



MASTERINVEST

Transparent Investments.

Manual on the Use of Reference Values, Including Emergency Plan

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1. Legal Basis

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016, Article 28 (2) (hereinafter referred to as the Benchmark Regulation), a management company that uses a benchmark must establish robust written plans ensure the availability of suitable alternatives in the event of a modification or default of a benchmark.

2. General Information

MASTERINVEST generally aims to avoid the use of benchmarks in fund documents such as fund regulations, prospectuses, and §21 information documents.

However, some historical performance-based management fee regulations are also affected by the new regulation.

When selecting benchmark providers, MASTERINVEST prioritizes cost efficiency in data licensing, always considering the best interests of its clients. The primary goal is to select benchmark data providers that offer the required data free of charge to avoid additional license costs.

Preferred data providers of MASTERINVEST:

Fixed Income:

ICE Data Services (formerly Merrill Lynch, Pierce, Fenner & Smith Incorporated).

Offers access to over 4,500 bond indices.

Equity:

Morningstar Inc.

Provides approximately 100 benchmarks.

If a fund initiator requests a reference value from MASTERINVEST as part of a fund launch, the availability of the desired reference value, as well as a suitable alternative, must be clarified before the fund is launched. Indices from the two preferred groups should be selected, and any licensing issues must be resolved in advance.

3. Implementation

3.1 Article 28: Modification or Cessation of a Reference Value

Supervised entities that use a benchmark shall establish and maintain robust written plans outlining the measures they would take if a benchmark undergoes a material change or is no longer provided. Where possible and appropriate, such plans shall identify one or more alternative benchmarks that could replace the discontinued benchmark and specify why they would be suitable alternatives. Supervised entities shall submit these plans and any updates to the relevant competent authority upon request and adhere to them in their contractual relationships with clients.

MASTERINVEST considers this manual, particularly the following explanations, to constitute robust written plans within the meaning of Article 28(2) of the Benchmark Regulation.

3.2 Article 29: Use of a Reference Value

A supervised entity may use a benchmark or a combination of benchmarks within the Union if the benchmark is provided by an administrator located within the Union and entered in the register referred to in Article 36, or if it is a benchmark entered in the register referred to in Article 36.

If a prospectus published under Directive 2003/71/EC or Directive 2009/65/EC concerns transferable securities or other investment products that reference a benchmark, the issuer, offeror, or applicant for trading on a regulated market must ensure that the prospectus contains clear and prominent information stating whether the benchmark is provided by an administrator registered under Article 36 of this regulation.

4. Scope of Application

MASTERINVEST distinguishes between four areas of application:

4.1 Reference Value for Tracking a Return (Index Tracking)

Currently not applicable to MASTERINVEST investment funds.

4.2 Reference Value for Determining the Composition of a Portfolio

Currently not applicable to MASTERINVEST investment funds.

4.3 Reference Value for Calculating Benchmark Performance for Performance Fees

Applies to selected funds. The specific rules are set out in the respective fund regulations, as well as in the prospectus or §21 information document.

The benchmark performance is calculated by comparing the closing price of the reference value with the previous closing price.

4.4 Weighting of Multiple Reference Values

Currently not applicable to MASTERINVEST investment funds.

5. Emergency Plan

The following process is to be followed if a reference value, in accordance with section 4.3 of this document, undergoes a significant change or is no longer provided.

A significant change occurs when

- the administrator announces the discontinuation of a reference value.
- the methodology for calculating a reference value undergoes fundamental changes.
- irregularities in the calculation or provision of a benchmark become public.
- an administrator transfers the rights to certain benchmarks to another administrator.

If any of these changes occur, MASTERINVEST will evaluate the reasons and impacts and, if necessary, identify an alternative reference value. This process will take place only at the time of occurrence, ensuring the availability of an alternative reference value when needed.

In the case of a planned change involving a mutual fund, prior approval from the FMA is required, which may take time. Therefore, determining an alternative reference value in advance is of limited practical benefit.

