectus contains further information in this regard.
 - b) Hedge funds and Indirect investments in private equity as defined in § 8 prov. 2 ga) and gb): up to 5%
Exposure-increasing derivatives (in each case accounted for based on their underlying equivalent): up to 40%;
 - c) Debt instruments and rights with a non-investment grade rating or no rating: up to a total of 20%. Debt instruments and rights with a non-investment grade rating, as well as those with no rating, entail a greater degree of risk.
6. The currency designation contained in the fund name merely refers to the accounting currency of the sub-fund, i.e. the currency in which the sub-fund's performance is measured, and not necessarily the currency in which the sub-fund's direct or indirect investments are denominated. The investments are made in currencies that appear optimal from a sub-fund performance point of view. The fund management company may employ forward foreign exchange contracts as well as currency options and futures on currencies on a worldwide basis for currency allocation and hedging purposes. The foreign-currency risk totals no more than 30%.
7. The redemption frequency of the target funds shall in general correspond to that of the sub-fund.

G. UBS (CH) Fund 1 - Privilege 20 CHF

The investment objective of this sub-fund is principally to achieve capital preservation in real terms. This sub-fund pursues an income-driven investment strategy with the Swiss franc as its accounting currency.

UBS Asset Management categorises this sub-fund as an actively managed Sustainability Focus fund, which promotes environmental and social characteristics. The sub-fund is actively managed. The aim of the investment strategy is to give greater consideration to companies and issuers that are more committed to environmental or social aspects than others. Various sustainability approaches may be applied when selecting investments. When allocating funds to the underlying strategies, any decision is based on the concept of ESG integration described in section 1.10.1 of the prospectus, as well as on negative screening according to the most recent UBS sustainability exclusion guidelines.

Due to the multi-asset fund structure, an exclusion (SVVK-ASIR and Ethix) is applied for sustainable UBS target funds as described in section 1.10.1 of the prospectus. Further information on the fund of funds structure can be found in the prospectus under prov. 6.15 and 6.16.

Due to the multi-asset fund structure, sustainable target funds may be used that employ one or a combination of the following sustainability approaches:

- Best-in-class approach
- Sustainable thematic investing: this includes equities relating to ESG topics, green, social and sustainability bonds, and development bonds.;

At the time of the investment decision, the sub-fund invests at least 80% of its assets (after deducting liquid assets and derivatives) in investments that meet the requirements of the sustainability policy.

Notes on investments that do not meet the sustainability requirements: While the asset manager strives for all investments to be sustainable, it may not be possible to apply sustainability criteria for up to 20% of the assets due to lack of data, lack of methodological standards or lack of market liquidity. Interest derivatives and/or investment products that replicate an index (including ETFs) are also permitted for efficient implementation of the investment policy, as well as investments in target funds that are not categorised as actively managed Sustainability Focus funds. In any case, these products may not be used to circumvent the exclusion criteria. Further information can be found in the prospectus.

1. With the following rules, the fund management company is largely following the requirements of Art. 7 para. 1 of the Ordinance on the Management of the Assets within the Framework of Legal Assistance and Guardianship (VBVV). In terms of implementing the investment policy, however, the fund management company is exclusively bound by the requirements of the collective investment schemes legislation.
2. The fund management company invests
 - a) at least 25% and no more than 85% of the sub-fund's total assets in:
 - aa) bonds denominated in Swiss francs (including convertible bonds, convertible notes and warrant bonds), notes, and other fixed or variable-interest debt instruments and rights issued by private, semi-private and public-law borrowers worldwide with a good credit rating;
 - ab) units or shares in other collective investment schemes in Swiss francs that invest in assets pursuant to aa) above;
 - ac) derivatives of issuers worldwide in the investments pursuant to aa) above, as well as interest rate swaps, credit default swaps and interest rate and bond futures.
 - b) at least 10% and no more than 25% of the sub-fund's total assets in:
 - ba) equities and similar instruments (shares, dividend-right certificates, shares in cooperatives, participation certificates, etc.) in Swiss francs of companies worldwide;

- bb) units or shares in other collective investment schemes in Swiss francs that invest in assets pursuant to ba) above;
- bc) derivatives of issuers worldwide on the investments pursuant to ba) above and on equity indices.
- c) no more than 75% of the sub-fund's total assets in:
 - ca) Swiss franc-denominated money market instruments of issuers worldwide with a good credit rating;
 - cb) units or shares in other collective investment schemes in Swiss francs that invest in assets pursuant to ca) above;
 - cc) sight and time deposits denominated in Swiss francs with a maturity of up to 12 months with banks that have their registered office in Switzerland.
- 3. The fund management company must also comply with the following investment restrictions, which refer to the sub-fund's total assets:
 - a) exposure-increasing derivatives (in each case accounted for based on their underlying equivalent): up to 20%;
 - b) sight and time deposits: up to 20%;
 - c) units or shares in other collective investment schemes: up to 49%;
 - d) up to 49% in bonds denominated in Swiss francs issued by companies worldwide (companies whose registered office is not in Switzerland).
- 4. The fund management company may use derivatives for hedging purposes.
- 5. For this sub-fund, the fund management company is not permitted to invest in alternative investments pursuant to § 8 prov. 2 g).

§ 9 Liquid assets

For each sub-fund, the fund management company may also hold liquid assets in an appropriate amount in the respective sub-fund's accounting currency and in any other currency in which investments are permitted for that particular sub-fund. Liquid assets comprise sight and time deposits as well as claims arising from repurchase agreements with maturities up to twelve months.

B. Investment techniques and instruments

§ 10 Securities lending

1. Subject to prov. 2 below, the fund management company may for the account of the sub-funds lend all types of securities that are traded on an exchange or other regulated market open to the public. However, it may not lend securities acquired under a reverse repo transaction.
2. The fund management company must not effect any securities lending transactions for the following sub-fund:
 - UBS (CH) Fund 1 - Privilege 20 CHF
3. The fund management company may lend securities in its own name and for its own account to a borrower ("principal"), or appoint an intermediary to put the securities at the disposal of the borrower either indirectly on a fiduciary basis ("agent") or directly ("finder").
4. The fund management company shall only carry out securities lending transactions with first-class supervised borrowers and intermediaries, such as banks, brokers and insurance companies, as well as approved and recognised central counterparties and central securities depositories that guarantee the proper execution of the securities lending transactions.
5. If the fund management company must observe a notice period, which may not exceed seven bank working days, before it may again have legal control of the lent securities, it may not lend more than 50% of the eligible holding of that particular security for each sub-fund. However, if the borrower or the intermediary provides a contractual guarantee to the fund management company that it may have legal control of the lent securities on the same or following bank working day, then the entire eligible holding of that particular security may be lent.
6. The fund management company shall conclude an agreement with the borrower or intermediary whereby the latter pledges or transfers collateral to the fund management company for the purposes of guaranteeing restitution in accordance with Art. 51 CISO-FINMA. The value of the collateral must be appropriate and, at all times, be at least 100% of the market value of the lent securities. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or other regulated market open to the public, and must be valued at least once a day on each trading day. When managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, it must diversify the collateral appropriately in terms of countries, markets and issuers, whereby appropriate diversification of issuers is deemed to have been met if the securities issued by a single issuer do not exceed 20% of the net asset value. Deviation from this rule is permitted for publicly guaranteed or issued investments pursuant to Art. 83 CISO. Furthermore, the fund management company and its agents must be able to demand, at any time, right and power of disposal with respect to the collateral received in the event of default on the part of the counterparty, and without the involvement or approval of the counterparty. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held in safekeeping by a supervised third-party custodian on behalf of the fund management company provided that ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.
7. The borrower or intermediary is liable for ensuring the prompt, unconditional payment of any income accruing during the lending period, as well as for the assertion of other proprietary rights and for the contractually agreed return of securities of the same type, quantity and quality.

