
Notice to shareholders of UBS (Lux) Institutional SICAV – Equities Global (ex USA) Passive (the "Sub-Fund")

Luxembourg, 17 May 2022

The board of directors of the Company (the "**Board**") hereby informs the shareholders of Sub-Fund (the "**Shareholders**") that it has been decided to merge the sub-funds UBS (Lux) Institutional SICAV – Equities Global (ex USA) Passive (the "**Merging Sub-Fund**"), in accordance with Article 1 (20) (a) and Chapter 8 of the law of 17 December 2010 on undertakings for collective investment, as amended (the "**Law of 2010**"), by way of the transfer of their assets and liabilities, into the sub-fund UBS (Lux) Fund Solutions - MSCI World ex USA Index Fund (the "**Receiving Sub-Fund**") with effect as of 28 June 2022 (the "**Effective Date**")

This notice and its appendices explain the background of the Merger and aim to provide you with sufficient information to help you make an informed assessment on the impact of the Merger on your investment.

You are therefore encouraged to read it carefully in order to be informed of the consequences of the Merger. You are also encouraged to read the Key Investor Information Document ("**KIID**") of the relevant share class of the Receiving Sub-Fund into which your shares will be converted, as well as the current version of the prospectus of the Fund. These documents contain important information regarding the Receiving Sub-Fund.

I. Background and Rationale

In order to rationalise and simplify the fund offering, the board of directors of UBS (Lux) Institutional SICAV and the board of directors of UBS (Lux) Fund Solutions, both being a "*Société d'Investissement à Capital Variable* (SICAV)" and open-ended investment funds governed by Part I of the **Law of 2010** (i.e. being undertakings for collective investment in transferable securities or "**UCITS**"), deem it in each of the Merging Sub-Funds' and Receiving Sub-Funds' shareholders' best interest to merge the Merging Sub-Fund into the Receiving Sub-Fund pursuant to Article 25.2 of the articles of incorporation of UBS (Lux) Institutional SICAV and Article 23 of the articles of incorporation of UBS (Lux) Fund Solutions (the "**Merger**").

The Receiving Sub-Fund will specifically be created to receive the assets of the Merging Sub-Fund and will be launched prior or on the Effective Date. In order to facilitate the Merger and in advance of the Effective Date, the Receiving Sub-Fund will be notified to or registered in the countries where the Shareholders are currently located.

II. Type of merger and effective date

It has therefore been resolved to merge the Merging Sub-Fund and the Receiving Sub-Fund so in accordance with Article 1,20 (a) and Article 66(4) of the Law of 2010 by transferring all assets and liabilities of the Merging Sub-Fund to the Receiving Sub-Fund in exchange for the issue to the

shareholders of the Merging Sub-Fund of shares of the Receiving Sub-Fund intended to be effective on the Effective Date. The Merging Sub-Fund shall be dissolved without being liquidated. On the Effective Date, the Merging Sub-Fund will transfer all its assets and liabilities to the Receiving Sub-Fund based on the net asset value per share calculated on 27 June 2022 (the "**Reference Date**"). For the purpose of the Merger, the Receiving Sub-Fund will be launched, as further described below.

III. Impact on the shareholders

The Merger will result in the following changes for the Shareholders:

	UBS (Lux) Institutional SICAV – Equities Global (ex USA) Passive	UBS (Lux) Fund Solutions - MSCI World ex USA Index Fund
Merging share classes	BA XA	(USD) I-B-acc (USD) I-X-acc (USD) I-X-dis
Base currency	USD	USD
Maximum flat fee p.a.	BA: max. 0.065% XA: 0.00%	Share classes with "I-B" in their name max 0.065% (i.e. 0.65 bps) Share classes with "I-X" in their name 0.000% (i.e. 0 bps)
Ongoing charges (as per key investor information ("KIID"))	BA: 0.08% XA: 0.02%	(USD) I-B-acc: 0.08% (i.e. 0.8 bps) (USD) I-X-acc: 0.02% (i.e. 0.2 bps)
Investment policy	This sub-fund replicates as closely as possible - to the extent market conditions permit - the MSCI World ex USA Index (the "benchmark"). Further information on the index and the Management Company's use of indices is set out in the section "Benchmark Regulation" of this sales prospectus. Sustainability risks are not considered as part of the index selection process. Therefore, sustainability risks are not systematically integrated due to the nature of the investment objective of the sub-fund and the Portfolio Manager aims to track the index in line with the limits set out in the investment policy of the sub-fund. The objective is to return the performance of the benchmark. The index administrator is included in the public	The UBS (Lux) Fund Solutions – MSCI World ex USA Index Fund sub-fund seeks to broadly track the performance (before costs) of the MSCI World ex USA Index (Net Return) (this sub-fund's "Index"). Additionally, currency hedged share classes aim to reduce the impact of currency fluctuations between their reference currency and the index currency by selling currency forwards at the one-month forward rate in accordance with the hedging methodology of the Index's currency-hedged index variant as referred to in relation to each hedged share class below.

