UB RENEWABLE ENERGY (AIF) – FUND PROSPECTUS

This Fund Prospectus is complemented by the Fund Rules. This is a translation. If there are any discrepancies between this translation and the original Finnish document, the Finnish document shall prevail.
Before making an investment decision, investors must also read the fund's KID and the Fund Rules.

The Fund

UB Renewable Energy Fund (AIF) (in Finnish Erikoissijoitusrahasto UB Uusiutuva Energia and in Swedish Specialplaceringsfond UB Förnybar Energi) is a special common fund compliant with the Act on Common Funds and an alternative investment fund compliant with the Act on Alternative Investment Fund Managers (the “Fund").

The rules of the Fund were furnished to the Finnish Financial Supervisory Authority for information purposes in accordance with chapter 12 section 1 of the Act on Alternative Investment Fund Managers (162/2014). The Fund is managed by UB Fund Management Company Ltd, presented in the next paragraph. The Fund has been registered in Finland. The financial period of the Fund is the calendar year. The key information document, annual report, latest semi-annual report and the rules of the Fund are available from the Management Company or from its website at www.unitedbankers.fi. The Fund Prospectus shall be delivered to investors in written form and free of charge upon request.

Management Company

UB Fund Management Company Ltd (Business ID 2118101-5) was founded on 26 April 2007 and it is domiciled in Helsinki. The company’s share capital amounts to EUR 200 000, and its line of business comprises common funds activities. Furthermore, the Management Company is licensed by the Finnish Financial Supervisory Authority to carry on activities related to alternative investment funds. The financial period of the Management Company and of each fund is 1 January through 31 December, unless otherwise set forth in the rules of the relevant fund.The Management Company is a wholly owned subsidiary of United Bankers Plc.

The Management Company has outsourced the portfolio management, marketing and sales of the mutual funds managed by it to UB Assset Management Ltd, a company belonging to the United Bankers group (hereinafter, “UB”, “UB Group”).and to Asilo Asset Management Oy.

The Management Company’s compliance function and risk management assessment function is handled by the parent company United Bankers Plc. The internal audit function has been outsourced to KPMG Oy Ab.

The Management Company treats the unitholders of the mutual funds and special investment funds managed by it equally. In its activities, the Management Company strives towards identifying and managing conflicts of interest and endeavours to prevent the emergence of same.

The Management Company is registered in the FATCA register maintained by the United States tax authority IRS. The Management Company acts as the sponsor of the funds it manages for the purpose of FATCA reporting. The Management Company’s GIIN identifier is C83N57.00004.ME.246 and as a sponsor, MA27AS.00000.SP.246.

The Management Company possesses the sufficient additional assets or third-party liability insurance referred to under Chapter 6, Section 4 of the Act on Alternative Investment Fund Managers (162/2014) to compensate for any damage that an alternative investment fund manager is liable for under the law.

The Board of Directors of the company:

Timo Ronkainen, Director, Institutional Clients, UB Asset Management Ltd
Chairman of the Board

Rainer Häggblom, Chairman of the Board of Håggblom & Partners Ltd, The Forest Company Ltd and Dovre Plc
Member of the Board

Ulla Paajanen, Director, ESG & Investor Relations, Kreab Worldwide
Member of the Board

Managing Director:
John Ojanperä

Portfolio Manager

The Fund's portfolio management has been outsourced to:

UB Asset Management Ltd (the “Portfolio Manager")
Address: Aleksanterinkatu 21 A, 00100 Helsinki, Finland
Business ID: 1071069-8

The Portfolio Manager is a member of the same United Bankers Group as the Management Company. The line of business of the Portfolio Manager is to engage in investment advisory services within the constraints of the authorization granted to it. In addition, the company may also own other companies and engage in security trading activities. The Financial Supervisory Authority has granted the Portfolio Manager an authorization to act as an investment services company in compliance with the Act on Investment Services on 11 April 2014.

Custodian

Skandinaviska Enskilda Banken AB (publ), Helsinki branch ("SEB") acts as the Fund's Custodian. Business ID: 0985469-4. The principal line of business of the Custodian comprises deposit bank operations, and it is domiciled in Stockholm. The address of the Helsinki Branch is Eteläesplanadi 18, 00130 Helsinki. The assets of the Fund are retained separately from the assets of other funds, of the Management Company and of the Custodian.

The Custodian may retain one or more sub-custodians for safekeeping securities. The Custodian shall exert its best efforts to ensure that the Fund's assets are separated from the assets of the Custodian or its possible sub-custodians in the case of any insolvency. Up-to-date information concerning sub-custodians is available from the Management Company.

The Custodian has not assigned any other Custodian duties or responsibilities to third parties. Should the Custodian assign these activities to a reliable third party, the assignment of Custodian activities will not affect the liability of the Custodian unless it has been discharged from liability in accordance with the applicable regulation.

The Custodian, the Custodian's sub-Custodian or the party to which the Custodian would assign its duties must not re-use the assets given by the Fund to the Custodian for safekeeping, unless this is separately agreed upon with the Management Company. The Management Company may grant separate permission for lending its assets in custody, for example.

Information concerning investing in the Fund

The Fund has three unit classes: R class, A class and I class. Units entitle their holders to a portion of the Fund's assets distributed in proportion to the number of units, taking into account the relative values of the different unit classes and categories. Fund units are available for subscription and redemption at the Fund Management Company and in other subscription venues specified in the Fund Prospectus. Subscription and redemption orders may be submitted any day, but the orders will be executed in accordance with the below rules. Information on the value of the fund units and the subscription and redemption fees are available at the Management Company and at other Fund subscription venues each day when banks are open in Finland ("Banking day") and on United Bankers Plc's website every day. The Board of Directors of the Management Company may resolve upon the minimum number of units that must be described for or redeemed at one time or the minimum sum to be used for the subscription or redemption of units at one time.

Subscription

In conjunction with the subscription, the subscriber must state which unit class they are subscribing for. A subscription order is accepted by the Management Company once due and sufficient information regarding the subscriber and their identity as well as the magnitude of the subscription has been furnished to the Management Company. A subscription order is binding upon the unitholder. A subscription order is paid for in conjunction with the subscription, or, with the permission of the Management Company, latest prior to confirming the subscription.

Fund units may be subscribed for semi-annually, on the last day of June and December, or, if the said day is not a Banking Day, at the value of the following Banking Day (hereinafter, the ”Subscription Day”). Subscription orders must be submitted for the purposes of the subscriptions of each Subscription Day latest by 6 p.m. (Finnish time) on the Subscription Day, in order for same to be effected at the value of the Subscription Day in question. In case a subscription order is received after the said time, the subscription shall be carried out at the value of the following Subscription Day. The Board of Directors of the Management Company may resolve to temporarily depart from the above restriction pertaining to the timing for making a subscription in the Fund and carry out subscriptions also at other times, in case this is justified from the point of view of the Fund's operations. Special conditions restricting the redemption right may be agreed upon with professional clients in connection with the subscription.

In addition to a cash payment, a fund unit subscription may also be paid with property given as subscription in kind, each case subject to the separate approval of the Board of Directors of the Management Company (hereinafter, the “Subscription In Kind”). For the purposes of the Management Company's Board approval, the Management Company shall reserve the opportunity to inspect and assess the technical, financial and legal qualities of the property given in kind in a manner it deems appropriate in order to ensure that the property given as subscription in kind corresponds to the Fund's investment policy and objectives. The property to be given as subscription in kind shall be valued in accordance with the principles pertaining to the value calculation of the Fund mentioned under Clause 10 of the Fund rules. A subscription paid for with property given as subscription in kind shall be deemed paid once the property provided as the in kind contribution has been transferred under the ownership of the Fund. Any special conditions pertaining to the Subscription In Kind may be agreed upon in more detail in connection with the Subscription in Kind.

The Management Company has the right to accept or reject an effected subscription or a subscription order. In case the Management Company has not been provided with sufficient information for the carrying out of the subscription, the subscription may be rejected.

The number of fund units being subscribed for is calculated in the Management Company by dividing the received subscription payment or value of the property provided as subscription in kind, less the subscription fee, by the value of the fund unit. The number of the units subscribed for is calculated at the accuracy of one ten-thousandth (1/10 000) by rounding down the number of units. The remainder is added to the Fund capital.

Redemption
A fund unitholder has the right to have their fund units redeemed by the Management Company. Equally, the Management Company has the obligation to redeem the Fund unit in question. In connection with the redemption, the unitholder must hand over any unit certificate issued for the subscription. The redemption takes place from the assets of the Fund.