8. The custodian bank shall ensure that the securities lending transactions are handled in a secure manner in line with the agreements and, in particular, shall monitor compliance with the requirements relating to collateral. For the duration of the lending transactions it will also be responsible for the corporate actions assigned to it under the custody account regulations and for asserting all rights associated with the loaned securities, provided these have not been ceded under the terms of an applicable framework agreement.
9. The prospectus contains further information about the collateral strategy.

§ 11 Securities repurchase agreements

1. Subject to prov. 2 below, the fund management company may enter into securities repurchase agreements ("repos") for the account of the sub-funds. Securities repurchase agreements can be concluded as either repos or reverse repos.
A "repo" is a legal act in which one party (the borrower or repo seller) temporarily transfers ownership of specific securities to another party (the lender or repo buyer) against payment, and in which the lender undertakes to return to the borrower securities of the same type, quantity, and quality at the end of the repo term, together with any income earned during such term. During the term of the repurchase agreement, the price risk associated with the securities is borne by the borrower.
From the perspective of the counterparty (lender), a repo is a reverse repo. By means of a reverse repo, the fund management company acquires securities for investment purposes and at the same time agrees to return securities and rights of the same type, quantity and quality and to transfer all income received during the term of the repurchase agreement.
2. The fund management company must not effect any securities repurchase agreements for the following sub-funds:
 - UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)
 - UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)
 - UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)
 - UBS (CH) Fund 1 - Privilege 20 CHF
3. The fund management company may conduct repurchase agreements in its own name and on its own account with a counterparty ("principal"), or may instruct an intermediary to conclude repurchase agreements with a counterparty either indirectly in a fiduciary capacity ("agent") or directly ("finder").
4. The fund management company conducts repurchase agreements exclusively with first-class supervised counterparties and intermediaries specialising in transactions of this type, such as banks, brokers and insurance companies, as well as with licensed and recognised central counterparty clearing houses and central securities depositories, which guarantee the execution of the repurchase agreements in a due and proper manner.
5. The custodian bank ensures that the repurchase transactions are settled in a secure and contractually agreed manner. It ensures on a daily basis that fluctuations in the value of the securities used in repo transactions are compensated for in cash or securities (marked to market). In addition, during the term of the repurchase transaction it carries out the administrative duties assigned to it under the safe-custody regulations and asserts all rights associated with the securities used in the repo transaction unless such duties have been ceded under the standardised framework agreement.
6. For repo transactions, the fund management company may use all types of securities which are traded on an exchange or other regulated market open to the public. It may not use securities acquired under a reverse repo for repo purposes.
7. If the fund management company must observe a notice period, which may not exceed seven bank working days, before it may once again have legal control of the securities under the repurchase agreement, it may not use more than 50% of its holdings of a particular security eligible for repo transactions. However, if the counterparty or the intermediary provides the fund management company with a contractual assurance that the latter may legally repossess the securities used in the repo transaction on the same or next bank working day, then the entire holdings of a particular security eligible for repo transactions may be used.
8. Repurchase transactions in the form of repos are deemed to be raising a loan pursuant to § 13, unless the money received is used to acquire securities of the same type, quality, credit rating, and maturity in conjunction with the conclusion of a reverse repo.
9. As part of a reverse repo, the fund management company may acquire only collateral that meets the requirements set down in Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public, and must be valued at least on each trading day. When managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, it must diversify the collateral appropriately in terms of countries, markets and issuers, whereby appropriate diversification of issuers is deemed to have been met if the securities issued by a single issuer do not exceed 20% of the net asset value. Deviation from this rule is permitted for publicly guaranteed or issued investments pursuant to Art. 83 CISO. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held in safekeeping by a supervised third-party custodian on behalf of the fund management company provided that ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.
10. Claims in connection with reverse repos are deemed to be liquid assets pursuant to § 9, and are not deemed to be the granting of a loan pursuant to § 13.

11. The prospectus contains further information about the collateral strategy.

§ 12 Derivatives

1. The fund management company may use derivatives. It ensures that, even in exceptional market circumstances, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in this fund contract, the prospectus and the key information document, and that it does not change the investment character of the sub-funds. Furthermore, the underlyings of the derivatives must be permitted as investments for the sub-fund concerned according to the present fund contract.
- In connection with collective investment schemes, derivatives may only be used to hedge currency risks. They may, however, be used to hedge market, interest rate and credit risks of collective investment schemes where the risks are clearly definable and measurable.

Commitment Approach I:

- 2.1. For the sub-funds
- UBS (CH) Fund 1 - Privilege 35 CHF**
 - UBS (CH) Fund 1 - Privilege 45 CHF**
 - UBS (CH) Fund 1 - Privilege 75 CHF**
 - UBS (CH) Fund 1 - Privilege 20 CHF**
- Commitment Approach I shall be applied to the assessment of risk. Taking into account the collateral required in the present section, the use of derivatives does not result in a leverage effect on the sub-funds' assets; nor does it correspond to short-selling.
- 2.1.1. Only basic forms of derivative may be used. These comprise:
- a) call or put options, the expiration value of which is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price, and is zero if the difference is preceded by the opposite sign (+ or -);
 - b) Credit default swaps (CDS);
 - c) swaps, the payments of which are dependent on the value of the underlying or on an absolute amount in both a linear and a path-independent manner;
 - d) future and forward transactions, the value of which is linearly dependent on the value of the underlying.
- 2.1.2. The financial effect of the derivatives is similar to either a sale (exposure-reducing derivative) or a purchase (exposure-increasing derivative) of an underlying security.
- 2.1.3. a) In the case of exposure-reducing derivatives, subject to b) and d) below, the arising obligations must be covered at all times by the underlyings of the derivative.
- b) Cover with investments other than the underlyings is permitted in the case of exposure-reducing derivatives that relate to an index which is
 - calculated by an independent external office;
 - representative of the investments serving as cover;
 - sufficiently well correlated with these investments.
 - c) The fund management company must have unrestricted access to these underlyings or investments at all times. Underlyings or investments may be used to cover several exposure-reducing derivative positions at the same time if they are subject to a market risk, credit risk or currency risk and are based on the same underlyings.
 - d) An exposure-reducing derivative can be weighted by the delta in the calculation of the corresponding underlyings.
- 2.1.4. In the case of exposure-increasing derivatives, the underlying equivalents must be covered at all times by near-money assets pursuant to Art. 34 para. 5 CISO-FINMA. In the case of futures, options, swaps, and forwards, the underlying equivalent is determined in accordance with Annex 1 CISO-FINMA. Near-money assets can be used to cover several exposure-increasing derivative positions at the same time, provided these are subject to a market risk or credit risk and are based on the same underlyings.
- 2.1.5. The fund management company must take into account the following rules when netting derivative positions:
- a) Counter positions in derivatives based on the same underlying as well as counter positions in derivatives and in investments in the same underlying may be netted, irrespective of the maturity date of the derivatives, provided that the derivative transaction was concluded with the sole purpose of eliminating the risks associated with the derivatives or investments acquired, no material risks are disregarded in the process, and the conversion amount of the derivatives is determined pursuant to Art. 35 CISO-FINMA.
 - b) If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, in addition to the rules of lit. a above, any netting must also fulfil hedging prerequisites, i.e. derivatives transactions may not be based on an investment strategy designed to generate a profit. Furthermore, the derivative must result in a demonstrable reduction in risk, the risks of the derivative must be balanced out, the derivatives, underlyings, or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must remain effective even under exceptional market conditions.
 - c) Derivatives that are used purely to hedge foreign currency risks and do not involve any leverage effect or additional market risks may be netted when calculating overall derivatives exposure, without being subject to the requirements of lit. b.
 - d) Covered hedging transactions involving interest rate derivatives are permissible. Convertible bonds do not have to be taken into account when calculating the overall exposure to derivatives.

