



Annual report as at March 31st, 2017

UniInstitutional CoCo Bonds

Management Company:
Union Investment Luxembourg S.A.

In case of discrepancy between the English and German version, the German version shall prevail.

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Dear Investor,

The following pages will provide you with detailed information on the trends observed on the equity and bond markets during the period under review (1 April 2016 to 31 March 2017). You will also find a comprehensive set of figures on your investments, including the statement of assets for the reporting period which ended on 31 March 2017.

Dealing with the change in the markets

Over the last year, developments in the international capital markets have been shaped by several important events. Central banks have also continued to act in a supportive role. The stock markets have been moving sideways from the beginning of April to the middle of June. Afterwards, the turbulence increased temporarily due to the referendum of the exit of Great Britain from the European Union (Brexit), and there were severe rate losses. However, this collapse was more than offset later. The trend in equity markets was initially sideways because positive and negative announcements were evenly balanced. The next milestone was the US presidential election on November 9, surprisingly won by Donald Trump. This caused a significant rise in share prices, above all in the USA, while international bond markets came under considerable pressure due to expectations of increased inflation. In the USA the subject that dominated the market for some time was the question of whether and/or when the US Federal Reserve would take the first step towards increasing interest rates since the end of 2015. In Europe the picture was very different: the European Central Bank (ECB) bolstered the markets with its wide-ranging bond purchasing programme, which also included corporate bonds from June onwards. In December 2016 the Fed increased the US base rate as had been expected, while the European Central Bank announced an extension of its bond purchasing programme. Following Trump's inauguration it soon became apparent that expectations regarding his zeal for economic reform and his ability to implement his political agenda were too high. Nevertheless, positive announcements by companies and good overall economic data ensured that stock exchanges were able to continue their upward trend in the first quarter of 2017. Another important issue was the elections in Europe. Following the victory of mainstream parties in the Netherlands the spotlight moved to the presidential election in France. Fears of a victory for Marine Le Pen caused a noticeable increase in risk premiums for French government bonds, whereas German bunds were in demand as a safe haven. Elsewhere, Italian bond prices also suffered price falls due to the political turmoil.

Bond market still influenced by the central banks

The US bond market was characterized by the statements made by the US Federal Reserve in the first half of the reporting period, which continued to lead discussions about a possible interest rate increase. Good economic data and higher inflation expectations due to the increasing oil price caused higher returns in the autumn of 2016 and, at the same time, increased the possibility of an interest rate hike. Donald Trump's surprising victory in the presidential election resulted in a further rise in returns. Even though Trump avoided presenting a concrete election program, he did repeatedly mention an economic package. Hopes of a fiscal stimulus and associated expectations that additional US government bonds would be issued to finance it led to falls in prices. Prices started to recover slightly mid-December. New issues placed at the start of the year sold very well, above all in other countries. In his first days as president Donald Trump acted in a very unconstrained manner. Initially his words were followed by more action than had been expected, which also increased the likelihood of an economic stimulus. Due to action by the Fed, the associated rise in bond yields picked up speed again from the middle of January. The Fed was preparing for an unexpected interest rate increase; it finally raised the base rate in March. The second increase within three months gave many market participants the impression that the Fed would pursue a much tighter monetary policy from now on. However, a maximum of two further interest rate changes are expected over the rest of the year, and this has led to bond prices increasing again. A more sober view of the new US government's policies also soon took hold. At the end of March 2017, congress voted down the US health reform package. In index terms (JP Morgan Global Bond US Index), this resulted in a loss of 1.5% for US Treasuries over the reporting period.