Fund units may be redeemed semi-annually on the last day of June and December, or, if the day in question is not a Banking Day, at the value of the following Banking Day (hereinafter, the ”Redemption Day”). For a redemption order to be carried out at the value of the desired Redemption Day, the redemption order must be received by the Management Company on the Redemption Day preceding the desired Redemption Day by 6 p.m. Finnish time. Where the assets required to complete a redemption must be raised by selling Fund assets, the redemption value of a fund unit will be determined by the value of the fund unit after the next valuation date (see definition below in "Calculation of the value of the Fund") after the liquidation day. The redemption payment shall be remitted to the client within sixteen (16) Banking Days of the Redemption Day at the value of which the redemption is carried out. Alternative payment arrangements may be agreed upon with the Client. In case the assets for the redemption must be obtained by selling assets of the Fund, the sale must take place without any undue delay. Special conditions may be agreed upon in connection with a Subscription In Kind to the effect of temporarily restricting the subscriber’s redemption right.

Redemption orders are carried out in the order they are received, and a redemption order may only be retracted upon the Management Company’s permission. However, the Management Company may decide that redemptions received by the same Redemption Day are executed simultaneously and, if necessary, paid out in instalments in proportion to the redemption amounts.

The Management Company may decide to restrict the amount of redemptions being carried out, if the amount of the submitted redemption orders exceeds five (5) per cent of the Fund’s assets. A decision concerning such restrictions may also be made after the redemption orders have been submitted to the Management Company. Any un-executed redemption orders shall lapse.

Subject to the separate resolution of the Management Company’s Board of Directors, the Management Company shall have the right to pay out all of the redemptions received by the Redemption Day immediately, in case the aggregate amount of subscriptions received by the same Subscription Day exceeds the aggregate amount of all redemption orders.

Swaps
Swapping fund units in this Fund for units in another fund managed by the Management Company may only be effected by redeeming units in this Fund and subscribing for new units in another fund managed by the Management Company with the amount of money received from the redemption.

General
In Finland, subscriptions and redemptions may be paid in euros, and in other countries in which the Fund possesses marketing authorization, in the currencies mentioned in this Fund Prospectus from time to time.

In case the unitholder’s holding on account of a new subscription or a fund swap in any one fund unit class increases above the minimum subscription amount of another fund unit class, the Management Company shall upon the unitholder’s request convert the holding to relate to the fund unit class, the magnitude of the minimum subscription of which the new holding corresponds to at the time of conversion. In case during the holding period, the unitholder’s holding on account of redemptions or fund swaps decreases in any single fund unit class below the minimum subscription amount of the relevant fund unit class at the time of subscription, the Management Company shall have the right to convert the holding, taking into account the equal treatment of unitholders, to apply to the fund unit class, whose minimum subscription amounts are determined on the basis of the market area in which the fund units were subscribed for, and conversion is only possible into the fund unit classes of the market area in question.

Suspension of subscriptions and redemptions, Management Company’s right to refuse to carry out orders and Management Company’s right to redeem the client’s fund units
Upon the resolution of the Board of Directors of the Management Company, the Management Company may on a temporary basis suspend subscriptions for the Fund’s units, if in the assessment of the Board of Directors of the Management Company the equality of the Fund’s unitholders or another weighty interest specifically necessitates same. Such reasons may, for instance, comprise the following: 1) it is not expedient from the point of view of the unitholders already owning units in the Fund to accept additional investments into the Fund, 2) owing to the circumstances prevailing in energy market, investing assets received by the Fund from subscriptions has become increasingly cumbersome, 3) the value calculation of the Fund has been impeded or become increasingly complicated owing to reasons beyond the Management Company’s control, or 4) there is an exceptional event interfering with the functioning of the financial or energy market.

Upon the resolution of the Board of Directors of the Management Company, the Management Company may on a temporary basis suspend redemptions of the Fund’s units, if in the assessment of the Board of Directors of the Management Company the equality of the Fund’s unitholders or another weighty interest specifically necessitates same. Such reasons may, for instance, comprise the following: 1) the value calculation of the Fund has been impeded or become increasingly complicated owing to reasons beyond the Management Company's control, or 2) there is an exceptional event interfering with the functioning of the financial or energy market.

The Management Company shall have the right, upon the resolution of the Management Company's Board of Directors, to redeem the Fund units of any individual unitholder without a redemption order received from the unitholder or the unitholder's consent, owing to a weighty cause relating to the unitholder. A weighty cause may, for instance, be that the client is listed on an international sanctions list, and the sanctioned activities are likely to cause considerable detriment to the Management Company's operations. The Management Company monitors the sanctions lists imposed by the EU, UN, OFAC and the National Bureau of Investigation.

General description of the Fund and investment policy

The Fund's investment activities aim to increase the value of fund units over the long term by investing the Fund's assets mainly in renewable energy development projects and power plants (such as wind and solar power) in Europe, covering the entire value chain. In other words, the projects shall cover the initiation of greenfield development projects, acquisition of operating power plants, and sale of energy. The Fund may also make direct and indirect investments that serve the Fund's own investment targets or otherwise serve renewable energy production, energy transmission or energy storage or are related to hydrogen production and processing units and all other green energy investments and operations that support these business sectors.

The Fund primarily seeks to earn returns from the sale of the renewable energy produced by the power plants it owns and from energy storage and hydrogen-related activities.

Investing the Fund's assets:

1. Renewable energy development projects.
2. Renewable energy power plants. Up to ten (10) per cent of the Fund's total assets may be invested in solar energy production.
3. Investments that serve the Fund's investment targets or energy production, transmission or storage in general or that are related to hydrogen production or processing. Up to ten (10) per cent of the Fund's total assets may be invested in hydrogen production or processing.

In addition to the above, the Fund may invest in the following instruments for cash management purposes.

4. Listed securities of companies primarily operating in the renewable energy sector, including shares and equity securities, such as convertible bonds, subscription rights, depository receipts, and warrants.
5. Euro-denominated bonds as well as other interest-bearing securities and money market instruments and structured bonds issued or guaranteed by European states, public entities and other entities.
6. Deposits in credit institutions, provided that the deposit is repayable or withdrawable on demand and matures no later than within twelve (12) months and that the domicile of the credit institution is in a member state of the European Economic Area. No more than 20 per cent of the Fund's Gross Asset Value may be invested in the deposits received by the same credit institution.
7. Units of common funds licensed in Finland or another EEA member state that satisfy the prerequisites of the UCITS Directive pursuant to the legislation of their home state and units in Finnish alternative investment funds (AIF) and units of undertakings for collective investment in transferable securities. No more than twenty (20) per cent of the Gross Asset Value of the Fund may be invested in the units of the common funds, alternative investment funds and undertakings for collective investment in transferable securities referred to herein. The Fund may deviate from this restriction when the Fund invests its funds in fixed income funds for cash management purposes.
8. Derivatives contracts traded on a regulated market referred to under the Finnish Act on Trading in Financial Instruments or in another regulated, recognized marketplace that operates regularly and is open to the public and in other comparable contracts settled in cash, as well as in OTC derivatives contracts in accordance with the Common Funds Act. Derivatives are only employed for hedging purposes.

A maximum of one tenth (10 per cent) of the Fund's Gross Asset Value can be invested outside Europe. The securities and money market instruments referred to under items 4 and 5 must be subject to public trading on the stock exchange list of a securities exchange or traded in another regulated, regularly operating, recognized marketplace open to the public in Europe. The Management Company maintains a list of the marketplaces used by the Fund. The list is available from the Management Company upon request. No more than one fifth (20 per cent) of the Fund's assets may be invested in the same issuer's securities or money market instruments referred to under items 4 and 5 above. In calculating the investment restrictions, entities belonging to the same corporate group pursuant to the Finnish Accounting Act (1336/1997) must be deemed to comprise one whole. This notwithstanding, no more than one fifth (20 per cent) of the Fund's Gross Asset Value may, however, be invested in securities issued by different entities belonging to the same corporate group. Investments in the securities or money market instruments of the same issuer exceeding one tenth (10 per cent) of the Fund's Net Asset Value may amount to no more than two tenths (40 per cent) of the Fund's Gross Asset Value.

Minimum investment in liquid assets

The Fund shall endeavour to keep at least one-fifth (20%) of its net asset value invested in liquid assets to safeguard the Fund's liquidity, for example, in case unit holders redeem more assets than usual from the Fund. "Liquid investment" refers to the Fund's cash and investments that can be converted to cash within three banking days. The Fund's investments in other funds (UCITS) are considered liquid if units of the target fund can be converted into cash within one (1) month in accordance with the fund's trading conditions. Liquid investments shall also include interest-bearing securities (government or corporate bonds), UCITS fixed income and bond funds, and shares and equity securities of companies in the energy sector, provided that they are publicly traded on a stock exchange or in another regulated, regularly operating, recognised and public marketplace, as well as UCITS equity funds that invest in the shares of companies operating in the energy sector.