Commitment Approach II:

2.2. For the sub-funds

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

Commitment Approach II shall be applied to the assessment of risk.

A sub-fund's overall exposure to derivatives may therefore not exceed 100% of its net assets, and the overall exposure may not exceed a total of 200% of its net assets. Taking into account the possibility of temporary borrowing amounting to no more than 25% of a sub-fund's net assets pursuant to § 13 prov. 2, the overall exposure of the relevant sub-fund may be up to 225% of the net fund assets. The overall exposure is determined in accordance with Art. 35 CISO-FINMA.

2.2.1 The fund management company may, in particular, use basic forms of derivatives such as call or put options, the expiration value of which is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price, and is zero if the difference is preceded by the opposite sign (+ or -), credit default swaps (CDS), swaps, the payments of which are dependent on the value of the underlying or on an absolute amount in both a linear and a path-independent manner, as well as future and forward transactions, the value of which is linearly dependent on the value of the underlying. It may also use combinations of basic forms of derivatives, as well as derivatives whose financial effect cannot be described by a basic form of derivative or a combination of basic forms of derivatives (exotic derivatives).

2.2.2.a) Counter positions in derivatives based on the same underlying as well as counter positions in derivatives and in investments in the same underlying may be netted, irrespective of the maturity date of the derivatives, provided that the derivative transaction was concluded with the sole purpose of eliminating the risks associated with the derivatives or investments acquired, no material risks are disregarded in the process and the conversion amount of the derivatives is determined pursuant to Art. 35 CISO-FINMA.

b) If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, in addition to the rules of lit. a above, any netting must also fulfil hedging prerequisites, i.e. derivatives transactions may not be based on an investment strategy designed to generate a profit. Furthermore, the derivative must result in a demonstrable reduction in risk, the risks of the derivative must be balanced out, the derivatives, underlyings, or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must remain effective even under exceptional market conditions.

c) Where interest rate derivatives are predominantly used, the amount to be included in the overall exposure arising from derivatives can be determined using internationally recognised duration-netting rules, provided that the rules result in a correct determination of the risk profile of the sub-fund, the material risks are taken into account, the use of these rules does not generate an unjustified level of leverage, no interest-rate arbitrage strategies are pursued, and the leverage of Investment funds-fund is not increased either by applying these rules or through investments in short-term positions.

d) Derivatives that are used solely for currency hedging purposes and do not result in leverage or contain additional market risks may be netted when calculating the overall exposure arising from derivatives without having to meet the requirements set out under b) above.

e) Payment obligations in respect of derivatives must be covered at all times by near-money assets, debt securities and rights, or equities that are traded on an exchange or other regulated market open to the public, in accordance with the legislation on collective investment schemes. These near-money assets and investments may be used to cover several derivative positions at the same time, provided these are subject to market risk, credit risk, currency risk, or interest rate risk and are based on the same underlyings.

f) If, with a derivative, the fund management company enters into an obligation in respect of the physical delivery of an underlying, the derivative must be covered by the corresponding underlyings or by other investments, provided that such investments and the underlyings are highly liquid and may be purchased or sold at any time if delivery is requested. The fund management company must have unrestricted power to dispose of these underlyings or investments at all times. Underlyings may be used as cover for several derivative positions at the same time, provided these are subject to market risk, credit risk, currency risk or interest rate risk and are based on the same underlyings.

3. The fund management company may use both standardised and non-standardised derivatives. It may conclude transactions in derivative financial instruments on an exchange or another regulated market open to the public or in OTC (over-the-counter) trading.

4. a) The fund management company may conclude OTC transactions only with regulated financial intermediaries specialised in such types of transactions that ensure proper execution of the contract. If the counterparty is not the custodian bank, the former or its guarantor must have a high credit rating.

b) It must be possible to reliably and verifiably value an OTC-traded derivative on a daily basis and to sell, liquidate or close out the derivative at market value at any time.

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

- d) The fund management company and its agents may only accept collateral in the context of an OTC transaction if it meets the requirements set out under Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating, and must not be the counterparty itself or a company belonging to, or otherwise dependent on, the corporate group of the counterparty. The collateral must be highly liquid, must be traded at a transparent price on an exchange or other regulated market open to the public, and must be valued at least once a day on each trading day. When managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, it must diversify the collateral appropriately in terms of countries, markets and issuers, whereby appropriate diversification of issuers is deemed to have been met if the securities issued by a single issuer do not exceed 20% of the net asset value. Deviation from this rule is permitted for publicly guaranteed or issued investments pursuant to Art. 83 CISO. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be held in safekeeping with the custodian bank. The collateral received may be held in safekeeping by a supervised third-party custodian on behalf of the fund management company provided that ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.
5. In respect of compliance with the statutory and contractual investment restrictions (maximum and minimum limits), derivatives shall be taken into account in accordance with the legislation on collective investment schemes.
6. The prospectus must contain further information on:
 - the importance of derivatives as part of the investment strategy;
 - the effect of the use of derivatives on the risk profile of the sub-funds;
 - the counterparty risks attached to derivatives;
 - the increased volatility and increased overall exposure (leverage effect) resulting from the use of derivatives;
 - credit derivatives, if used;
 - the collateral strategy.

§ 13 Raising and granting loans

1. The fund management company may not grant loans for the sub-funds' account. Securities lending transactions pursuant to § 10 and securities repurchase agreements taking the form of reverse repos pursuant to § 11 are not deemed to be granting loans within the meaning of this paragraph.
2. Subject to prov. 3 below, the fund management company may for each sub-fund borrow the equivalent of up to 25% of the net fund assets of the said sub-fund on a temporary basis. Engaging in repo transactions is deemed to be taking up a loan pursuant to § 11, unless the money received is used as part of an arbitrage transaction to acquire securities of the same type, quality, credit rating and maturity in conjunction with the conclusion of a reverse repo.
3. Engaging in repo transactions is deemed to be taking up a loan pursuant to § 11, unless the money received is used as part of an arbitrage transaction to acquire securities of the same type, quality, credit rating and maturity in conjunction with the conclusion of a reverse repo.

§ 14 Encumbrance of the sub-funds' assets

1. No more than 60% of the net assets of any sub-fund (no more than 25% of the net fund assets of the sub-funds UBS (CH) Fund 1 - Privilege 35 CHF UBS (CH) Fund 1 - Privilege 45 CHF and UBS (CH) Fund 1 - Privilege 75 CHF) may be pledged or ownership thereof transferred as collateral by the fund management company.
2. The sub-funds' assets may not be encumbered with guarantees. An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this paragraph.