European government bonds initially suffered losses over the reporting period. Fears emerged that the sharp upswing in yields witnessed last year might happen again. A reversal started to set in from May 2016 onwards. Low stock prices increased risk aversion among market operators. Later, uncertainty about the upcoming EU referendum in the UK spread noticeably. The British ultimately voted to leave the EU, which further depressed yields on German bunds. Ten-year bunds reached an all-time low of minus 0.2%. Slightly better economic figures from the US later prompted a turnaround. In addition, there was speculation about a possible reduction in bond purchases by the European Central Bank (tapering) which initially depressed prices. In November,

bonds in other countries also came under pressure ahead of the Italian referendum on the reform of the Senate. Investors were primarily concerned about the prospect of fresh elections if the reform plans were not backed. This resulted in a further boost for the parties critical of Europe. On top of all this, there was protracted uncertainty regarding the fate of the stricken Monte dei Paschi bank. A reversal started in Europe too from December. The ECB extended the bond purchase programme, which finally put an end to the tapering debate. Good economic data, an initial pick-up in inflation rates, the elections in the Netherlands and France, and not least the British government's formal application to leave the European Union then exerted an adverse effect on European government bonds in the second half of the reporting period. This meant that European government bonds fell by 1.8% as measured by the iBoxx Euro Sovereign Index.

The market for European corporate bonds had positive developments, however. The European Central Bank's bond purchase programme repeatedly had a supportive effect, and the asset categories as measured by the BofA Merrill Lynch Euro Corporate Index increased in price during the reporting period by 2.5%.

Bonds from emerging economies trended extremely well due to rising commodity prices and the absence of a US interest-rate hike. High inflows of funds also bolstered yields. Considering the ongoing low interest-rate environment, many investors were active in emerging countries in their search for returns. After the US election, the strong dollar and the increased base interest rate burdened the listings for a short period. Later, however, the palpable rejuvenation of global trade was bolstered by a gain of 8.9 percent measured by the JP Morgan EMBI Global Diversified Index.

Political events affect share markets

Over the past twelve months, there have been significant price increases in global equity markets. The uncertainty surrounding the Fed's monetary policy, changes in oil prices, the Brexit referendum and the US presidential election were the main factors influencing the markets. In the new year, the focus then switched to the elections in Europe. The MSCI World Index was able to add 14.9% in local currency terms.

In the eurozone, the EURO STOXX 50 rose on balance by 16.5%. The benchmark German DAX rose by 23.6%. Initially, concerns over the economic situation and the Brexit referendum in the UK unsettled market operators. They did, however, experience another temporary upward trend when the ECB once again eased its monetary policy. However, the Brexit decision on 23 June then

pushed the markets sharply into the red. Against the background of positive economic data and quarterly results, there was a strong upward reversal in July and August. In September and October, the monetary policy was again in focus. Fears surfaced that the European Central Bank might soon begin a gradual scaling back of its bond purchases (tapering). However, in December the central bankers made it clear that they were (still) not considering this. They extended the bond purchase programme until the end of 2017, although at a reduced level. At the end of the year, euro equity markets rallied in the aftermath of the US presidential election and the Senate reform referendum in Italy. At the start of 2017, the markets suffered due to the increasing political and economic uncertainties in the eurozone, where several important elections were set to be held, and to the strain the Italian banks were under. In contrast, thanks to strong economic data and an increasing probability that one of the mainstream parties would win the French presidential elections, prices started to rise again in February.

In the USA stock markets were initially on a sideways trend. After a severe fall in prices at the beginning of the year, oil prices rose again. In addition, the Fed refrained from interest rate hikes. The markets rose again in July thanks to a satisfactory reporting season. Afterwards, the question of an interest rate rise by the Fed again came to the fore. Then, in November and December, Donald Trump's surprising victory in the presidential election triggered huge price surges. The background to this was increased hopes of a government economic stimulus programme and tax cuts. However, after taking office Trump repeatedly caused uncertainty with his travel ban decrees and the announcement of punitive import tariffs. Nevertheless, overall sentiment was positive, partly due to good figures coming in for the corporate sector and the economy as a whole. Overall, the market-wide S&P 500 Index rose by 14.7 per cent over the reporting period. The Dow Jones Industrial Average Index simultaneously climbed 16.8 per cent.