The Fund may temporarily deviate from the minimum requirement for liquid investments following the payment of redemptions, in connection with the annual return payment, or when the Fund makes one-off investments in investment targets 1 or 2. After any of the foregoing deviations, the Fund shall endeavour to raise its liquid investments back to the required minimum level without undue delay.

Possibility to take out credit for the Fund's investment activities

For the purposes of the Fund's common fund activities, the Fund and for the purposes of asset management, the Management Company may take out credit on behalf of the Fund in an amount equivalent to no more than 100 % of the Fund's Net Asset Value (NAV).

For special reasons, the Management Company may additionally take out credit on behalf of the Fund for temporary purposes for fund operations in an amount corresponding to no more than one third (1/3) of the Fund's Net Asset Value (NAV). Special reasons may include the Fund's need for financing to acquire an energy production or storage facility or securities or build and commission an energy production or storage facility, changing the financing arrangements applying to assets already in the Fund, or covering liquidity needs when fund units are redeemed.

Credit financing shall be deemed to include, for instance, any bank loans taken out by the Fund for the purposes of its investment operations, as well as any overdraft facility agreed by the Fund. In calculating the credit financing restrictions, the aggregate amount of both the aforementioned and any other forms of credit must be taken into account as a whole. The credit may be taken out both as a fixed-interest and a floating rate loan.

The Fund may pledge its assets as security for its loans. If necessary, the Fund's entire assets may be pledged as collateral for credit. The Fund may grant credit or provide collateral or guarantees for a third-party commitment as part of its investment activities if it is necessary for the Fund to acquire an investment, divest it or develop it, or if it is otherwise necessary for the Fund's activities.

In case the Fund takes full advantage of its possibility to obtain long-term credit financing, this means in theory that the Fund's investment ratio is 200 per cent, calculated from the investors' capital investment into the Fund. This means that the Fund may effectively generate return for an investment portfolio that in theory is double compared to the capital that the investors have invested in the Fund. The use of borrowed financing substantially increases the Fund's return potential, but simultaneously raises the Fund's risk level, because it increased the Fund's exposure to the market development.

Investor target group and recommended minimum investment period

The Fund is suited for an investor seeking to invest in renewable energy development projects and production and activities supporting renewable energy and the green transition. The investor seeks returns via the increase in the value of development projects, energy sales, and income from the sale of services supporting renewable energy and the green transition.

The Fund does not have any requirement of a minimum holding period, but since the Fund invests its assets in renewable energy development and powerplants, it is advisable for the investor to be able to invest their assets with a medium or long investment horizon. The investor should be prepared to invest their assets for a minimum of five years. Nevertheless, the investor has the right to redeem their fund units on the last banking day of each June and December. Redemptions are subject to fees indicated in the price list.

The investors are responsible for the suitability of the Fund for their own investment purposes, and must, therefore, carefully familiarise themselves with this Fund Prospectus, the Fund's Key Information Document and the Fund Rules. The Management Company does not provide asset management or other investment services.

The value of an investment in the Fund may increase or decrease, and when redeeming their investment, investors may not be able to recoup the full amount they originally invested in the Fund.

Fund's profit distribution

The Annual General Meeting of the Management Company shall decide on the return to be distributed annually to the holders of distribution units. The intention is for the distribution of returns to be consistent. The return distributed on distribution units will be deducted from the capital of the fund calculated for distribution units. No return is distributed on growth units and the value thereof does not change as a result of any return distributed on distribution units.

Profit is payable to a unitholder who is entered in the fund unit register of the Management Company on a date designated by the Annual General Meeting of Shareholders of the Management Company (hereinafter, the “Record Date”). The profit is paid to the fund unit owner on the payment date designated by the Annual General Meeting of Shareholders, latest one month after the Record Date. Unless the unitholder separately informs the Management Company otherwise, new fund units will be subscribed to the value of the fund unit on the Record Date or on the next Valuation Day following it with the profit distribution to be paid (minus any withholding tax).

Calculation and publication of the value of the Fund and principles and methods of value calculation

Calculation of value of the Fund

The value of the Fund is calculated for the last day of June and December, or if the day in question is not a Banking Day, for the previous Banking Day (hereinafter, the ”Value Calculation Day”) or any other date decided by the Board of Directors of the Management Company.

The net asset value (NAV) of the Fund is calculated and published accordingly to information on the Value Calculation Day. The Fund’s net asset value is calculated by deducting the Fund’s liabilities from the assets of the Fund. The value of the Fund is denominated in euros.

The Fund's investments in energy production, storage or transmission shall be valued on every Valuation Date according to the International Valuation Standards (IVS) by an independent third-party valuer. However, the Fund may value the aforementioned investments at a value other than the fair value assessed by a third-party valuer for special reasons. In such a case, the Fund shall justify its practices in the annual report or notes to the financial statements.

Investments in energy production, storage or transmission shall also be assessed when they are purchased, sold or paid for with contributions to the Fund in kind.

The costs incurred in acquiring the Fund’s investments, such as transfer tax and external consultants’ fees, may be deferred in the calculation of value and amortised from the Fund’s value on a straight-line basis over a maximum of five years or less if the intention is to dispose of the investment within less than five years of acquiring it or if the Fund Management Company otherwise deems it appropriate for the specific case in consideration of the best interests of the Fund’s unit holders.

Money market instruments are valued at the market value corresponding to the residual maturity, adjusted with the security-specific risk surcharge, or at the fair market value at the time of closing of the market, which as a general rule is the average of the buy and sale quotations or the closing rate obtained from a public price monitoring system or other reliable source on the Value Calculation Day.

Bonds are valued at the market value of the closing time of the market on the Value Calculation Day, which as a general rule is the average of the buy and sale quotations or the closing rate obtained from a public price monitoring system or other reliable source on the Value Calculation Day.

Units in common funds are valued at the latest available fund unit value of each fund on the Value Calculation Day.

Shares and listed derivatives included in the Fund are valued at the closing rate prevailing in a public price monitoring system on the Value Calculation Day. OTC derivatives contracts are valued making use of generally accepted valuation models.

Deposits are valued on the Value Calculation Day taking into account their principal and the interest rate amortised for the principal. Any loans taken out by the Fund are valued in accordance with the same principles.

The values of the Fund’s foreign currency-denominated assets and liabilities are converted to euros using as a general rule the latest published foreign exchange rates on the Value Calculation Day.

In case no market value to be deemed reliable as mentioned above is available for an investment object used by the Fund, or the situation involves an investment object other than one mentioned above, the investment object in question shall be valued at its acquisition value, provided the object was acquired less than one year before. Otherwise, the object shall be valued in accordance with the objective principles affirmed by the Board of Directors of the Management Company.

Calculation of the value of a Fund unit

The Management Company will calculate the value of a Fund unit on each Value Calculation Day. The Management Company will publish the value of a unit within fifteen (15) Banking Days from the Value Calculation Day. The unit value will be indicated in euros. The value of a Fund unit is the Fund's NAV divided by the number of issued and outstanding units.

The value of a unit will be calculated to the accuracy of four (4) decimal places.

Processing any errors made in calculating the value of the Fund

The Management Company maintains a list of possible errors made in calculating the value of the Fund. The list is available for viewing at the Management Company. Any errors occurred in value calculation shall be rectified in accordance with the, the procedural guidelines of the Financial Supervisory Authority and the internal procedural guidelines of the Management Company.

The Fund's limit for material errors is 0,5 % or more of the Fund capital.

Costs and fees

Subscription and redemption fees

The investor will be charged, as separate charges, the subscription fee and redemption fee which are deducted directly from the value of the subscription for Fund units or from the redemption price payable for the fund units. The amounts of such fees have been indicated below in this Fund Prospectus under "Fees".

Fixed management fee

The Management Company is paid a fixed management fee from the assets of the Fund as remuneration for managing the Fund. The fixed management fee shall be deducted directly from the value of the Fund. The magnitude of the fixed management fee amount has been indicated below in this Fund Prospectus under "Fees". The fee amount shall be calculated on each Value Calculation Day and paid to the Management Company in arrears.

Performance-based management fee

In addition, the Management Company shall charge from the Fund a performance-based management fee, the determination of which has been set forth below in this Fund Prospectus under "Fees".

Custody fee

The Custodian is paid a fee out of the Fund’s assets as remuneration for retention of the Fund’s securities and for the other statutory duties of the Custodian, based on the custodian agreement between the Custodian and Management Company. The actualised costs incurred from the safekeeping of the Fund’s assets, invoiced by the Custodian monthly, shall be payable by way of the custody fee.