C. Investment restrictions

§ 15 Risk diversification

1. The regulations on risk diversification must include the following:
 - a) Investments pursuant to § 8, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market to which it relates, and is published in an appropriate manner;
 - b) Liquid assets pursuant to § 9;
 - c) Claims against counterparties arising from OTC transactions.
 The regulations on risk diversification apply to each sub-fund individually.
2. Companies which form a group in accordance with international accounting regulations are deemed to be a single issuer.
3. Including derivatives and structured products, the fund management company may invest up to 10% of a sub-fund's assets in securities and money market instruments of the same issuer/borrower. The total value of the securities and money market instruments of issuers/borrowers in which more than 5% of the assets of a sub-fund are invested may not exceed 40% of the assets of the corresponding sub-fund, subject to prov. 4 and 5. As a result, the sub-fund's assets may be concentrated in a small number of issuers represented in the index, thus leading to an increase in the securities-specific risks. This may result in the sub-fund exhibiting a higher overall risk than that of the index (market risk).
4. The fund management company may invest up to 20% of the assets of a sub-fund in sight and term deposits with the same bank. Both liquid assets pursuant to § 9 and investments in bank deposits pursuant to § 8 must be included in this limit.
5. The fund management company may invest up to 5% of the assets of a sub-fund in OTC transactions with the same counterparty. If the counterparty is a bank domiciled in Switzerland or in a member state of the European

Union, or another country in which it is subject to supervision equivalent to that in Switzerland, this limit is raised to 10% of the corresponding sub-fund's assets.

If the claims arising from OTC transactions are hedged using collateral in the form of liquid assets pursuant to Art. 50 to 55 CISO-FINMA, such claims are not included in the calculation of counterparty risk.

6. Investments, assets and claims pursuant to prov. 3 to 5 above from the same issuer or borrower may not exceed a total of 20% of the assets of a sub-fund, For the custodian bank, this limit rises to 30% of the assets of a sub-fund with the exception of the higher limits pursuant to provs. 12 and 13 below.
7. Investments pursuant to prov. 3 above with the same group of companies may not, in total, exceed 20% of the assets of a sub-fund, with the exception of the higher limits pursuant to provs. 12 and 13 below.
8. The fund management company may not invest more than 30% of a sub-fund's assets (no more than 20% for the sub-funds UBS (CH) Fund 1 - Privilege 35 CHF, UBS (CH) Fund 1 - Privilege 45 CHF, UBS (CH) Fund 1 - Privilege 75 CHF and UBS (CH) Fund 1 - Privilege 20 CHF) in units or shares of the same other collective investment scheme pursuant to § 8 prov. 2 d) above. This limit is reduced to 10% for alternative investments pursuant to § 8 prov. 2 g) above.
9. The fund management company may not acquire equity securities which, in total, represent more than 10% of the voting rights in a company or which would enable it to exert a material influence on the management of an issuing company. The exceptions permitted by the supervisory authority shall continue to apply.
10. The fund management company may acquire for the assets of a sub-fund up to 10% each of the non-voting equity, debt instruments and/or money market instruments of the same issuer as well as a maximum of 30% of the issued units or shares of other collective investment schemes (25% for the sub-funds UBS (CH) Fund 1 - Privilege 35 CHF, UBS (CH) Fund 1 - Privilege 45 CHF, UBS (CH) Fund 1 - Privilege 75 CHF and UBS (CH) Fund 1 - Privilege 20 CHF). These restrictions do not apply if the gross amount of the debt instruments, money market instruments or units or shares of other collective investment schemes cannot be calculated at the time of acquisition.
11. The restrictions set out in prov. 9 and 10 above do not apply in the case of securities and money market instruments that are issued or guaranteed by a country or a public-law entity from the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs.
12. The limit in prov. 3 above is increased from 10% to 35% if the securities or money market instruments are issued or guaranteed by an OECD country, by a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. The aforementioned securities or money market instruments will not be taken into account in the application of the 40% limit pursuant to prov. 3. However, the individual limits specified in prov. 3 and 5 may not be added to the existing limit of 35%.
13. The limit in prov. 3 above is increased from 10% to 100% if the securities or money market instruments are issued or guaranteed by a country or public-law entity in the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. In this case, the sub-fund concerned must invest in securities or money market instruments from at least six different issues; no more than 30% of the assets of the sub-fund concerned may be invested in securities or money market instruments from the same issue. The aforementioned securities or money market instruments will not be taken into account in the application of the 40% limit pursuant to prov. 3.
14. OECD member states, public-law entities from OECD member states and the following international organisations are permitted as issuers or guarantors within the meaning of provs. 12 and 13 above: the Council of Europe, the International Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (the European Company for the Financing of Railway Rolling Stock).

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

§ 16 Calculation of net asset values

1. The net asset value of each sub-fund and the proportions attributable to the individual classes (percentages) are calculated in the accounting currency of the relevant sub-fund at the market value as at the end of the financial year and for each day on which units are issued or redeemed. The corresponding sub-fund's assets will not be calculated on days on which the exchanges / markets in a sub-fund's main investment countries are closed (e.g. bank and stock exchange holidays).
2. Securities traded on an exchange or other regulated market open to the public are to be valued at the current prices paid on the main market. Other investments or investments for which no current price is available are to be valued at the price that would probably have been obtained in a diligent sale at the time of the estimate. In such cases, the fund management company will use appropriate and recognised valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price / net asset value. If they are regularly traded on an exchange or other regulated market open to the public, the fund management company may value such funds in accordance with prov. 2.
4. The value of money market instruments that are not traded on a stock exchange or another regulated market open to the public is determined as follows: The valuation price of such investments is successively adjusted in line with the repayment price, taking the purchase price as the basis and ensuring that the investment returns calculated in this manner are kept constant. If there are significant changes in market conditions, the valuation principles for the individual investments will be adjusted in line with the new market returns. If there is no current market price in such instances, the calculations are as a rule based on the valuation of money market instruments with the same characteristics (quality and domicile of the issuer, issuing currency, term to maturity).

5. Bank deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in the market conditions or the credit rating, the valuation principles for time deposits will be adjusted in line with the new circumstances.
6. The net asset value per unit of a given class of a sub-fund is determined by the proportion of the market value of those assets of the sub-fund attributable to that unit class, minus any of the sub-fund's liabilities attributable to that unit class, divided by the number of units of that class in circulation. It shall be rounded up or down to the nearest unit of the accounting currency.
7. If, on a given valuation day, the aggregate subscriptions and redemptions for the units of a sub-fund result in a net inflow or outflow of assets, the net asset value of the sub-fund concerned is increased or reduced accordingly ("swinging single pricing"). The maximum adjustment is 2.0% of the net asset value. Incidental costs (bid/ask spreads, standard brokerage charges, commission, taxes and duties) as well as the cost of verifying and maintaining quality standards in relation to physical assets incurred on average in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), are taken into account. The adjustment results in an increase in the net asset value if the net movement results in a rise in the number of units in the sub-fund. The adjustment results in a decrease in the net asset value if the net movement results in a fall in the number of units in the sub-fund. No incidental costs are charged if the fund management company permits payment or withdrawal by a transfer of assets in kind rather than in cash pursuant to § 18, or in the event of a switch between classes within a sub-fund. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value as set out in sentence 1 of this paragraph. Subscriptions and redemptions made the same day that have an evident, direct economic link and that therefore entail no ancillary costs for the purchase and sale of investments are excluded from the application of swinging single pricing.
When making the adjustment, the fund management company may also take into account the actual level of incidental costs instead of the above-mentioned average incidental costs, provided this is appropriate in the judgment of the fund management company considering the relevant circumstances (e.g. level of amount, general market situation, specific market situation for the asset class concerned). In such cases, the adjustment may be higher or lower than the average incidental costs.
In addition, the maximum adjustment of 2.0% of the net asset value may be exceeded in the cases specified in § 17 prov. 4 as well as in other exceptional cases if, in the view of the fund management company, this is in the interests of all investors. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to exceed the maximum adjustment. It shall also notify existing and new investors in a suitable manner.
8. The share of the market value of the net assets of a sub-fund (a sub-fund's assets minus liabilities) attributable to the respective unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the sub-fund concerned for each unit class. The share is recalculated when one of the following events occurs:
 - a) when units are issued and redeemed;
 - b) on the pertinent date for distributions and reinvestments, provided that (i) such distributions and reinvestments are only made for individual unit classes (distribution and capital-growth classes) or provided that (ii) the distributions and reinvestments of the various unit classes differ when expressed as a percentage of the respective net asset values, or provided that (iii) different commission or costs are charged on the distributions and reinvestments of the various unit classes when expressed as a percentage of the distributions or reinvestments;
 - c) when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided that the liabilities of the various unit classes differ as percentages of their individual net asset values, especially if (i) different commission rates are applied to the various unit classes or if (ii) class-specific costs are charged;
 - d) when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided the income or capital gains stem from transactions made solely in the interests of one unit class or in the interests of several unit classes but disproportionately to their share of the net assets of a sub-fund.