In Japan, the Nikkei 225 Index rose by 12.8 per cent. Here, too, concerns about the economy began to spread at first. The yen's ongoing strength in particular had a negative impact. In July and August, a new asset purchase programme undertaken by the Bank of Japan sparked a recovery. The government also tied up an economic package, and the Bank of Japan announced additional unconventional monetary policy measures. The equities market posted considerable price gains from October onwards as a result of a lower yen exchange rate. There was a strong upswing, particularly after the US presidential elections. Then, in the first quarter of 2017, the Nikkei Index virtually came to a standstill, not least of all due to a stronger yen exchange rate.

Stock markets in emerging countries initially performed well against the backdrop of the continued relaxed US interest-rate policy and increasing commodity prices. From November onwards they initially came under pressure following the US elections. The strong US dollar combined with the interest rate rise in the USA and the prospect of trade restrictions being imposed by Trump hit prices noticeably. However, in the first quarter of 2017 prices picked up sharply again. Trump had not thus far followed through on any of his threats to the emerging economies. The MSCI Emerging Markets Index gained 12.4% overall in local currency terms.

Important information:

Unless otherwise specified, the data source for the financial indices is Datastream. All unit performance data on the following pages is taken from Union Investment's own calculations in accordance with the method applied by the German Investment Funds Association (BVI), unless otherwise specified. The ratios illustrate past performance. Future results may be either higher or lower.

The performance of all the indices referred to in the preface always relates to local currency.

Detailed information on the Management Company and the Depositary of the investment fund (the "Fund") can be found on the last pages of this report.

UnInstitutional CoCo Bonds

Security Ident. No. A117X2
ISIN-Code LU1088284630

Annual report
01.04.2016 - 31.03.2017

Investment policy

Investment objective, investment policy and significant events

UnInstitutional CoCo Bonds is a globally invested bond fund, with the vast majority of its assets invested in contingent convertible bonds (CoCo bonds). In addition, the Fund may acquire convertible and warrant bonds whose warrants are denominated in securities, corporate bonds (including subordinated bonds), bank bonds and other fixed-income and floating-rate securities (including zero-coupon bonds), as well as equities or equity options. Equities or equity positions arising from any conversion (including subscription rights) may be retained by the Fund. Furthermore, Fund assets can also be invested in bank deposits and/or money market instruments. Derivatives may be used for investment and hedging purposes. The goal of the investment policy is to achieve an adequate return while taking into account economic and political risks.

Portfolio structure and significant changes

UnInstitutional CoCo Bonds predominantly invested its Fund assets in bonds during the past financial year. The share most recently amounted to 93% of the Fund's assets. Eight per cent of the Fund's assets were held in cash.

From a regional perspective, bonds were primarily invested in eurozone countries. The share recently amounted to 56 per cent. This was followed by investments in European countries outside the eurozone of 43 per cent of the bonds at the end of the financial year. Smaller positions in the Asia-Pacific region completed the regional structure.

In terms of bond classes, the bonds were invested mainly in corporates. Financial bonds were the most important bond class with 98 per cent, followed by utility bonds with 2 per cent at the end of the reporting period.

The average credit rating of pension investments was BBB- at the end of the financial year. The average duration dropped to 1 year and 4 months. The average return rose to 5.37 per cent at the end of the reporting period.

Positions were held in foreign currencies during the reporting period. Recently the share was 39 per cent of fund assets. Overall, 33 per cent included holdings in the US dollar, followed by the British pound at 6 per cent.

UnInstitutional CoCo Bonds paid a dividend of EUR 4.35 per unit for the financial year from 1 April 2016 to 31 March 2017.

NB: The indicated values may deviate from the statement of assets due to a risk-based approach.

Performance in percent ¹⁾

| 6 months | 1 year | 3 years | 10 years |
|----------|--------|---------|----------|
| 5.83 | 10.12 | - | - |

1) Based on published unit values (BVI method).