Other allocation of costs, operative functions and trading costs as well as costs incurred for evaluating contributions in kind

Operating activities” refers to the administration, management and upkeep of investment targets. The costs of operating activities are the Fund’s costs, and the Fund is liable for them.

The Fund's assets shall also be used to pay the costs associated with the Fund’s investment activities, including at least the following: All costs associated with the development, acquisition, construction and sale of investments, irrespective of whether the trading process leads to a transaction. These costs include all the fees billed by financial and commercial advisers, technical and environmental experts, legal advisers, and other experts and advisers consulted in investment transactions and separate costs incurred by the Fund Manager in the acquisition process. The Fund is liable for the costs incurred in the trading process after the Management Company has decided to embark on the trading process for an investment. The Fund is liable for the costs of the necessary valuations prepared by impartial external valuers in connection with trading.

The costs associated with acquiring the Fund’s investments, such as transfer tax and the fees of external experts, are deferred in the valuation and amortised from the Fund’s value on a straight-line basis over five years. If an investment is disposed of less than five years after its acquisition, the outstanding deferred costs of the investment are amortised from the Fund upon disposal. If an acquisition decided upon by the Fund does not come to fruition, any costs incurred from the project shall be taken into account in full in the next valuation.

Ten per cent of the deferred acquisition cost is amortised every six months. The first amortisation takes place in the six-month period in which the investment was acquired. The amount of outstanding deferred costs awaiting amortisation is reported in the Fund's annual and semi-annual reports.

The Fund is liable for the fees of accountants, advisers, agents, the Fund’s auditors and experts used in the Fund’s operations, including the costs of all the Fund's financial reporting and planning the development or repair of owned investments and all equivalent costs.

The Fund is liable for interest expenses due to the Fund's financing, delivery costs, handling fees and the cost of any experts used to arrange financing.

The Fund is liable for the costs of valuing the Fund’s investments (including valuations supplied by impartial external experts) and establishing the characteristics and value of contributions to the Fund in kind.

Fees

Subscription fee	subscription amount EUR 5 000–99 999, fee 2 % subscription amount EUR 100 000–499 999, fee 1.5 % subscription amount EUR 500 000 or more, fee 1 % No subscription fee is charged when profit distributions are reinvested in the Fund.
Redemption fee	**If a unitholder redeems fund units** a) in less than two years from the subscription date, a maximum redemption fee is five (5) per cent of the NAV of a fund unit; b) at least two years, but less than three years from the subscription date, a maximum redemption fee is four (4) per cent of the NAV of a fund unit; c) at least three years, but less than four years from the subscription date, a maximum redemption fee is three (3) per cent of the NAV of a fund unit; d) at least four years, but less than five years from the subscription date, a maximum redemption fee is two (2) per cent of the NAV of a fund unit; e) at least five years from the subscription date, a maximum redemption fee is one (1) per cent of the NAV of a fund unit;
Management fee	R class (a minimum subscription amount of EUR 5 000 – 100 000): 1,85 % p.a. of GAV A class (a minimum subscription amount of EUR 100 000): 1,50 % p.a. of GAV I class (a minimum subscription amount of EUR 500 000): 1,25 % p.a. of GAV GAV - Gross Asset Value of the Fund, refers to the aggregate value of the following terms: • Fund's net assets (NAV) • Fund's credit • More than 50% of the owned companies credit financing (taken into account in proportion to ownership) • Loss-bearing derivatives are taken into account as part of credit financing (taken into account in proportion to ownership) • Profitable derivatives are excluded from net assets (taken into account in proportion to ownership)
Performance fee	Alongside the fixed management fee, the Management Company charges from the Fund a performance-based management fee amounting to no more than 20% of the profit generated by the Fund in excess of the annual reference yield of six (6) per cent since inception of each fund class. For the purposes of calculating the performance-based management fee, the Fund's profit shall be based on the performance of the Fund's units before charging the performance-based management fee, if any. The profit distributed to the unitholders annually shall be taken into account in calculating the performance-linked management fee. **The performance-based management fee is calculated for each unit class for each Value Calculation Day as follows:** *Performance-based management fee = 20 % times (x-y) times z, where* *x stands for the value of the Fund unit before charging the performance-based management fee, taking into account the effected profit distributions.* *y stands for the value of the reference yield at the time of calculation* *z stands for the number of fund units at the time of the calculation* The performance-based management fee will be charged to the Fund only if the following conditions are met: • the development of the Fund unit must exceed the reference yield accrued after the commencement of the Fund's operations; • the value of the Fund unit must exceed its previous highest value, *i.e.* the Fund follows the so-called High Water Mark principle. If the previous highest value of the Fund unit exceeds the reference yield at the time of calculating the performance-based management fee, the High Water Mark principle set forth under item 2 above shall be applicable. In such circumstances, when comparing the value of the Fund to the value of the reference yield, the previous development of the fund unit is only taken into account to the extent the fund unit value exceeds its previous highest value. Any performance-based management fee has been deducted from the unit's value published on the Value Calculation Day. The performance-based management fee will be paid to the Management Company retrospectively during the month following each Value Calculation Day.
Custody fee	The amount of the custody fee is determined based on the agreement between the Custodian and the Management Company, in accordance with the actual costs.
Subscription accounts	FI02 3301 0001 1805 12

Other charges
The Management Company shall charge a transaction fee in accordance with its price list for the following actions: delivery of unit certificate, registration of a change of ownership in case the units are transferred to a third party, and a pledge entry into the unit register.

RISKS OF THE FUND
General risks associated with fund investments
Investments are always associated with risk. The expression "risk" refers to the fact that there is uncertainty associated with the yield of the investment. This signifies the possibility that the return on the investment is not as good as expected and also the possibility that the invested assets are lost in their entirety.

The value of the Fund may increase or decrease, even considerably. This means that when redeeming fund units, the investor may receive less money than they originally invested in the Fund.

Industry risk
The value development of funds concentrating on certain fields of business or sectors may significantly differ from other investment funds and forms of investment distributed across different fields of business.

Technical, market and regulatory trends may substantially affect the value of the Fund's individual projects or the Fund as a whole. The Fund endeavours to reduce the specific risk associated with the energy sector by selecting its investments carefully, running its own development activities, choosing its partners, and actively managing its investment assets.

In the initial stage, the Fund’s assets may be invested in a small number of projects, or even in just one project, which may increase the Fund’s risk. In such a case, events affecting an individual project may have a major impact on the Fund's returns.

Foreign exchange risk
The Fund bears a foreign exchange risk if it makes contracts or investments directly or indirectly linked to currencies other than the euro. The foreign exchange risk that the Fund may bear increases as the Fund invests more in currencies other than the euro, and the exchange rates of such currencies fluctuate against the euro. Depreciation of the currency of the Fund’s investments negatively affects the Fund’s value, and appreciation of the currency positively affects the Fund’s value. Foreign exchange risk can be hedged using currency derivatives, but the Fund does not commit to hedging its foreign exchange risk. The Portfolio Manager shall review investments on a case-by-case basis.

Risk associated with stock market developments
Investing in the stock market is not the main purpose of the Fund. However, it is possible that the Fund's assets are invested in the stock market in Finland and in other European stock exchanges. Even in these cases, the investments shall be made in shares of companies/funds operating in the energy sector.

Stock market investments are always associated with the risk that the market value of the investments may fluctuate. The risk is affected by the general development of stock markets, the economic development, the development of the target industry, as well as the risk that the investment strategy followed by the Fund fails. In these cases, the value of the Fund's investments in shares and units may fluctuate. The objective is to mitigate the risks by careful selection of investment objects and by diversifying the stock market investments, as well as investments in other listed units across several countries and target companies to the extent possible.

Liquidity risk and risks associated with the functioning of the markets
The Fund's liquidity risk refers to a situation where the Fund's assets cannot be liquidated within the timeframe required by the fund unit redemption order submitted by the unitholder, or where the pricing of such liquidation would not be reasonable.

The liquidity risk is increased by the fact that the Fund's assets are primarily invested in powerplant projects, powerplants and other renewable energy related projects and plants which may take a long time to sell. The same is true for a situation where trading in the securities held by the Fund is very limited.

Trading in circumstances of poor liquidity may have a strong effect on the price which means that the liquidity risk may materialise. The liquidity risk may also materialise if there are interruptions or other technical problems in the operation of the marketplace.

The objective is to mitigate the liquidity risk by retaining, when necessary, part of the Fund's assets in the form of liquid assets, such as bank deposits.

However, the Management Company shall not commit itself to any specific amount of cash assets or to limiting the gearing ratio in any other way than stipulated in the legislation governing the Fund and in the Fund Rules.

When making the investment decision, the investor must take into account the fact that the Fund follows a long-term investment policy, that the Fund is intended for long-term investments and that there is a liquidity risk associated with a redemption of the Fund units that may affect the time it takes to redeem the Fund units and possibly also the return obtainable from the Fund.