§ 17 Issue and redemption of units

1. Subscription and redemption orders for units will be accepted on the order day up to a certain cut-off time specified in the prospectus. The definitive price of the units for the issue and redemption is determined at the earliest on the bank working day following the day the order is placed (valuation day). This is known as forward pricing. The details are governed by the prospectus.
2. The issue and redemption price of units is based on the net asset value per unit on the valuation day calculated on the basis of the closing prices pursuant to § 16. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 19 and, in the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 19.
Incidental costs for the purchase and sale of investments (bid/ask spreads, standard brokerage charges, fees, taxes and duties) as well as the cost of verifying and maintaining quality standards in relation to physical assets incurred by a sub-fund on average in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), are charged in accordance with the swinging single pricing method (cf. § 16 prov. 7 of the fund contract). Subscriptions and redemptions made the same day that have an evident, direct economic link and that therefore entail no ancillary costs for the purchase and sale of

investments are excluded from the application of swinging single pricing. Payment of the issue/redemption price must be effected with a value date in accordance with Table 1 in the prospectus.

3. The fund management company may suspend the issue of units at any time and may reject applications for the subscription or conversion of units.
4. The fund management company may, temporarily and by way of exception, defer repayment in respect of a sub-fund's units in the interests of all investors:
 - a) if a market which forms the basis of the valuation of a significant proportion of the corresponding sub-fund's assets is closed, or if trading on such a market is restricted or suspended;
 - b) in the event of a political, economic, military, monetary or other emergency;
 - c) if, owing to exchange controls or restrictions on other asset transfers, the sub-fund can no longer transact its business;
 - d) in the event of large-scale redemptions of sub-fund units that might significantly impair the interests of the remaining investors in this sub-fund.
5. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions.
6. No units of a sub-fund will be issued for as long as repayments in respect of units of this sub-fund are deferred for the reasons stipulated under prov. 4 a) to c).
7. If the execution of a redemption application would result in an investor's holding in a particular class of units falling below the minimum holding requirement for that class as set out in the prospectus, the fund management company may treat such redemption application as though it were an application for the repayment of all units of that class held by the investor.

§ 18 Transfers of assets into and out of the fund instead of cash payments

Instead of a cash payment, investors may request that assets be transferred into the assets of the sub-fund concerned at subscription or, in the event of a redemption, be transferred to them out of the fund's assets ("transfer of assets in kind"). This request must be submitted with the subscription or redemption application. The fund management company is not obliged to permit contributions and redemptions in kind.

The fund management company decides on any request for a transfer of assets in kind at its own discretion and only gives its consent if the execution of such a transaction complies fully with the investment policy of the umbrella fund or sub-fund and does not harm the interests of the other investors.

The costs incurred by contributions or redemptions in kind may not be charged to the sub-fund's assets.

In the event of contributions or redemptions in kind, the fund management company draws up a report containing information on the individual assets that have been transferred, the market price of these assets on the transfer date, the number of units issued or redeemed in return, and cash payments made to cover peak equalisation. For every contribution or redemption in kind, the custodian bank verifies that the fund management company has complied with its duty of loyalty and also checks the valuation of the assets transferred and the units issued or redeemed as of the relevant date. Should it have any reservations or complaints, the custodian bank must report these to the audit firm without delay.

Transactions relating to contributions and redemptions in kind must be disclosed in the annual report. The fund management company may make such transactions dependent on a minimum volume and on further requirements in respect of the investments, or may cease to offer such transactions from time to time as a matter of principle and at its own discretion.

V. Fees and incidental costs

§ 19 Fees and incidental costs charged to the investor

1. When units are issued, investors may be charged an issuing commission payable to the fund management company, the custodian bank and/or distributors within Switzerland or abroad. This commission may not in total exceed 5% of the net asset value of the sub-fund. The currently applicable maximum rate is stated in the prospectus.
2. When units are redeemed, investors may be charged a redemption commission payable to the fund management company, the custodian bank and/or distributors within Switzerland or abroad. This commission may not in total exceed 2% of the net asset value of the sub-fund. The currently applicable maximum rate is stated in the prospectus.
3. Incidental costs for the purchase and sale of investments (bid/ask spreads, standard brokerage charges, commission, taxes and duties, etc.), as well as the cost of verifying and maintaining quality standards in relation to physical assets, incurred by a sub-fund in connection with the investment of the amount paid in or with the sale of that portion of investments corresponding to the redeemed unit(s) shall be charged using the swinging single pricing method (cf. § 16 prov. 7 of the fund contract). No incidental costs are charged if the fund management company permits payment or withdrawal by a transfer of assets in kind rather than in cash pursuant to § 18, or in the event of a switch between classes within a sub-fund.
4. In the case of switches within this umbrella fund from one sub-fund to another, a reduced issue commission of up to 2.5% and a reduced redemption commission of up to 1% will be levied. Switches between different sub-funds are free of charge in some cases, as specified in the table below.
5. A maximum of 50% of the issuing and redemption commission is charged for switches between different unit classes of a sub-fund.
6. For distributing the liquidation proceeds in the event of the sub-fund's dissolution, investors may be charged a commission of 0.5% of the net asset value of their units.

Table pursuant to § 19 prov. 4

At the moment there are no plans to offer switches between sub-funds that are exempt from issuing and redemption charges.

§ 20 Fees and incidental costs charged to the sub-funds' assets

1. The management fee payable to the fund management company consists of the following elements:
 - a) For the administration, asset management and distribution activities in connection with the sub-funds, the fund management company shall charge to the sub-funds' assets the following annual commission (**management fee**) based on the net assets of the sub-fund, to be charged to the assets of the respective sub-fund on a pro rata basis every time the net asset value is calculated and in each case paid out at the beginning of every month based on the average net assets of the sub-funds in the preceding month. The management fee does not cover the services specified in b) below.
 - b) For the services provided in relation to the calculation of net asset values and the currency hedging of currency-hedged unit classes (FX hedging), the fund management company shall charge to the sub-funds' assets the following annual commission (**servicing fee**) based on the net assets of the sub-fund, to be charged to the assets of the respective sub-fund on a pro rata basis every time the net asset value is calculated and in each case paid out at the beginning of every month based on the average net assets of the sub-funds in the preceding month.

The management fee may be structured differently and charged at different rates for individual sub-funds unit classes within a sub-fund. The sum of the management fee and servicing fee corresponds to the management fee payable to the fund management company and shall not exceed the following maximum rates.