The Product Management department, in collaboration with the Sales Department and the fund initiator, will identify an alternative benchmark. MASTERINVEST aims to establish a potential alternative for each currently used reference value and will conduct a performance comparison and correlation analysis. MASTERINVEST will promptly present the identified alternatives to the fund manager/fund initiator/special fund investor and, in consultation with the relevant parties, determine a new benchmark. This process will also occur only at the time of necessity, ensuring the availability of the selected benchmark.

Furthermore, for any planned changes concerning mutual funds, approval from the FMA is required, adding to the timeline considerations.

For these reasons, no general recommendation is made for an alternative reference interest rate. Additionally, MASTERINVEST reserves the right to suspend performance fees in the interest of the client. This means that if no suitable alternative is available, or if a timely agreement cannot be reached, no performance fee will be charged to the fund assets. This waiver provision is explicitly stated in the relevant prospectuses.

When selecting alternative benchmarks, the following parameters in particular should be evaluated:

- - Annual performance comparison (p.a.)
- - Tracking error or correlation between the two benchmarks
- - Data availability
- - License agreement and cost implications
- - Necessity of an “emergency” benchmark

MASTERINVEST will review the ESMA register at least annually, extracting relevant data from the ESMA register for internal use. This information serves as the basis for assessing reference values requested for new issuances or modifications, as well as for conducting a comprehensive review of ESMA-compliant indices on a regular basis.

List of reference values used:

Ticker	Long Name	Link to the ESMA Register	Substitutability
MSDEWIN	MSCI Daily Net TR World Euro	MSCI Limited is regulated as a UK benchmark administrator by the UK FCA and is listed in the FCA register. Under the transitional provision for third-country benchmarks pursuant to Art. 51 (5) of Regulation (EU) 2016/1011, the use of the aforementioned benchmark is permitted. Furthermore, MSCI Limited is included in the “Register of Administrators and Benchmarks” in accordance with Article 36 of Regulation (EU)2016/1011 as per Article 33 of the same regulation. This register is freely accessible on the website of the European Securities and Markets Authority (“ESMA”) and is updated regularly. https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_bench_entities	The alternative benchmark must include large- and mid-cap stocks from developed markets. In accordance with the fund currency, the alternative benchmark must be unhedged in EUR.
M7WOEDY	MSCI World High Dividend Yield Index (EUR)	MSCI Limited is regulated as a UK benchmark administrator by the UK FCA and is listed in the FCA register. Under the transitional provision for third-country benchmarks pursuant to Art. 51 (5) of Regulation (EU) 2016/1011, the use of the aforementioned benchmark is permitted. Furthermore, MSCI Limited is included in the “Register of Administrators and Benchmarks” in accordance with Article 36 of Regulation (EU)2016/1011 as per Article 33 of the same regulation. This register is freely accessible on the website of the European Securities and Markets Authority (“ESMA”) and is updated regularly. https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_bench_entities	The alternative benchmark must include large- and mid-cap stocks from developed markets, with a particular focus on equities that offer higher dividend yields. In accordance with the fund currency, the alternative benchmark must be unhedged in EUR.

M7CXBRL	MSCI World SRI NDR (EUR)	<p>MSCI Limited is regulated as a UK benchmark administrator by the UK FCA and is listed in the FCA register. Under the transitional provision for third-country benchmarks pursuant to Art. 51 (5) of Regulation (EU) 2016/1011, the use of the aforementioned benchmark is permitted. Furthermore, MSCI Limited is included in the "Register of Administrators and Benchmarks" in accordance with Article 36 of Regulation (EU)2016/1011 as per Article 33 of the same regulation. This register is freely accessible on the website of the European Securities and Markets Authority ("ESMA") and is updated regularly. https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_bench_entities</p>	<p>The alternative benchmark must include large- and mid-cap stocks from developed markets. with a strong emphasis on companies with excellent environmental, social and governance (ESG) ratings. In accordance with the fund currency, the alternative benchmark must be unhedged in EUR.</p>
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Version History:Date	Editor	Explanation
Version November 2023	Walter Kitzler	Editorial adjustments, expansion to include substitutability, and inclusion of a version history
Version June 2024	Walter Kitzler	Change of benchmark in the ACATIS Aktien Global Value Fund from MSCI World GDR Index (EUR) to MSCI Daily Net TR World Euro

https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_bench_entities