Redemptions of Fund units may take a long time, and redemptions may also be suspended in certain situations.

Geographical risk

The investments of a fund investing in a specific geographical area are associated with a geographical risk. This risk refers to the fact that the economic conditions in the geographical area being the object of investment may have a material and unexpected effect on the return and liquidity of the Fund's investments.

The future outlook for the geographical area being the object of investment, as well as any changes in the outlook may have a rapid and unpredictable impact on the return of the Fund. In such a case, the return of the Fund may significantly deviate from the general global economic development and from the development of another geographical area.

The Fund's direct investments pertain mainly to Europe. According to the Fund's rules, investments outside of Europe can only be made to a limited extent.

Within Europe, the Fund can invest its assets in different regions without restriction. Investments can also be targeted at countries and regions in Europe, where realizing projects related to the energy sector is challenging, value changes can be unpredictable and realizing projects can take a long time. This can have a significant impact on the return and liquidity of the Fund's investments.

Together with the industry risk, the geographical risk may cause even significant risks and fluctuations in the return of the Fund, particularly in the short term.

The Fund's investments are made on the basis of the Portfolio Manager’s views, which means that geographical risks cannot necessarily be avoided. Furthermore, geographical risks may be intentionally taken if it is in keeping with the Portfolio Manager’s views.

General operational risks

Operational risk refers to the risk that is caused by, for example, external factors, technology, or the deficient operation of personnel, organisation or processes. Operational risks also include any changes in personnel or organisation. The operational risks also include the risk of the Fund's service provider's operations being in some respect deficient or disrupted so that the Fund or its investment object cannot be provided with the agreed product or service. Operational risks may impede the Fund's operations and thus affect the development of the Fund's value. Operational risks are prepared for by deputation arrangements, back-up systems and by continuity planning of operations.

Operational risks associated with energy investments

The risk related to the technical, financial and other physical properties of the investment object is an inherent feature of energy sector investments. The value of investment objects is also affected by other factors which cannot be identified in advance, but which can even have a substantial effect on the value of investment objects. For instance, amendments in legislation and other authority regulations regarding energy sector may have a significant impact on the value and return of investment objects. Energy sector as a whole and investments related to it are also exposed to environmental impacts, such as weather phenomena and elements. In addition, wars, terrorism, natural disasters and other extreme conditions, for example, may affect the Fund's real estate investments in such a manner that value impairment cannot be excluded. Vandalism, malicious damage and other unforeseen human activity with potential impact on the functionality and availability of powerplants may also affect the return of the Fund, even considerably.

The objective is to prepare for these risks by sufficiently diversifying the investments, by insuring and by striving to anticipate forthcoming changes in the overall operational environment in line with the Portfolio Manager’s views.

However, operational risks associated with energy sector investments cannot be totally avoided. In the case of their materialisation, operational risks may have a considerable impact on the value and return of the Fund.

Risk associated with the use of borrowed capital

In the course of its operations, the Fund may have the opportunity to use borrowed capital and pledge its assets as collateral for its debts. There are always risks associated with debt financing; they may affect the investment activities or return of the Fund or the execution of redemptions.

Force majeure risks and other risks

Force Majeure risks refer to factors that are independent of agreements, unforeseen and have consequences that cannot be overcome. Such risks may include wars, exceptional weather conditions, natural disasters, mutinies and industrial action. The materialisation of force majeure risks may affect the value of the Fund's investments, the possibilities of trading in the investment objects and the redemption schedules of fund units, for example.

The Fund's operations and investments may face unidentifiable risks. Such risks may even have a considerable effect on the valuation of the Fund's assets and on its return. All investment activities are associated with the risk of losing assets partially or in full. The set return target may not be achieved.

Sustainability risks

Sustainability risks refer to an environmental, social or governance event or a condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. The realization of material sustainability risks may impact the return performance of the investment objects and, hence, the fund returns.

The consideration of sustainability risks in this fund has been elaborated upon below under section ”Responsible investment and consideration of sustainability risks and sustainability factors”, under the heading of ”Consideration of sustainability risks”.

Risk management principles observed by the Management Company

The Management Company has adopted risk management principles approved by its Board of Directors, setting forth the procedures for the continuous monitoring and management of risks present in the operations of the company and the funds managed by it.

TAXATION

General

In Finnish legislation, special investment funds are entities exempt from income taxes that, therefore, do not pay any taxes, for instance, on their capital gains, their dividends received in Finland or their interest income. As regards its income from abroad, such as, for instance, its dividend income, a special investment fund may be liable to pay tax at source in the relevant country, the magnitude of which is determined in accordance with the local legislation and tax treaty.

Unitholder’s taxation

Information concerning taxation is based on the tax legislation in force in Finland, as well as case law and taxation praxis.

Taxation of fund investments by persons with unlimited tax liability in Finland

The annual return payable on distribution units of funds, along with any capital gains arising in connection with the redemption of fund units, constitutes capital income, subject to capital income tax of 30 %. To the extent the taxable capital income exceeds EUR 30 000 in any tax year, the amount of capital income tax is 34 %. Swapping of fund units for the units of another fund are in taxation treated as a redemption and a new subscription that, therefore, materializes the capital gains or losses. In case distribution units of the fund are swapped for the accumulation units of the same fund, or vice versa, no taxable capital gains (or losses) actualize.

As regards the annual return payable on the distribution units, the Management Company shall withhold tax in connection with the payment of the returns, in the form of a tax withholding. The Management Company shall notify the tax authorities of the fund unit holdings at the end of the year, and of any redemptions of fund units carried out in the course of the year, along with the returns paid out to the unitholders, as well as the tax withholdings made in relation to same. Capital gains arising from the redemption of fund units are not subject to tax withheld in advance. The Management Company submits fund unit ownership information, redemption transactions and details for the calculation of capital gains and losses to the tax authority, which shall record same in the pre-filled tax return. The taxpayer must review the capital gains and losses recorded in the pre-filled tax return, along with the profit distribution and ownership information. Capital gains are calculated either by deducting from the redemption price the subscription price and the costs incurred from obtaining the profit (subscription and redemption fees, if any), or alternatively the acquisition cost calculated applying the acquisition cost method. As concerns fund units owned for a minimum of 10 years, when applying the acquisition cost method, the acquisition cost deductible from the fund units is 40 %, and for units owned for a shorter period of time, 20 % of the redemption price.

Any capital loss arising in conjunction with a redemption (or swap) may be deducted in taxation from all the capital gains of the relevant tax year. In case the capital income is not sufficient to deduct the capital losses, the remainder is affirmed as the capital losses for the tax year in question. The remainder shall not be taken into account when calculating the deficit reimbursement to be carried out for income taxes. The affirmed capital losses for the tax year may become deductible from capital gains or other capital income in the next five years.

However, capital gains shall not constitute taxable income, if the combined sales prices of the assets disposed of during a tax year amount to no more than EUR 1 000. Capital losses arising in any tax year, in turn, are not deductible if both the combined acquisition costs of the assets disposed of in a tax year and the combined sales prices are no more than EUR 1 000. When calculating the said thresholds of EUR 1 000, account shall be taken also of transfers other than the redemptions of fund units, with the exception, however, of transfers intended to be tax-exempt, and transfers of customary household movables, or other comparable property intended for personal use.

When only a portion of fund units are redeemed, the fund units shall be deemed redeemed in the order of their acquisition, so that the first acquired fund units are redeemed first. The investor may, however, in connection with the redemption decide, which fund units they wish to redeem, and so the acquisition cost is determined based on such units.

Investors should note that the tax treatment is determined in accordance with the individual circumstances and that the tax rates and other taxation-related factors are subject to change. The Management Company shall not be liable for any changes in tax legislation, case law or taxation praxis, or for taking any changes in same into account. Further information is available from the Finnish Tax Administration's address www.vero.fi. Also tax offices provide further information.

Natural persons with limited tax liability in Finland

The annual return payable on distribution units, received by a natural person with limited tax liability in Finland is subject to the Finnish Act on Tax at Source (Finnish Act on the Income and Assets of Persons with Limited Tax Liability 627/1978). The amount of tax at source is 30 %, unless a lower tax rate has been agreed upon in the tax treaty between Finland and the relevant state. In certain cases, the Act on Tax at Source stipulates, for instance in relation to persons residing in EU member states, that no tax at source is levied. The Management Company is obligated to charge the source at tax, if any. The Management Company shall submit an annual declaration of the profits paid by it, of the tax at source withheld and of the redemptions of fund units to the tax authorities. The final taxation of persons with limited tax liability in Finland is dependent not only on the tax regulations of Finland and of the taxpayer's country of residence, but also on the content of any tax treaty concluded between Finland and the relevant person's country of residence for the purposes of taxation, and, consequently, varies depending on the taxpayer's country of residence. The tax authorities also send the information they receive about unit owners' holdings and transactions to foreign tax authorities (so-called FATCA and CRS cooperation).