This Notice to Investors is also available on the following Website:
<https://www.ubs.com/lu/en/asset-management/notifications.html>

	register of EU benchmark administrators and third country benchmarks established and maintained by ESMA.	
Portfolio Manager	UBS Asset Management (UK) Ltd	UBS Asset Management (UK) Ltd
Total return swap	Maximum: 10% Expected: 0%	Maximum: 0% Expected: 0%
Cut-off Time	15:00 hours Central European Time on a business day	Preceding Dealing Day at 2:00 p.m. Luxembourg time

It is not contemplated that the portfolio of the Merging Sub-Fund will be rebalanced before the Merger. In the best interests of shareholders, the Mergers will be organized so that 100% of the Merging Sub-Fund's portfolio will be transferred in kind to the Receiving Sub-Fund's portfolio.

Since the Receiving Sub-Fund is a new sub-fund created for the purposes of the Merger, the portfolio of the Receiving Sub-Fund will not be rebalanced in the context of the Merger.

The Merger will not result in any dilution of performance for the Merging Sub-Fund.

Differences of Sub-Funds' characteristics such as the investment policy, the maximum flat fee, the ongoing charges and the portfolio manager are described in the table above.

Furthermore, the Sub-Funds' characteristics such as the dealing frequency, global risk calculation method, currency of account and financial year end remain unchanged.

The Receiving Sub-Fund's risk and reward profile ("**SRRI**") as per KIID 6 is same as the SRRI of the Merging Sub-Fund 6.

IV. Valuation

In the context of the Merger, the assets and liabilities of the Merging Sub-Fund will be contributed to the Receiving Sub-Fund. The value of the assets will be calculated in accordance with Article 10 of the Merging Fund's articles of association, as amended, and the principles described in the section "Net asset value, issue, redemption and conversion price" of the prospectus of UBS (Lux) Institutional SICAV. The Receiving Sub-Fund will be launched at the time of the transfer of the assets of the Merging Sub-Fund.

Any accrued income in the Merging Sub-Fund at the time of the Merger will be included in the calculation of its net asset value per share and such accrued income will be accounted for an ongoing basis after the Merger in the net asset value per share calculation in the relevant share class of the Receiving Sub-Fund.

V. Timeline

As of the Effective Date, shares of the Merging Sub-Fund, a UCITS, which are merged into the Receiving Sub-Fund, a UCITS, shall in all respects have the same rights as the shares issued by the Receiving Sub-Fund.

The Merging Sub-Fund will not issue any shares as of 16 May 2022, cut-off time 3:00 p.m. CEST. Shareholders of the Merging Sub-Fund may redeem their shares free of charge based on the latest net

asset value of the shares as defined in the prospectus of the Merging Sub-Fund until 17 June 2022, cut-off time 3:00 p.m. CEST. The Merging Sub-Fund will subsequently be closed for redemptions.

On the Effective Date, shareholders of the Merging Sub-Fund will be entered in the shareholders' register of the Receiving Sub-Fund and will also be able to exercise their rights as shareholders of the Receiving Sub-Fund, such as participating and voting at general meetings as well as the right to request the repurchase, redemption or conversion of shares of the Receiving Sub-Fund.

VI. Rules applicable to the transfer of assets and the exchange of shares

As of the Effective Date, all the assets and liabilities of the Merging Sub-Fund will be transferred to the Receiving Sub-Fund in accordance with Article 1 (20) (a) of the 2010 Law and qualifies as a domestic merger for the purpose of Article 1(22) of the 2010 Law. The Merging Sub-Fund shall cease to exist and all its shares in issue shall be cancelled.

