



UBS (Lux) Equity SICAV
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Notice to the unitholders of UBS (Lux) Equity Fund – Global Sustainable Innovators (EUR) and shareholders of UBS (Lux) Equity SICAV – Global Impact (USD) (collectively referred to as the “Unitholders”)

The Management Company of UBS (Lux) Equity Fund, a “Fonds Commun de Placement (FCP)” and UBS (Lux) Equity SICAV, a “Société d’Investissement à Capital Variable (SICAV)”, wishes to inform you of the decision to merge the sub-fund UBS (Lux) Equity Fund – Global Sustainable Innovators (EUR) (the “**Merging Sub-Fund**”) into the sub-fund UBS (Lux) Equity SICAV – Global Impact (USD) (the “**Receiving Sub-Fund**”) (both sub-funds collectively referred to as the “**Sub-Funds**”) on 13 February 2019 (the “**Effective Date**”) (the “**Merger**”).

Given the decreasing interest of investors into the Merging Sub-Fund and in order to rationalise and simplify the fund offering, the board of directors of the Management Company of the Merging Sub-Fund and the board of directors of the Receiving Sub-Fund deem it in the Unitholders’ best interest to merge the Merging Sub-Fund into the Receiving Sub-Fund pursuant to Article 12.2 of the management regulations of UBS (Lux) Equity Fund and Article 25.2 of the articles of incorporation of UBS (Lux) Equity SICAV respectively.

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

The Merger will be based on the net asset value per unit as per 12 February 2019 (“**Reference Date**”). In the context of the Merger, the assets and liabilities of the Merging Sub-Fund will be allocated to the Receiving Sub-Fund. The number of new shares to be so issued shall be calculated on the Effective Date based on the exchange ratio corresponding to the net asset value per unit of the Merging Sub-Fund on the Reference Date, in comparison with either (i) the initial issue price of the respective receiving share class of the Receiving Sub-Fund – provided this share class has not been launched prior to the Reference Date – or (ii) the net asset value per share of the receiving share class of the Receiving Sub-Fund on the Reference Date.

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

	UBS (Lux) Equity Fund – Global Sustainable Innovators (EUR)	UBS (Lux) Equity SICAV – Global Impact (USD)
Merging unit-/share classes	(USD) P-acc (ISIN: LU0341351699) I-A2-acc (ISIN: LU0400024724) P-acc (ISIN: LU0130799603) Q-acc (ISIN: LU0358044047)	P-acc (ISIN: LU1679116845) (EUR hedged) I-A2 (ISIN: to be launched) (EUR hedged) P-acc (ISIN: LU1679117579) (EUR hedged) Q-acc (ISIN: LU1679117819)
Maximum fee p.a.	(USD) P-acc: 2.040% I-A2-acc: 0.820% P-acc: 2.040% Q-acc: 1.020%	P-acc: 1.500% (EUR hedged) I-A2: 0.630% (EUR hedged) P-acc: 1.550% (EUR hedged) Q-acc: 0.850%
Ongoing charges (as per key investor information (“KII”))	(USD) P-acc: 2.12% I-A2-acc: 0.85% P-acc: 2.12% Q-acc: 1.09%	P-acc: 1.58% (EUR hedged) I-A2: 0.61% (estimate) (EUR hedged) P-acc: 1.58% (EUR hedged) Q-acc: 0.88%
Investment policy	The sub-fund invests at least 70% of its assets in carefully selected shares or other equity interests of small and medium-sized companies (“innovators”) worldwide, whose products and services contribute to sustainable development. The selection of the companies and issuers concerned involves considering not only the traditional financial factors but also ecological, social and ethical criteria (“socially responsible investing” – SRI), taking into account corporate strategy, innovation, corporate governance and the interests of various beneficiary groups, among other factors. From the range of possible investments, small to medium-sized companies are mainly chosen for investment whose products and services stand out because of their particularly high	This sub-fund invests at least two thirds of its assets in shares and other equity interests of companies in developed and emerging markets. The fund’s aim is to invest in companies that the portfolio manager believes provide solutions through their products and services for important global challenges such as climate change, air pollution, water pollution and scarcity, treatment of disease and food security. Through its investments, the sub-fund aims to have a positive impact on human well-being and environmental quality. As the sub-fund invests in many foreign currencies due to its global orientation, the portfolio or parts thereof may be hedged against the reference currency of the sub-fund in order to reduce the associated foreign currency risks. Investors should note that the sub-fund’s exposure