In case the investor is uncertain about their tax status, they should contact the local tax authorities or other tax experts.

RESPONSIBLE INVESTMENT AND CONSIDERATION OF SUSTAINABILITY RISKS AND SUSTAINABILITY FACTORS

UB Renewable Energy Fund (AIF) considers sustainability risks and principal adverse impacts in its investments in line with United Bankers' Principles for Responsible Investment and as described in this document. United Bankers' Principles for Responsible Investment are publicly available at:
https://www.unitedbankers.fi/en/sustainability/responsible-investing/

Key terminology:

ESG
ESG is an abbreviation of the words Environmental, Social, and Governance.

Sustainability risk
Sustainability risk refers to an environmental, social, or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. The realization of material sustainability risks may impact the return performance of the investment objects and, hence, the Fund returns.

Sustainability factor
Sustainability factors refer to environmental, social, and employee matters, respect for human rights, anti-corruption, and anti-bribery matters.

Principal adverse impacts
Principal adverse impacts on sustainability factors refer to any negative impacts on the environment, society, or social factors directly or indirectly caused by the operations of our investment objects.

SFDR
Refers to the EU Regulation 2019/2088 on sustainability-related disclosures in the financial services sector.

Sustainable investment

UB Renewable Energy Fund (AIF) makes sustainable investments in accordance with Article 9 of the SFDR.

The Fund makes investments in environmentally sustainable economic activities that meet the criteria of the EU Taxonomy regulation, in transition activities, or in enabling economic activities. The Fund's annual reporting details the proportion of the Fund's investments made in activities that meet the EU Taxonomy criteria.

The objective of the Fund is to make sustainable investments and promote the mitigation of climate change. The Fund's investments aim to mitigate climate change by financing renewable energy projects. The Fund invests in development projects aimed at the production of renewable energy, power plants producing renewable energy, hydrogen production and processing units, energy storage and transmission, and related supporting infrastructure projects. The Fund's investments in the production of renewable energy, especially in wind power and solar energy, promote reductions in carbon emissions. The Fund's sustainability objective is to make investments that pro-mote the EU's goal of mitigating climate change. In addition, the Fund's strategy supports several of the UN Sustainable Development Goals (SDGs), especially Goal #7: Affordable and Clean Energy, and Goal #13: Climate Action.

For this Fund, no EU Climate Transition Benchmark or Paris-Aligned Benchmark in accordance with (EU) 2016/1011 is available. The Fund makes sustainable investments in accordance with the SFDR Regulation (EU) 2019/2088 and the Taxonomy Regulation (EU) 2020/852. The Fund's taxonomy-aligned sustainability objective is to mitigate cli-mate change and to make sustainable and taxonomy-aligned investments, in which case they are in line with achieving the goals of the Paris Agreement. The Fund's strategy is to only invest in economic activities that enable the reduction or avoidance of emissions in accordance with Article 9 (3) of the SFDR Regulation.

Further information on sustainable investment is provided in the pre-contractual information template attached to this document. (Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852).

Consideration of sustainability risks

UB Renewable Energy Fund (AIF) makes long-term direct and indirect investments in renewable energy (e.g., wind power and solar power) development projects and power plants, covering the entire value chain ranging from so-called "greenfield" development projects to acquiring operational power plants and selling energy. The Fund can also make direct and indirect investments that serve the Fund's own investments or otherwise renewable energy production, energy transfer, and energy storage, or that are related to hydrogen production and processing units and all other green energy targets and activities supporting these industries. The Fund invests in destinations in Europe with a focus on the Nordic countries and the countries of the Baltic Sea region. The Fund can invest a maximum of 10% of the GAV in destinations located outside of Europe.

For further information concerning the investment strategy, please refer to: www.unitedbankers.se/fonder/valj-fond/ub-fornybar-energi/

In the investment process, portfolio management assesses the sustainability risks of the investment object as part of the investment decision in accordance with the United Bankers Principles for Responsible Investment as well as the Fund's own sustainability principles. Additionally, the Fund considers sustainability risks in its investment strategy and activities as follows:

- An ESG due diligence is prepared for the investment object to the extent relevant to the investment object's development stage. Before making an investment decision, the due diligence evaluation maps out the opportunities, risks, and possibilities of the investment from good governance, financial, technical, and environmental perspectives. Regarding listed investments, global databases of ESG service providers can be used in the due diligence assessment.
- The Fund requires its investment objects to respect human rights (UNGP) and comply with the UN Global Compact Principles.
- The Fund does not invest in targets, which do not comply with the Do No Significant Harm (DNSH) Principle.
- The Fund requires that the environmental and social impact assessments and permits are available or will be prepared in accordance with regulations and best international practices (e.g., IFC Performance Standards) for the investment objects, and that the risk management measures identified in the assessments are properly implemented.
- When investing outside the EU, the Fund requires its investment objects to comply with the IFC Performance Standards[1] and the Environmental Health and Safety Guidelines[2].
- The Fund actively monitors the sustainability risks of its investments, for example by requiring regular sustainability risk reporting from its investment objects.
- According to the investment strategy, the Fund's investments are mainly concentrated in Europe. Due to this, the Fund's sustainability risks are also concentrated in Europe, but can spread to different European countries and different forms of renewable energy.

In the due diligence evaluation prepared before making an investment decision, the possibilities, risks, and opportunities for improvement measures of the investment are mapped from good governance, financial, technical, and environmental perspectives. For the risks and development targets identified in this process, an investment-specific plan is drawn up for the measures required to manage sustainability risks and their implementation. If the assessment reveals a significant sustainability risk that cannot be resolved within the scope of the action plan, the investment will not be made.

Material sustainability risks may impact the financial success of the investment objects and, hence, the Fund's returns. If realized, the sustainability risks of power plant investments can, for example, decrease energy production, increase the operating costs of the investment targets, or affect the valuation of the Fund's investments. The consideration of sustainability risks in the Fund's investment activities is expected to decrease the sustainability risk and, hence, also the overall risk of the

[1] https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/Performance-Standards
[2] https://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/EHS-Guidelines/

Fund's investments and to have a positive impact on the valuations of forest properties in the case of disposals and the Fund's return expectations.

The analysis and monitoring are conducted by the Fund's portfolio managers specialized in the renewable energy sector, with the support of United Bankers' ESG team. Data generated by third parties and specialized experts is also utilized in the analyses and monitoring.

Good governance

The Fund requires its collaboration partners to act responsibly, in accordance with good governance practices, such as the due execution of their social and employer obligations and transparent operations, as well as respect for human rights (UN Global Compact Principles). To ensure good governance practices, the Fund, for instance, devices counterparty reports of its collaboration partners prior to commencing any collaboration.

The sustainability factors promoted by the Fund and the Fund's sustainability risks are reported with regularly updated fund-specific reports. The reporting follows the framework of the UN Principles for Responsible Investment (UN PRI). In addition, the Fund will report in accordance with the EU's Sustainable Finance Disclosure Regulation (SFDR) on the implementation of the promotion of sustainability factors and principal adverse effects.

The Fund does not have a benchmark index.

More information on the Fund: www.unitedbankers.se/fonder/valj-fond/ub-fornybar-energi/
United Bankers' Principles for Responsible Investment are available at:
https://www.unitedbankers.fi/en/sustainability/responsible-investing/

OTHER INFORMATION

Auditors

Oy Tuokko Ltd, an audit firm approved by the Finland Chamber of Commerce, has been elected as the auditor of UB Fund Management Company Ltd and the investment funds and special investment funds it manages, with the principal auditor being Authorized Public Accountant Janne Elo and Authorized Public Accountant Juha-Matti Heino the deputy auditor.

Impartial external valuer

The investments in the Fund's investment targets numbered 1–3 (see page 5 of the prospectus under the heading "The Fund's assets may be invested") shall be valued by an impartial external valuer.

Unitholders' meeting

A meeting of unitholders must be convened when the Board of Directors of the Management Company considers there to be cause for same, or if the auditor, independent member of the Board of Directors or fund unitholders holding in total no less than one twentieth of all the issued fund units so demand in writing for the purpose of addressing an issue raised by them.

The Management Company is obligated to inform the unitholders in the manner stipulated in Section 16 of the Fund Rules of any initiative received by it to convene a meeting, as referred to under Chapter 26, Section 9 of the Alternative Investment Funds Act, or of another meeting initiative by a unitholder, in case the unitholder proposing the convening of a meeting does not have the minimum holding mentioned above. For a justified reason, the Management Company may refuse to effect notification to such an effect, if it deems that there are no grounds for convening a meeting. The Management Company must inform the unitholder who proposed the convening of a meeting of its refusal and of the grounds for such a refusal.