The management company of the Merging Sub-Fund and the Receiving Sub-Fund shall put in place, or procure the putting in place, of all necessary instructions to deliver and/or transfer or procure the delivery of and/or transfer the cash position of the Merging Fund to the depositary of the Receiving Fund. Such placements shall be taken into account for the net asset value of the Receiving Fund to be calculated on the Effective Date. As consideration for the transfer to the depositary of the Receiving Fund of the assets and liabilities as described above, the management company of the Merging Sub-Fund and the Receiving Sub-Fund or its delegate shall calculate and determine the number of new shares to be allocated to shareholders and shall issue such new shares to each of the shareholders on the register of shareholders of the Merging Fund. The number of new shares (fractions to four decimal places) to be issued to each shareholder with effect on the Effective Date will be calculated using the exchange ratio calculated under the section 'Calculation method' below.

VII. Calculation method

For shareholders of the Merging Sub-Fund, the total value of shares to be issued and which they will receive will correspond to the total value of their shares in the Merging Sub-Fund. The number of shares to be allocated to shareholders of the Merging Sub-Fund will be based on the net asset value per share of the Merging Sub-Fund as at the corresponding date and the initial issue price per share in the corresponding share class in the Receiving Sub-Fund. The initial issue price per share will correspond to the net asset value per share as at the corresponding date.

As a consequence of that, the exchange ratio that shall be applied to the shareholders of the Merging Sub-Fund will be 1 to 1, i.e. one share in the Merging Sub-Fund will give entitlement to the shareholder concerned to one share in the Receiving Sub-Fund.

VIII. Costs

The legal, advisory or administrative costs and expenses (excluding potential transaction costs on the merged portfolio) of the Merger will be borne by **UBS Asset Management Switzerland AG** and will not impact either the Merging Sub-Fund or the Receiving Sub-Fund.

IX. Auditor

Ernst & Young, 35E, avenue J.F. Kennedy, L-1855 Luxembourg, as the independent auditor of the Merging Sub-Fund is in charge of preparing a report validating the conditions foreseen in Article 71 (1), let. a) to c) of the Law of 2010 for the purpose of the Merger. A copy of this report will be made available upon request and free of charge to the shareholders of the Merging Sub-Fund and the Receiving Sub-Fund sufficiently in advance of the Merger. Ernst & Young will also be engaged to validate

the actual exchange ratio determined at the exchange ratio calculation date, as provided for in Article 71 (1), let. c) of the Law of 2010. A copy of this report will be made available upon request and free of charge to the shareholders of the Merging Sub-Fund and the Receiving Sub-Fund.

X. Depositary Statements

UBS (Lux) Fund Solutions' depositary, State Street Bank International GmbH, Luxembourg Branch, 49 Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg, will prepare a statement that shall confirm that the information above regarding the intended Merger conforms with the requirements of the 2010 Law and with the prospectus and articles of incorporation of the Receiving Sub-Fund.

UBS (Lux) Institutional SICAV's depositary, UBS Europe SE, Luxembourg Branch, 33A, avenue J.F. Kennedy, L-1855 Luxembourg, grand Duchy of Luxembourg, will prepare a statement that shall confirm that the information below regarding the intended Merger conforms with the requirements of the 2010 Law and with the prospectus and articles of incorporation of the Merging Sub-Fund.

XI. Taxes

The Merger may have tax consequences for shareholders. Shareholders may suffer income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Sub-Funds, capital gains within the Sub-Funds whether realised or unrealised, income received or accrued or deemed received within the Sub-Funds, subject to the laws and practices of the country where the shares are purchased, sold, held or redeemed and subject to the country of tax residence or nationality of the shareholder. Shareholders who are in any doubt as to their tax position will be advised to consult their own independent tax advisors as to the Luxembourg or other tax consequences of the Merger.

XII. Documents

The following documents are made available free of charge to the shareholders at the registered office of UBS (Lux) Institutional SICAV and UBS (Lux) Fund Solutions:

- Copy of these Common Draft Terms of Merger;
- Copy of any up-to-date version of the Prospectuses of UBS (Lux) Institutional SICAV and UBS (Lux) Fund Solutions;
- Key investor information of the Receiving Sub-Fund;
- Copy of the last three audited annual accounts and interim accounts of UBS (Lux) Institutional SICAV and UBS (Lux) Fund Solutions ;
- Copy of the independent auditor's report;
- Copy of certificate related to the Merger issued by the depositary of UBS (Lux) Institutional SICAV and UBS (Lux) Fund Solutions in compliance with Article 70 of the Law of 2010.

Further information in relation to the Merger can be requested at the SICAV's management company, UBS Fund Management (Luxembourg) S.A., having its registered office at 33A, Avenue J.F. Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg, or online at www.ubs.com/etf.

Luxembourg, 17 May 2022 | The Board of Directors of the Company