The maximum rates for the management fee, servicing fee and management fee vary according to sub-fund and unit class as follows:

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF)

Unit class (all currencies)	Management fee /p.a.	Servicing fee/p.a.	Total management com- mission/p.a.
P	max. 1.16%	max. 0.10%	max. 1.26%
P hedged	max. 1.16%	max. 0.15%	max. 1.31%
K-1	max. 0.69%	max. 0.10%	max. 0.79%
K-1 hedged	max. 0.69%	max. 0.15%	max. 0.84%
Q	max. 0.64%	max. 0.10%	max. 0.74%
Q hedged	max. 0.64%	max. 0.15%	max. 0.79%
F	max. 0.60%	max. 0.10%	max. 0.70%
F hedged	max. 0.60%	max. 0.15%	max. 0.75%
I-A1	max. 0.64%	max. 0.10%	max. 0.74%
I-A1 hedged	max. 0.64%	max. 0.15%	max. 0.79%
I-A2	max. 0.62%	max. 0.10%	max. 0.72%
I-A2 hedged	max. 0.62%	max. 0.15%	max. 0.77%
I-A3	max. 0.60%	max. 0.10%	max. 0.70%
I-A3 hedged	max. 0.60%	max. 0.15%	max. 0.75%

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF)

Unit class (all currencies)	Management fee /p.a.	Servicing fee/p.a.	Total management com- mission/p.a.
P	max. 1.30%	max. 0.10%	max. 1.40%
P hedged	max. 1.30%	max. 0.15%	max. 1.45%
K-1	max. 0.79%	max. 0.10%	max. 0.89%
K-1 hedged	max. 0.79%	max. 0.15%	max. 0.94%
Q	max. 0.73%	max. 0.10%	max. 0.83%

Q hedged	max. 0.73%	max. 0.15%	max. 0.88%
F	max. 0.65%	max. 0.10%	max. 0.75%
F hedged	max. 0.65%	max. 0.15%	max. 0.80%
I-A1	max. 0.68%	max. 0.10%	max. 0.78%
I-A1 hedged	max. 0.68%	max. 0.15%	max. 0.83%
I-A2	max. 0.67%	max. 0.10%	max. 0.77%
I-A2 hedged	max. 0.67%	max. 0.15%	max. 0.82%
I-A3	max. 0.65%	max. 0.10%	max. 0.75%
I-A3 hedged	max. 0.65%	max. 0.15%	max. 0.80%

UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF)

Unit class (all currencies)	Management fee /p.a.	Servicing fee/p.a.	Total management com- mission/p.a.
P	max. 1.45%	max. 0.10%	max. 1.55%
P hedged	max. 1.45%	max. 0.15%	max. 1.60%
K-1	max. 0.90%	max. 0.10%	max. 1.00%
K-1 hedged	max. 0.90%	max. 0.15%	max. 1.05%
Q	max. 0.83%	max. 0.10%	max. 0.93%
Q hedged	max. 0.83%	max. 0.15%	max. 0.98%
F	max. 0.74%	max. 0.10%	max. 0.84%
F hedged	max. 0.74%	max. 0.15%	max. 0.89%
I-A1	max. 0.78%	max. 0.10%	max. 0.88%
I-A1 hedged	max. 0.78%	max. 0.15%	max. 0.93%
I-A2	max. 0.76%	max. 0.10%	max. 0.86%
I-A2 hedged	max. 0.76%	max. 0.15%	max. 0.91%
I-A3	max. 0.74%	max. 0.10%	max. 0.84%
I-A3 hedged	max. 0.74%	max. 0.15%	max. 0.89%

UBS (CH) Fund 1 - Privilege 35 CHF

Unit class (all currencies)	Management fee /p.a.	Servicing fee/p.a.	Total manage- ment commis- sion/p.a.
P	max. 1.20%	max. 0.10%	max. 1.30%
P hedged	max. 1.20%	max. 0.15%	max. 1.35%
I-A1 K-1	max. 0.60%	max. 0.10%	max. 0.70%
I-A1 hedged K-1 hedged	max. 0.60%	max. 0.15%	max. 0.75%

K-1 25	max. 0.50%	max. 0.10%	max. 0.60%
K-1 25 hedged	max. 0.50%	max. 0.15%	max. 0.65%
Q	max. 1.00%	max. 0.10%	max. 1.10%
Q hedged	max. 1.00%	max. 0.15%	max. 1.15%

UBS (CH) Fund 1 - Privilege 45 CHF

Unit class (all currencies)	Management fee /p.a.	Servicing fee/p.a.	Total management com- mission/p.a.
P	max. 1.50%	max. 0.10%	max. 1.60%
P hedged	max. 1.50%	max. 0.15%	max. 1.65%
I-A1 K-1	max. 0.90%	max. 0.10%	max. 1.00%
I-A1 hedged K-1 hedged	max. 0.90%	max. 0.15%	max. 1.05%
K-1 25	max. 0.70%	max. 0.10%	max. 0.80%
K-1 25 hedged	max. 0.70%	max. 0.15%	max. 0.85%
Q	max. 1.25%	max. 0.10%	max. 1.35%
Q hedged	max. 1.25%	max. 0.15%	max. 1.40%

UBS (CH) Fund 1 - Privilege 75 CHF

Unit class (all currencies)	Manage- ment fee /p.a.	Servicing fee/p.a.	Total manage- ment commis- sion/p.a.
P	max. 1.60%	max. 0.10%	max. 1.70%
P hedged	max. 1.60%	max. 0.15%	max. 1.75%
I-A1 K-1	max. 0.90%	max. 0.10%	max. 1.00%
I-A1 hedged K-1 hedged	max. 0.90%	max. 0.15%	max. 1.05%
K-1 25	max. 0.70%	max. 0.10%	max. 0.80%
K-1 25 hedged	max. 0.70%	max. 0.15%	max. 0.85%
Q	max. 1.30%	max. 0.10%	max. 1.40%
Q hedged	max. 1.30%	max. 0.15%	max. 1.45%

UBS (CH) Fund 1 - Privilege 20 CHF

Unit class (all currencies)	Manage- ment fee /p.a.	Servicing fee/p.a.	Total manage- ment commis- sion/p.a.
P	max. 1.20%	max. 0.10%	max. 1.30%
P hedged	max. 1.20%	max. 0.15%	max. 1.35%
I-A1 K-1	max. 0.60%	max. 0.10%	max. 0.70%

I-A1 hedged	max. 0.60%	max. 0.15%	max. 0.75%
K-1 hedged			
K-1 25	max. 0.50%	max. 0.10%	max. 0.60%
K-1 25 hedged	max. 0.50%	max. 0.15%	max. 0.65%
Q	max. 0.90%	max. 0.10%	max. 1.00%
Q hedged	max. 0.90%	max. 0.15%	max. 1.05%

Classes **I-X-dist, (CHF hedged) I-X-dist, (EUR hedged) I-X-dist, (USD hedged) I-X-dist, I-X-acc, (CHF hedged) I-X-acc, (EUR hedged) I-X-acc and (USD hedged) I-X-acc**

The costs to be borne by investors in connection with the services provided for the I-X unit class are governed by an individually negotiated, written agreement between UBS and the investor (cf. 6 prov. 4).

Classes **U-X-acc, (CHF hedged) U-X-acc, (EUR hedged) U-X-acc, (USD hedged) U-X-acc, U-X-dist, (CHF hedged) U-X-dist, (EUR hedged) U-X-dist and (USD hedged) U-X-dist**

The costs to be borne by investors in connection with the services provided for the U-X unit class are governed by an individually negotiated, written agreement between UBS and the investor (cf. 6 prov. 4).

