

Principles for dealing with conflicts of interest

Information on how to deal with conflicts of interest

As an investment management company, UI BVK Kapitalverwaltungsgesellschaft mbH is required to act exclusively in the interests of our investors and conduct our business activities truthfully, with necessary care, diligence and honesty, acting in the best interests of the investment funds we manage, the investors in these investment funds and the integrity of the market.

Conflicts of interest cannot always be excluded, particularly in an investment management company that provides services to clients and investors and itself works with a large number of service providers.

In accordance with the relevant legal requirements, we inform you below about our precautions for dealing with these conflicts of interest.

Possible conflicts of interest

Conflicts of interest may arise between

- our company, other companies in our group, our management, our employees, external companies and persons contractually associated with us and other third parties and the investment funds we manage, our investors and our clients, or
- between our investors and clients with each other, or
- between our investors and the investment funds we manage, or
- between different investment funds managed by us.

Conflicts of interest between our company and asset managers and other outsourcing companies, other service providers or custodians mandated by us.

Furthermore, conflicts of interest also include those conflicts of interest that may arise from the integration of sustainability risks into processes, systems and internal controls.

Measures to prevent, manage and monitor these potential conflicts of interest

UI BVK Kapitalverwaltungsgesellschaft mbH has taken organisational and administrative measures to identify, prevent, settle, manage and observe/monitor conflicts of interest in order to prevent conflicts of interest from causing significant harm to investment funds and their investors.

In particular, we have set up a compliance organization that monitors our measures to manage conflicts of interest independently and regularly trains all employees through training on regulatory requirements and internal guidelines. We have set ourselves high ethical standards for dealing with investors and business partners by creating confidentiality areas, organizational guidelines and information barriers between individual business units and third parties. We also expect those high standards from our business partners. Our independent risk management department is therefore also subject to special safeguards against conflicts of interest.

If the organisational arrangements we have put in place to identify, prevent, resolve and monitor conflicts of interest to avoid the risk of adverse investor interests are not sufficient, we will inform investors in advance and develop countermeasures.

In addition to the statutory requirements, UI BVK Kapitalverwaltungsgesellschaft mbH has accepted and implemented the Code of Conduct of the German Investment and Asset Management Association (BVI) as a standard for responsible handling of capital and investor rights.

Disclosure

Should our company be unable to avoid a conflict of interest, we will inform about the nature of the conflict and its source.

Unavoidable conflicts of interest may arise from the fact that asset managers may acquire or recommend the purchase of products for the investment funds that are managed or advised by those same asset managers, who receive a separate management or advisory fee for such products. In these cases, we seek to prevent damage to investors by ensuring that these products may only be purchased on the basis of objective deliberation of whether the purchase is in the interest of investors.

Furthermore, conflicts of interest may arise from the fact that we largely use other companies of the Universal Group to provide our services. We counter potential conflicts of interest by providing these services at established standards and market-driven conditions, making them transparent to investors, and by making the management independent in relation to other companies in the Universal Group.

The Group companies Universal-Investment-Gesellschaft mbH and Universal-Investment-Luxembourg S.A. offer fund conditions and, in the case of Universal-Investment-Luxembourg S.A., additional securitisation services, for which they receive remuneration. The products issued as a result of this service are only acquired in our investment funds after a separate internal review.

In case the portfolio manager intends to contract with affiliated companies (e. g. property managers) in the context of the management of open-ended real estate funds, or companies affiliated with him shall engage in a real estate transaction, or in case the portfolio manager's property shall be purchased for a fund, we will make reasonable efforts to avoid a resulting material prejudice to the investor's interests.

In exceptional cases of our employees of UI BVK Kapitalverwaltungsgesellschaft mbH instructing real estate transactions by themselves, we arrange for the avoidance of conflicts of interest which might disadvantage the investors in the real estate funds.

Managing directors of our company take responsibility for the care of our customers and investors and look after them in accordance with the principle of equal treatment.

English translation not legally binding – in case of any discrepancies please refer to the German version.

Contact

Do you have any questions about how we deal with conflicts of interest? Please get in touch! Contact: UIBVK.Compliance@universal-investment.com

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