UniInstitutional CoCo Bonds

Breakdown by country ¹⁾

| | |
|---------------------------------------|-----------------|
| Sweden | 14.44 % |
| Great Britain | 13.13 % |
| France | 11.78 % |
| Netherlands | 9.96 % |
| Spain | 9.60 % |
| Denmark | 7.49 % |
| Germany | 7.32 % |
| Italy | 5.90 % |
| Belgium | 4.84 % |
| Switzerland | 4.52 % |
| Austria | 1.93 % |
| Australia | 0.73 % |
| Luxembourg | 0.50 % |
| Jersey | 0.47 % |
| Portfolio assets | 92.61 % |
| Futures | -0.15 % |
| Bank deposits | 9.03 % |
| Other assets/Other liabilities | -1.49 % |
| Fund assets | 100.00 % |

1) Due to rounding differences in each position, the sum may deviate from the actual value.

Breakdown by sector ¹⁾

| | |
|---------------------------------------|-----------------|
| Banks | 77.82 % |
| Insurance | 11.05 % |
| Raw materials and supplies | 1.70 % |
| Utilities | 1.54 % |
| Technology Hardware & Equipment | 0.50 % |
| Portfolio assets | 92.61 % |
| Futures | -0.15 % |
| Bank deposits | 9.03 % |
| Other assets/Other liabilities | -1.49 % |
| Fund assets | 100.00 % |

1) Due to rounding differences in each position, the sum may deviate from the actual value.

UnInstitutional CoCo Bonds

Development during the last 3 financial years

| Date | Fund assets Mio. EUR | No. of Units in Circulation ('000) | Incoming funds Mio. EUR | Unit value EUR |
|------------|-------------------------|---------------------------------------|----------------------------|-------------------|
| 31.03.2015 | 66.36 | 639 | 63.86 | 103.83 |
| 31.03.2016 | 61.05 | 621 | -0.59 | 98.28 |
| 31.03.2017 | 64.87 | 626 | 0.59 | 103.68 |

Composition of the fund's assets

as at March 31st, 2017

| | EUR |
|---|----------------------|
| Portfolio assets (Cost of securities: EUR 57,144,772.93) | 60,080,796.72 |
| Bank deposits | 5,856,383.52 |
| Other bank deposits | 87,788.00 |
| Interest receivable on securities | 848,600.20 |
| | 66,873,568.44 |
| Unrealised losses from financial futures | -98,588.00 |
| Unrealised losses from forward exchange transactions | -50,620.42 |
| Interest liabilities | -2,876.61 |
| Liabilities on security trades | -1,794,765.00 |
| Other liabilities | -57,402.70 |
| | -2,004,252.73 |
| Fund assets | 64,869,315.71 |
| Units in circulation | 625,678.000 |
| Unit value | 103.68 EUR |

Changes in the fund's assets

in the reporting period from April 1st, 2016 to March 31st, 2017

| | EUR |
|---|----------------------|
| Fund assets at the beginning of reporting period | 61,050,730.15 |
| Ordinary net income | 2,653,171.80 |
| Income and expenditure equalisation | -96,363.27 |
| Inflow of funds from the sale of units | 10,669,983.38 |
| Outflow of funds for repurchase of units | -10,084,955.21 |
| Realised profits | 3,938,223.88 |
| Realised losses | -5,386,836.27 |
| Net change in non-realised profits | 2,448,222.13 |
| Net change in non-realised losses | 2,220,713.72 |
| Distribution | -2,543,574.60 |
| Fund assets at the end of reporting period | 64,869,315.71 |

Income statement

in the reporting period from April 1st, 2016 to March 31st, 2017

| | EUR |
|---|---------------------|
| Interest on bonds | 3,211,366.53 |
| Bank interest | -10,736.34 |
| Other receipts | 336.19 |
| Income equalisation | 120,044.05 |
| Total receipts | 3,321,010.43 |
| Interest on borrowings | -1,050.86 |
| Management fee | -475,024.94 |
| All-in fee | -59,450.77 |
| Printing and mailing of annual and semi-annual reports | -3,641.10 |
| Publication costs | -16,095.79 |
| Taxe d'abonnement | -29,488.39 |
| Other expenditure | -59,406.00 |
| Expenditure equalisation | -23,680.78 |
| Total expenditure | -667,838.63 |
| Ordinary net income | 2,653,171.80 |
| Total transaction costs in the financial year 1) | 35,857.49 |
| Ongoing charges in per cent 1) 2) | 1.12 |

1) See notes on the report.