	ecological or social utility (chiefly in the areas of energy efficiency, clean energy, scarce resources, waste, water, education in sustainable food products and agriculture and demographics) and because they are of an innovative nature. A specialized SRI team at UBS Asset Management is responsible for this selection.	may also include Chinese A shares traded via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect. Chinese A shares are renminbi-denominated A shares of companies domiciled in mainland China; these are traded on Chinese stock exchanges such as the Shanghai Stock Exchange and the Shenzhen Stock Exchange. This sub-fund may invest in both developed and emerging markets countries (Emerging Markets). The risks associated therewith are listed in the section entitled "General risk information". In addition to the aforementioned, investors should read, be aware of and take into account the risks associated with investments traded via Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect. Information on this topic can be found after the section "General risk information". For the reasons mentioned, this sub-fund is particularly suitable for risk-conscious investors.
Currency of account	EUR	USD
Financial year	1 December – 30 November	1 June – 31 May

Since a substantial portion of its assets may be sold and invested in liquid assets prior to the Effective Date, the composition of the portfolio of the Merging Sub-Fund may be significantly impacted by the Merger. Any adjustments to the portfolio will be made prior to the Effective Date. As any merger, also this Merger may involve a risk of performance dilution stemming from the restructuring of the portfolio of the Merging Sub-Fund. Furthermore, the Sub-Funds' characteristics such as the portfolio manager, dealing frequency, exposure to securities financing transactions, global risk calculation method (commitment approach) and cut-off time remain unchanged. The Receiving Sub-Fund's risk and reward profile ("SRRI") as per KII is equal to the SRRI of the Merging Sub-Fund (5).

The maximum flat fee of the Receiving Sub-Fund is lower than the maximum flat fee of the Merging Sub-Fund. The Ongoing Charges of the Receiving Sub-Fund are also lower than the Ongoing Charges of the Merging Sub-Fund. The legal, advisory and administrative costs and expenses (excluding potential transaction costs for the Merging Sub-Fund) associated with the Merger will be borne by UBS AG and will not impact either the Merging Sub-Fund or the Receiving Sub-Fund. In addition and to protect the interests of the investors of the Receiving Sub-Fund, Single Swing Pricing as described in the prospectuses of the Sub-Funds will be applied on a pro rata basis on any cash portion of the assets to be merged into the Receiving Sub-Fund, provided that it exceeds the threshold as defined for the Receiving Sub-Fund.

Unitholders of the Merging Sub-Fund and the Receiving Sub-Fund who are not in agreement with the Merger may redeem their units/shares free of charge until 6 February 2019, cut-off time 15:00 CET. The Receiving Sub-Fund will subsequently be closed for redemptions. As of today, the Merging Sub-Fund will be allowed to deviate from its investment policy as far as needed in order to align its portfolio with the investment policy of the Receiving Sub-Fund. The Merger will come into effect on 13 February 2019 and will be binding for all Unitholders who have not applied for the redemption of their units/shares.

Units of the Merging Sub-Fund have been issued until 28 December 2018, cut-off time 15:00 CET. On the Effective Date of the Merger, the unitholders of the Merging Sub-Fund, a FCP, will be entered into the register of shareholders of the Receiving Sub-Fund, a SICAV, and will also be able to exercise their rights as shareholders of the Receiving Sub-Fund, such as participating and voting at general meetings as well as the right to request the repurchase, redemption or conversion of shares of the Receiving Sub-Fund.

PricewaterhouseCoopers, Société cooperative, 2, rue Gerhard Mercator, L-2182 Luxembourg, is in charge of preparing a report validating the conditions foreseen in Article 71 (1), let. a) to c) 1st alternative of the Luxembourg law of 17 December 2010 on undertakings for collective investment (the "Law of 2010") for the purpose of the Merger. A copy of this report will be made available upon request and free of charge to the Unitholders sufficiently in advance of the Merger. PricewaterhouseCoopers will also be engaged to validate the actual exchange ratio determined at the exchange ratio calculation date, as provided for in Article 71 (1), let. c) 2nd alternative of the Law of 2010. A copy of this report will be made available upon request and free of charge to the Unitholders. Furthermore, unitholders of the Merging Sub-Fund are advised to consult the KII relating to the Receiving Sub-Fund which is available online at www.ubs.com/funds. Unitholders seeking additional information may contact the Management Company. Please also note that investors may be subject to taxation on their holdings in investment funds. Please contact your tax advisor in respect of any tax queries you may have as a result of the Merger.

Luxembourg, 7 January 2019 | The Management Company

The notice to Shareholders is also available on the website:
https://www.ubs.com/lu/en/asset_management/notifications.html