Classes **I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc for all sub-funds:**

For the unit classes I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc, the fund management company shall charge the respective sub-funds (in each case pro rata and for all currencies) an annual flat-rate management fee not exceeding 0.20% of the net assets of the respective sub-fund, to be charged to the fund assets on a pro rata basis every time the net asset value is calculated and in each case paid out at the beginning of every month based on the average net assets of the sub-funds in the preceding month (flat-rate management fee). This flat-rate management fee includes remuneration for administration, services provided in relation to currency hedging for currency-hedged unit classes (FX hedging) as well as the custodian bank commission. The remuneration for asset management and distribution activities for the sub-funds is not charged to the sub-fund's assets; rather, it is charged directly to the investors and is payable on the basis of a separate contractual agreement between the legal entities of the UBS Group. Fees and incidental expenses specified in prov. 3 a) to d) and h) to j) below, which may be charged directly to the sub-fund's assets, do not necessarily need to be included in the flat-rate management fee. In the case of classes I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc (all currencies), prov. 2 below does not apply.

The rate of the management fee actually charged for each sub-fund is stated in the annual and semi-annual report.

2. For the safekeeping of the assets of the individual sub-funds, the handling of the sub-funds' payment transactions and performance of the other tasks of the custodian bank listed under § 4, the custodian bank shall charge to the assets of the sub-funds a commission (custodian bank commission) not exceeding 0.05% p.a. of the net assets of the sub-funds, to be charged to the assets of the respective sub-fund on a pro rata basis every time the net asset value is calculated and in each case paid out at the beginning of every month based on the average net assets of the sub-funds in the preceding month. In the case of classes I-B-dist, (CHF hedged) I-B-dist, (EUR hedged) I-B-dist, (USD hedged) I-B-dist, I-B-acc, (CHF hedged) I-B-acc, (EUR hedged) I-B-acc and (USD hedged) I-B-acc (all currencies), a flat-rate management fee applies and no separate custodian bank commission will be charged. The rate of the custodian bank commission actually charged for each sub-fund is stated in the annual and semi-annual report.
3. Furthermore, the fund management company and the custodian bank are entitled to reimbursement of the following costs incurred in executing the fund contract:
 - a) costs relating to buying and selling investments including hedging transactions, specifically standard brokerage fees, commissions, settlement and processing charges, bank fees, taxes and duties, and costs for reviewing and maintaining the quality standards of physical investments;
 - b) the supervisory authority's fees in relation to the establishment, amendment, liquidation, merger or consolidation of the umbrella fund and sub-funds;
 - c) the supervisory authority's annual fees;
 - d) the audit firm's fees for auditing as well as certification in the case of establishment, amendment, liquidation, merger or consolidation of the umbrella fund and sub-funds;
 - e) fees paid to legal and tax consultants in relation to the establishment, amendment, liquidation, merger or consolidation of the umbrella fund or the sub-funds, as well as acting in the interests of the umbrella fund or of the sub-funds and of its/their investors;
 - f) costs of publishing the net asset value of the umbrella fund or sub-funds, together with all the costs of providing notices to investors, including translation costs, provided such costs cannot be ascribed to any failure on the part of the fund management company;

- g) costs of printing and translating legal documents, as well as the annual and semi-annual reports of the umbrella fund and the sub-funds;
 - h) costs incurred by registering the umbrella fund or sub-funds with a foreign supervisory authority, specifically the commission levied by the foreign supervisory authority, translation costs and compensation for the representative or paying agent abroad;
 - i) costs relating to the exercising of voting rights or creditors' rights by the umbrella fund or the sub-funds, including the cost of fees paid to external advisors;
 - j) costs and fees relating to intellectual property registered in the name of the fund or with rights of use for the fund;
 - k) all costs incurred through any extraordinary steps taken to safeguard the interests of investors by the fund management company, asset managers or custodian bank;
 - l) costs of registering or extending the legal entity identifier in the case of domestic and foreign registration authorities;
 - m) costs and charges for purchasing and using data and data licences, provided they can be attributed to the umbrella fund and do not constitute research costs;
 - n) costs and charges for using and checking independent labels.
4. Where possible, the costs pursuant to prov. 3 a) are added directly to the acquisition cost/deducted directly against the saleable value of the respective investments, otherwise under expenses.
 5. In accordance with the provisions of the prospectus, the fund management company and its agents may pay trailer fees as compensation for sales and distribution activities in relation to the fund units as well as rebates in order to reduce the fees and costs charged to the sub-funds and incurred by the investors.
 6. After taking account of any retrocessions and rebates, the management fee of the target funds in which the assets of the sub-funds are invested may not exceed 3%, excluding any performance-related commission. The maximum rate of the management fee of the target funds in which investments are made, taking any trailer fees and rebates for the sub-funds into account, shall be disclosed in the annual report.
 7. If the fund management company acquires units or shares of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake ("related target funds"), it may not charge any issue or redemption commissions of the related target funds to the umbrella fund or sub-funds.
 8. Fees and incidental costs may be charged only to the sub-fund for which a specific service is performed. Costs that cannot be unequivocally allocated to a sub-fund shall be charged to the individual sub-funds on a pro rata basis in relation to their share of the umbrella fund's total assets.

VI. Financial statements and audit

§ 21 Financial statements

1. The accounting currencies of the individual sub-funds are:
 - UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF): Swiss franc (CH)
 - UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF): Swiss franc (CH)
 - UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF): Swiss franc (CH)
 - UBS (CH) Fund 1 - Privilege 35 CHF: Swiss franc (CH)
 - UBS (CH) Fund 1 - Privilege 45 CHF: Swiss franc (CH)
 - UBS (CH) Fund 1 - Privilege 75 CHF: Swiss franc (CH)
 - UBS (CH) Fund 1 - Privilege 20 CHF: Swiss franc (CH)
2. The financial year of the umbrella fund and the sub-funds runs from January 1 to December 31 of each year.
3. The fund management company shall publish an audited annual report for the umbrella fund and sub-funds respectively within four months of the end of the financial year.
4. The fund management company publishes a semi-annual report for the umbrella fund and sub-funds within two months of the end of the first half of the financial year.
5. The investor's right to obtain information under § 5 prov. 5 is reserved.

§ 22 Audit

The audit firm examines each year whether the fund management company and the custodian bank have complied with the statutory and contractual provisions, and with any parts of the code of conduct of the Asset Management Association Switzerland applicable to them. The annual report shall contain a short report by the auditors on the annual financial statements.

VII. Appropriation of net income

§ 23

1. The net income of the capital growth unit classes of a sub-fund accrues to the corresponding sub-fund each year for reinvestment, subject to any taxes and duties charged on the reinvestment. This is also subject to extraordinary distributions to investors of net income from the capital-growth unit classes of the sub-funds in the accounting currency of the unit class concerned.
 For each unit class, the net income of the distribution unit classes will be distributed to the investors annually within four months of the end of the financial year in the corresponding currency of the unit class.
 The fund management company may make additional interim distributions from the income.
 Up to 30% of the net income of a distribution unit class of a sub-fund may be carried forward to the new account.

If the net income in a financial year including income carried forward from previous financial years is less than 1% of the net fund assets and less than CHF 1, USD 1, EUR 1 or JPY 100 per unit, depending on the accounting currency, a reinvestment or a distribution may be waived and the entire net income may be carried forward to the new account.