Agents used by the Fund and outsourcing of functions

The Management Company has outsourced the portfolio management as well as sales and marketing functions of the Fund to UB Asset Management Ltd, a company in the same Group. The Management Company is itself responsible for the risk management of the funds it manages.

The Management Company uses external services related to compliance, internal audits, information technology, accounting, financial management as well as sales and marketing. In addition, the Fund may use external service providers for its duties related to the administration and maintenance of real estate assets.

Objectives of corporate governance

The objective of the Management Company's corporate governance is first and foremost the monitoring of the common interests of unitholders, so that the corporate governance aims at increasing the value of fund holdings in the long term. The common interest of unitholders means that the fund holdings develop as favourably as possible relative to the investment policies and risk levels defined in the rules of the funds.

The Management Company's Board of Directors decides whether and how to exercise the voting rights conferred by the shareholdings of the funds managed by the Management Company on a case-by-case basis. General meetings are only attended in exceptional circumstances when the agenda includes a matter that the Management Company's Board of

Directors considers highly significant for the value of the shares in the investment target. In each case, the Board of Directors shall issue detailed voting instructions.

The Management Company shall publish details of how voting rights were exercised during the respective review periods in the semi-annual interim reports and annual reports of the funds.

Charges or fees paid to third parties

The Management Company may pay fees based on fund sales to its agents receiving subscription or redemption orders. The amount of fees may be based on the value of the fund subscriptions and/or redemptions, or on the existing fund base. The purpose of the fees is to cover the expenses possibly incurred by the agent for the subscriptions, redemptions and administration of funds. The fees also seek to promote customer service and to enable the agent to act as the Management Company's agent. The charges or fees paid to third parties shall not reduce the return accumulated by the client from the Fund which means that payment of the fee is not contrary to the client's interests.

Order execution policy

The Management Company has implemented a policy governing the diligent execution of orders, setting forth the principles describing the procedures the Management Company abides by in handling orders concerning financial instruments on behalf of the mutual funds managed by it. The Management Company does not execute orders relating to the trading in the funds itself. The portfolio management of the funds managed by the Management Company has been outsourced to UB's group company UB Asset Management Ltd. The Management Company has authorized the above-mentioned portfolio managers to execute and intermediate orders on behalf of the funds it manages. The outsourced portfolio manager does not necessarily execute the fund's orders itself, but, rather, it may let an external broker execute the orders so as to ensure best execution. A list of the brokers retained is available, when necessary, from www.unitedbankers.fi/oyj/asiakasinformaatio.

In executing and intermediating orders on behalf the funds, portfolio managers strive to attain the best possible outcome for the mutual fund, taking into account the price, costs, speed, probability of execution and settlement of the transaction, magnitude and nature of the order, along with any other factors pertinent for the execution of the order. The relative significance of these factors is determined on the following basis:

- mutual fund's objectives, investment policy and specific risks
- special characteristics of the order
- special characteristics of the financial instruments underlying the order
- special characteristics of the execution venues to which the order may be directed.

The securities intermediary receiving the order shall execute the orders in accordance with its own execution policy and in the best possible manner. In case portfolio management intermediates the order, it endeavours to transmit it to a party that offers the best possibility of guaranteeing best execution. Fund orders may be executed on a regulated marketplace or outside of same.

As a general rule, fund orders are not aggregated. Nevertheless, orders may be aggregated, provided this is not likely to cause any detriment to any of the parties whose orders are to be aggregated, and that the aggregation is carried out in accordance with the adopted order allocation principles. A company belonging to the same corporate group as the Management Company, or a client may act as the counterparty of an order being executed on behalf of the fund.

The Management Company regularly monitors the efficacy of its operational principles and of the quality of orders intermediated or executed by its outsourced partners, and remedies any shortcomings as needed.

Management Company's remuneration system

The remuneration systems applicable in UB Fund Management Company Ltd are based upon the remuneration system of the United Bankers group, being in accordance with the group's business strategy, objectives and values and correspond to the company's long-term benefits, being simultaneously in line both with the legislation and with good and efficient risk management. The remuneration system has been approved by UB Fund Management Company Ltd's Board of Directors, and further information concerning the remuneration system is available in Finnish on the website www.unitedbankers.fi.

Additional information regarding distance selling

In order to comply with chapter 6a in the Finnish Consumer Protection Act the following information shall be provided to the client when selling funds by distance:

- When a client enters into a financial services contract through distance selling, for example internet or telephone, the client has the right to cancel the contract on certain conditions.
- The cancellation right does not, however, apply to subscriptions of a financial product where the price depends on fluctuations in the financial markets. Therefore, the client has no right to cancel an order or contract concerning a fund.
- Despite this, the client may redeem the fund units in accordance with the process mentioned in "Subscription and redemption of fund units" above.

Supervising authority

The Management Company and the Fund are supervised by the Finnish Financial Supervisory Authority, Snellmaninkatu 6, PO BOX 103, 00101 Helsinki, Tel. +358 10 831 51, fax +358 10 831 5328 and e-mail kirjaamo@finanssivalvonta.fi.

Dispute resolution

In matters related to the operations and service of and agreements with the Management Company, the customer should primarily contact the Management Company.

If the disputes cannot be settled by negotiations, the customer may turn to the Finnish Financial Ombudsman Bureau in order to obtain information related to the services and, when required, the customer may refer the disputes to the Securities Complaints Board.

The contact details of the Financial Ombudsman Bureau are as follows:

The Financial Ombudsman Bureau, Porkkalankatu 1,
00180 Helsinki. E-mail: info@fine.fi, tel. +358 9 6850
120.

Further information and a contact form are available at www.fine.fi.

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: UB Renewable Energy Fund (AIF) **Legal entity identifier:** -

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

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

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective: 80%** ☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective: ___%**	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What is the sustainable investment objective of this financial product?

The objective of the Fund is to make sustainable investments and promote the mitigation of climate change. The Fund's investments aim to mitigate climate change by financing renewable energy projects. The Fund invests in development projects aimed at the production of renewable energy, power plants producing renewable energy, hydrogen production and processing units, energy storage and transmission, and related supporting infrastructure projects. The Fund's investments in the production of renewable energy, especially in wind power and solar energy, promote reductions in carbon emissions. The Fund's sustainability objective is to make investments that promote the EU's goal of mitigating climate change. In addition, the Fund's strategy supports several of the UN Sustainable Development Goals (SDGs), especially Goal #7: Affordable and Clean Energy, and Goal #13: Climate Action.

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For this Fund, no EU Climate Transition Benchmark or Paris-Aligned Benchmark in accordance with (EU) 2016/1011 is available. The Fund makes sustainable investments in accordance with the SFDR Regulation (EU) 2019/2088 and the Taxonomy Regulation (EU) 2020/852. The Fund's taxonomy-aligned sustainability objective is to mitigate climate change and to make sustainable and taxonomy-aligned investments, in which case they are in line with achieving the goals of the Paris Agreement. The Fund's strategy is to only invest in economic activities that enable the reduction or avoidance of emissions in accordance with Article 9 (3) of the SFDR Regulation.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The attainment of the Fund's sustainable investment objective is measured by sustainability indicators. The selection of the sustainability indicators for the Fund's investments and the Fund is based on international best practices of impact investing, as defined by the Operating Principles for Impact Management (OPIM) and the IRIS+ recommendations and methods for measuring the impact of investments. The information on sustainability indicators is primarily collected directly from the investments and, if necessary, through surveys in accordance with international best practices. Best-in-class international methods are used in the calculation of the indicators, such as the GHG Protocol and the PCAF Global GHG Accounting and Reporting Standard for the Financial Industry.

Key indicators for the Fund include renewable energy production capacity (MW per year), the amount of renewable energy produced (MWh per year), and the amount of avoided emissions (tCO_2e per year), i.e., an estimate of how much fossil energy and related carbon emissions are replaced by the renewable energy produced by the investments of the Fund. In addition, the Fund may report on other indicators illustrating the impacts of its investments.