2) For the fund UnInstitutional CoCo Bonds, during the reporting period, no selling fee has been collected. The distribution costs were taken from the management fee.

Change to number of units in circulation

| | Quantity |
|--|--------------------|
| Units in circulation at the beginning of reporting period | 621,192.000 |
| Units issued | 108,741.000 |
| Units redeemed | -104,255.000 |
| Units in circulation at the end of reporting period | 625,678.000 |

UnInstitutional CoCo Bonds

Schedule of assets

Prices as at March 31st, 2017

| ISIN | Securities | Additions | Disposals | Volume | Price | Market Value | Per cent of fund assets % ¹⁾ |
|---|--|-----------|-----------|-----------|----------|----------------------|---|
| | | | | | | EUR | |
| Bonds | | | | | | | |
| Stock-exchange-traded securities | | | | | | | |
| EUR | | | | | | | |
| DE000A1TNDK2 | 7.625 % Aareal Bank AG Reg.S. Fix-to-Float Perp. | 0 | 600,000 | 600,000 | 102.0000 | 612,000.00 | 0.94 |
| XS1278718686 | 5.750 % ABN Amro BANK NV Reg.S. Fix-to-Float Perp. | 2,300,000 | 2,000,000 | 2,300,000 | 103.7500 | 2,386,250.00 | 3.68 |
| XS1180651587 | 4.250 % Achmea BV Fix-to-Float EMTN Perp. | 0 | 500,000 | 500,000 | 95.4290 | 477,145.00 | 0.74 |
| XS1242413679 | 3.375 % Aviva Plc. Fix-to-Float Reg.S. v.15(2045) | 0 | 0 | 500,000 | 100.8925 | 504,462.50 | 0.78 |
| XS1134541306 | 3.941 % AXA S.A. Fix-to-Float EMTN Perp. | 0 | 800,000 | 1,000,000 | 104.7500 | 1,047,500.00 | 1.61 |
| XS1394911496 | 8.875 % Banco Bilbao Vizcaya Argentaria S.A. Fix-to-Float Perp. | 2,200,000 | 400,000 | 1,800,000 | 109.2500 | 1,966,500.00 | 3.03 |
| XS1033661866 | 7.000 % Banco Bilbao Vizcaya Argentaria S.A. Reg.S. Fix-to-Float Perp. | 800,000 | 2,000,000 | 1,000,000 | 100.0000 | 1,000,000.00 | 1.54 |
| ES0213307046 | 3.375 % Bankia S.A. EMTN Reg.S. Fix-to-Float v.17(2027) | 300,000 | 0 | 300,000 | 100.8040 | 302,412.00 | 0.47 |
| XS1592168451 | 0.000 % Bankinter S.A. Reg.S. Fix-to-Float v.17(2027) | 800,000 | 0 | 800,000 | 100.0320 | 800,256.00 | 1.23 |
| XS1247508903 | 6.125 % BNP Paribas S.A. Fix-to-Float Perp. | 0 | 0 | 500,000 | 105.4240 | 527,120.00 | 0.81 |
| XS0989061345 | 5.000 % Caixabank S.A. EMTN Reg.S. v.13(2023) | 1,000,000 | 0 | 1,000,000 | 106.2915 | 1,062,915.00 | 1.64 |
| FR0013066388 | 4.500 % CNP Assurances S.A. Fix-to-Float v.15(2047) | 0 | 0 | 900,000 | 105.1250 | 946,125.00 | 1.46 |
| FR0012444750 | 4.250 % Credit Agricole S.A. EMTN Fix-to-Float Perp. | 0 | 0 | 700,000 | 101.6250 | 711,375.00 | 1.10 |
| XS1044578273 | 5.750 % Danske Bank A/S FRN Perp. | 0 | 500,000 | 2,500,000 | 105.0000 | 2,625,000.00 | 4.05 |