2. Capital gains realised on the sale of assets and rights can be distributed by the fund management company or retained for reinvestment.
3. The following applies for the distributing unit classes of the sub-funds UBS (CH) Fund 1 - Swiss & Global Income Strategy - Yield (CHF), UBS (CH) Fund 1 - Swiss & Global Income Strategy - Balanced (CHF) and UBS (CH) Fund 1 - Swiss & Global Income Strategy - Growth (CHF): Distribution encompasses net income (from dividends, interest coupons and other sources of income) and option premiums. Provided that all income and realised capital gains for the most recent and preceding accounting years were distributed in their entirety, the fund management company may decide on a partial repayment of up to 3% per year. This involves a repayment of paid-up capital, without the fund being (partially) liquidated. No direct costs shall arise as a result of the partial repayment for either the sub-fund or the investors. The partial repayment may take place in conjunction with the audited annual financial statements and will be shown in the annual report. The fund management company shall publish the partial repayment in the official medium of publication in advance.

VIII. Publication of official notices by the umbrella fund and sub-funds

§ 24

1. The medium of publication of the umbrella fund and sub-funds is the print medium or electronic medium specified in the prospectus. Notification of any change in the medium of publication must be published in the medium of publication.
2. The following information in particular shall be published in the medium of publication: summaries of material amendments to the fund contract (indicating the offices from which the amended wording may be obtained free of charge), any change of fund management company and/or custodian bank, the creation, dissolution or merger of unit classes, as well as the liquidation of individual sub-funds. Amendments that are required by law and that do not affect the rights of investors or are of an exclusively formal nature may be exempted from the publication requirement, subject to the approval of the supervisory authority.
3. Each time units are issued or redeemed, the fund management company shall, for each sub-fund, publish both the issue and redemption prices or the net asset value (a modified net asset value as per § 16 prov. 7 determined using swinging single pricing), together with a footnote "excluding commissions", in the medium of publication specified in the prospectus and other Swiss and international newspapers as applicable. Prices must be published at least twice each month. The weeks and weekdays on which publications are made must be specified in the prospectus.
4. The prospectus with integrated fund contract, the key information document and the annual or semi-annual reports, may be obtained free of charge from the fund management company, the custodian bank and all distributors.

IX. Restructuring and dissolution

§ 25 Mergers

1. Subject to the consent of the custodian bank, the fund management company may merge individual sub-funds with other sub-funds or with other investment funds by transferring the assets and liabilities as at the time of the merger of the sub-fund(s) or investment fund(s) being acquired to the acquiring sub-fund or investment fund. The investors of the sub-fund(s) or investment fund(s) being acquired will receive the corresponding number of units in the acquiring sub-fund or investment fund. The sub-fund(s) or investment fund(s) being acquired is/are terminated without liquidation when the merger takes place, and the fund contract of the acquiring sub-fund or investment fund will also apply to the sub-fund(s) or investment fund(s) being acquired.
2. Sub-funds or investment funds may be merged only if:
 - a) provision for this is made in the relevant fund contracts;
 - b) they are managed by the same fund management company;
 - c) the relevant fund contracts essentially correspond in terms of the following provisions:
 - the investment policy, investment techniques, risk diversification, as well as the risks associated with the investment;
 - the appropriation of net income and capital gains from the sale of tangible and intangible property;
 - the type, amount and calculation of all fees, the issue and redemption commission together with the incidental costs for the purchase and sale of the investments (brokerage charges, commissions and fees) and the cost of reviewing and maintaining quality standards for physical assets that may be charged to the fund's or sub-fund's assets or to investors;
 - the redemption conditions;
 - the duration of the contract and the conditions of dissolution;
 - d) the assets of the sub-funds or investment funds concerned are valued, the exchange ratio is calculated, and the assets and liabilities are acquired on the same day;
 - e) no costs arise as a result for either the sub-fund or investment fund or the investors.
The provisions of § 20 prov. 3 b), d) and e) are reserved.
3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the sub-funds or funds involved and the suspension of trading for a number of days.

4. The fund management company must submit the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain information on the reasons for the merger, the investment policies of the sub-funds or investment funds involved and any differences between the acquiring fund and the sub-fund(s) or investment fund(s) being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the sub-funds or investment funds, as well as a statement from the competent audit firm in accordance with the legislation on collective investment schemes.
5. The fund management company must publish a notice of the proposed changes to the fund contract pursuant to § 24 prov. 2 and the proposed merger and its timing, together with the merger schedule, at least two months before the planned date of merger in the medium of publication of the funds or sub-funds involved. It must inform the investors that they may lodge objections against the proposed changes to the fund contract with the supervisory authority within 30 days of the publication/notice, or request the redemption of their units in cash or the transfer of assets in kind pursuant to § 18.
6. The audit firm shall immediately review the appropriate implementation of the merger and expresses an opinion on this in a report prepared for the fund management company and the supervisory authority.
7. The fund management company must inform the supervisory authority of the conclusion of the merger, and publish notification of the completion of the merger, confirmation from the audit firm of the proper execution of the merger, and the exchange ratio, without delay in the medium of publication of the sub-funds or investment funds involved.
8. The fund management company must make reference to the merger in the next annual report of the acquiring sub-fund or investment fund, and in the semi-annual report if published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the sub-fund(s) or investment fund(s) being acquired.

§ 26 Duration of the sub-funds and dissolution

1. The sub-funds have been established for an indefinite period.
2. The fund management company or the custodian bank may dissolve some or all of the sub-funds by terminating the fund contract with immediate effect.
3. The individual sub-funds may be dissolved by order of the supervisory authority, in particular, if at the latest one year after the expiry of the subscription period (launch), or a longer extended period approved by the supervisory authority at the request of the custodian bank and the fund management company, a sub-fund does not have net assets of at least CHF 5 million (or the equivalent).
4. The fund management company shall inform the supervisory authority of the dissolution immediately and shall publish notification in the medium of publication.
5. Once the fund contract has been terminated, the fund management company may liquidate the sub-funds concerned forthwith. If the supervisory authority has ordered the dissolution of a sub-fund, it must be liquidated forthwith. The custodian bank is responsible for the payment of liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in instalments. The fund management company must obtain authorisation from the supervisory authority prior to the final payment.

X. Changes to the fund contract

§ 27

If changes are made to the present fund contract, or if the merger of unit classes or a change of the fund management company or of the custodian bank is planned, the investors may lodge objections with the supervisory authority within 30 days of the publication/notice. In the publication, the fund management company must inform the investors about which amendments to the fund contract are covered by FINMA's verification and check for compliance with the law. In the event of a change to the fund contract (including the merger of unit classes) the investors can also demand the redemption of their units in cash subject to the contractual period of notice. Exceptions in this regard are cases pursuant to § 24 prov. 2 that have been exempted from the publication requirement with the approval of the supervisory authority.

XI. Applicable law and place of jurisdiction

§ 28

1. The umbrella fund and the individual sub-funds are subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of 23 June 2006, the Ordinance on Collective Investment Schemes of 22 November 2006 and the Ordinance of the Swiss Financial Market Supervisory Authority FINMA on Collective Investment Schemes of 27 August 2014.
The court of jurisdiction is the court at the fund management company's registered office.
2. For the interpretation of the fund contract, the German-language version shall be binding.
3. The present fund contract comes into force on 4 July 2025.
4. This fund contract replaces the fund contract dated 30 August 2024.
5. When approving the fund contract, FINMA exclusively examines the provisions pursuant to Art. 35a para. 1 a-g CISO and establishes whether they comply with the law.

Date of approval of the fund contract by the Swiss Financial Market Supervisory Authority FINMA: 2 July 2025.