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The Do No Significant Harm (DNSH) Principle is considered in the investment operations of the Fund. The implementation of the Principle in the Fund's investments is assessed in the pre-investment due diligence process, using the DNSH criteria as defined in the EU Taxonomy for economic activities valid at any given time and/or other relevant guidelines. Investments are required to have comprehensive environmental impact assessments and appropriate environmental permits, among other things, as regulated at any given time. In addition, global ESG databases (e.g., Sustainalytics Global Access, Morningstar Direct, and Bloomberg) and information on PAI indicators, expert assessments, information published by investments, and information otherwise collected from investments may be used.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Fund's principal adverse impacts on sustainability factors are analyzed in connection with sustainability risks and as part of due diligence processes prior to making investment decisions, monitored during the investment period, and reported upon in the Fund's periodic reports. United Bankers' approach to analyzing principal adverse impacts is risk-based and based on principal adverse impact indicator data available in ESG databases and data collected from prospective investments. In case of listed investments, principal adverse impact indicator data provided by Sustainalytics and Morningstar is used. In case of non-listed investments, the Fund seeks to collect relevant data during the due diligence process of each investment, after which the data will be regularly updated during the investment period. Principal adverse impacts are assessed and considered based on data availability and suitability for each investment. The following indicators are considered:

Table 1 Indicators applicable to investments in investee companies
1. GHG emissions
2. Carbon footprint
3. GHG intensity of investee companies
4. Exposure to companies active in the fossil fuel sector
5. Share of non-renewable energy consumption and production
6. Energy consumption intensity per high impact climate sector
7. Activities negatively affecting biodiversity-sensitive areas
8. Emissions to water
9. Hazardous waste and radioactive waste ratio
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
12. Unadjusted gender pay gap
13. Board gender diversity
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)

Table 2 Indicators applicable to investments in investee companies
4. Investments in companies without carbon emission reduction initiatives

Table 3 Indicators applicable to investments in investee companies
9. Lack of human rights policy

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is analyzed as part of due diligence processes prior to making investment decisions, monitored during the investment period, and reported upon in the Fund's periodic reports. In case of listed investments, the analysis, monitoring, and reporting is based on ESG data provided by Sustainalytics and Morningstar (Global Standards Screening). In case of non-listed investments, the assessment is based on information collected during the due diligence process.

The Fund does not invest in companies or targets that breach the abovementioned norms and conventions. In case a norm breach occurs during the investment period, the Fund seeks to engage with the investee to remedy the situation with a reasonable timeframe, or if not possible, exits the investment.

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

☒ Yes.

The Fund's principal adverse impacts on sustainability factors are analyzed in connection with sustainability risks and as part of due diligence processes prior to making investment decisions, monitored during the investment period, and reported upon in the Fund's periodic reports. United Bankers' approach to analyzing principal adverse impacts is risk-based and based on principal adverse impact indicator data available in ESG databases and data collected from prospective investments. In case of listed investments, principal adverse impact indicator data provided by Sustainalytics and Morningstar is used. In case of non-listed investments, the Fund seeks to collect relevant data during the due diligence process of each investment, after which the data will be regularly updated during the investment period. Principal adverse impacts are assessed and considered based on data availability and suitability for each investment. The following indicators are considered:

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Information on principal adverse impacts is published in the Fund's periodic reporting to investors available at: https://www.unitedbankers.se/fonder/valj-fond/

☐ No

What investment strategy does this financial product follow?

The Fund makes long-term direct and indirect investments in renewable energy (e.g., wind power and solar power) development projects and power plants, covering the entire value chain ranging from so-called “greenfield” development projects to acquiring operational power plants and selling energy.

The Fund can also make direct and indirect investments that serve the Fund’s own investments or otherwise renewable energy production, energy transfer, and energy storage, or that are related to hydrogen production and processing units and all other green energy targets and activities supporting these industries.

The Fund invests in destinations in Europe with a focus on the Nordic countries and the countries of the Baltic Sea region. The Fund can invest a maximum of 10% of the GAV in destinations located outside of Europe.

Please find more information on the Fund’s investment strategy at: www.unitedbankers.se/fonder/valj-fond/ub-fornybar-energi/

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The Fund uses the following binding elements:

- The Fund aims to mitigate climate change by investing in renewable energy projects. When selecting investments, it is ensured that the investments contribute to the mitigation of climate change. Compliance with the EU Taxonomy in terms of the economic activity of each investment is a binding element of the investment strategy. The Fund invests in environmentally sustainable economic activities, transition activities, or enabling economic activities that meet the criteria of the EU Taxonomy Regulation. Investments that are made to achieve the Fund’s sustainable investment objective are required to contribute to the mitigation of climate change, comply with the climate change mitigation criteria of the EU Taxonomy, and meet the Do No Significant Harm (DNSH) criteria and minimum social safeguards defined for each economic activity.
- The Fund does not invest in objects that are on United Bankers’ exclusion list. The list is available at:

  https://www.unitedbankers.fi/en/sustainability/responsible-investing/

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

Good governance practices are assessed in line with United Bankers’ Principles for Responsible Investment. Alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is analyzed as part of due diligence processes prior to making investment decisions, monitored during the investment period, and reported upon in the Fund’s periodic reports. In case of listed investments, the analysis, monitoring, and reporting is based on ESG data provided by Sustainalytics and Morningstar (Global Standards Screening). In case of non-listed investments, the assessment is based on in-formation collected during the due diligence process.

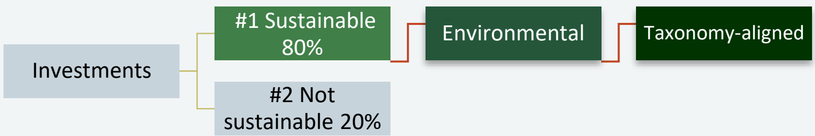
The Fund does not invest in companies or targets that breach the abovementioned norms and conventions. In case a norm breach occurs during the in-vestment period, the Fund seeks to engage with the investee to remedy the situation with a reasonable timeframe, or if not possible, exits the investment.

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

What is the asset allocation and the minimum share of sustainable investments?

In the planned asset allocation, at least 80% of the investments are made in sustainable economic activities that meet the criteria of the EU Taxonomy. The Fund's investments are subject to the investment exclusion criteria, sustainability-based investment selection, and the requirement to comply with the Do No Significant Harm (DNSH) Principle and the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the conventions that fall under these. Investments that are classified as non-sustainable include the Fund's cash and cash equivalents.

Asset allocation describes the share of investments in specific assets.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

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

How does the use of derivatives attain the sustainable investment objective?

The Fund does not use derivatives to attain the sustainable investment objective.

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

All sustainable investments of the Fund comply with the criteria of the EU Taxonomy and have a taxonomy-aligned environmental objective. The Fund invests in renewable energy production that meets the EU Taxonomy's criteria for renewable energy production and climate change mitigation. Compliance with the EU Taxonomy has not been audited or verified by third parties.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ **No**, the fund is not committed to investing in these activities.

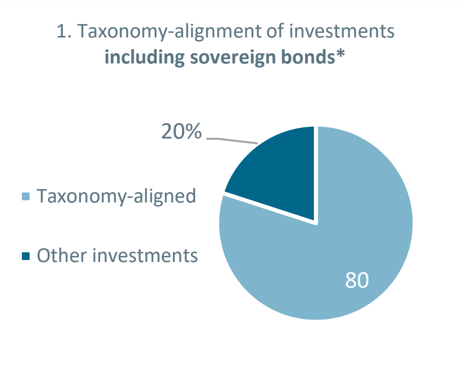
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

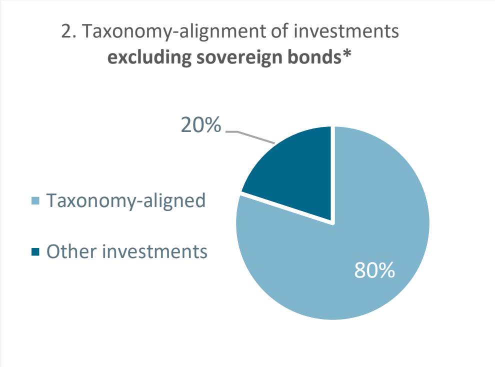
directly enable other activities to make a substantial contribution to an environmental objective.

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

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

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





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

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

The Fund is not committed to investing in transitional and enabling activities, but the Fund may make such investments.

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

The Fund only makes sustainable investments that are aligned with the EU Taxonomy.

What is the minimum share of sustainable investments with a social objective?

Not applicable for this product.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

Investments classified as non-sustainable are mostly investments in cash or cash equivalents. The Fund can keep cash assets, for example, as additional liquidity or for risk balancing purposes. For cash management purposes, the Fund's cash assets can be kept as bank deposits or in liquid fixed income funds until they can be invested in an object that meets the sustainable investment objective. The Fund requires fixed income funds to comply with minimum environmental and social requirements (e.g., SFDR Article 8 funds). Regarding bank deposits, compliance with the UN Global Compact Principles is required.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

No.

Where can I find more product specific information online?

More product-specific information can be found on the website:

www.unitedbankers.se/fonder/valj-fond/ub-fornybar-energi/

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