| DE000DB5DCW6 | 5.000 % Dte. Bank AG EMTN v.10(2020) | 1,000,000 | 0 | 1,000,000 | 110.1250 | 1,101,250.00 | 1.70 |
| DE000DB7XHP3 | 6.000 % Dte. Bank AG Reg.S. Fix-to-Float Perp. | 1,500,000 | 1,500,000 | 1,000,000 | 96.8750 | 968,750.00 | 1.49 |
| XS1590568132 | 1.125 % Gas Natural Capital Markets S.A. EMTN Reg.S. v.17(2024) | 400,000 | 0 | 400,000 | 99.9700 | 399,880.00 | 0.62 |
| XS1140860534 | 4.596 % Generali Finance BV Fix-to-Float EMTN Perp. | 0 | 0 | 1,000,000 | 99.5000 | 995,000.00 | 1.53 |
| XS1111123987 | 5.250 % HSBC Holdings Plc. Fix-to-Float Perp. | 1,000,000 | 0 | 2,000,000 | 101.2500 | 2,025,000.00 | 3.12 |
| XS1346815787 | 7.000 % Intesa Sanpaolo S.p.A. EMTN Fix-to-Float Perp. | 1,000,000 | 0 | 1,000,000 | 101.4210 | 1,014,210.00 | 1.56 |
| BE0002463389 | 5.625 % KBC Groep NV Reg.S. Fix-to-Float Perp. | 0 | 400,000 | 3,100,000 | 101.3750 | 3,142,625.00 | 4.84 |
| DE000A0E4657 | 5.500 % Main Capital Funding L.P. v.05 Perp. | 0 | 0 | 300,000 | 101.7900 | 305,370.00 | 0.47 |
| XS1550988643 | 4.625 % NN Group NV EMTN Reg.S. Fix-to-Float v.17(2048) | 400,000 | 0 | 400,000 | 103.1250 | 412,500.00 | 0.64 |
| XS1028950290 | 4.500 % NN Group NV Fix-to-Float Perp. | 0 | 0 | 600,000 | 102.3750 | 614,250.00 | 0.95 |
| XS1195632911 | 6.250 % Nykredit Realkredit AS Reg.S. Fix-to-Float Perp. | 1,100,000 | 0 | 2,100,000 | 106.2500 | 2,231,250.00 | 3.44 |
| XS1405765659 | 5.625 % SES S.A. Fix-to-Float Perp. | 300,000 | 0 | 300,000 | 107.6250 | 322,875.00 | 0.50 |
| XS0867620725 | 6.750 % Société Générale S.A. Fix-to-Float Perp. | 0 | 0 | 1,600,000 | 104.0000 | 1,664,000.00 | 2.57 |
| XS1591694481 | 0.000 % TenneT Holding BV Reg.S. Green Bond Fix-to-Float Perp. | 600,000 | 0 | 600,000 | 99.7250 | 598,350.00 | 0.92 |
| XS1426039696 | 4.375 % UniCredit S.p.A. EMTN Fix-to-Float v.16(2027) | 500,000 | 0 | 500,000 | 103.0520 | 515,260.00 | 0.79 |
| XS1107890847 | 6.750 % UniCredit S.p.A. Reg.S. Fix-to-Float Perp. | 1,500,000 | 1,500,000 | 1,000,000 | 96.8750 | 968,750.00 | 1.49 |
| XS1117293107 | 6.000 % Uniqua Fix-to-Float v.15(2046) | 0 | 0 | 1,100,000 | 113.7500 | 1,251,250.00 | 1.93 |
| | | | | | | 33,499,630.50 | 51.64 |
| GBP | | | | | | | |
| XS1571333811 | 7.250 % Barclays Plc. Reg.S. Fix-to-Float Perp. | 500,000 | 0 | 500,000 | 100.7500 | 589,181.29 | 0.91 |
| XS1043550307 | 7.000 % Lloyds Banking Group Plc. Fix-to-Float Perp. | 0 | 0 | 1,600,000 | 102.3750 | 1,915,789.47 | 2.95 |
| XS1043181269 | 6.875 % Nationwide Building Society EMTN Fix-to-Float Perp. | 0 | 0 | 1,000,000 | 101.3750 | 1,185,672.51 | 1.83 |
| | | | | | | 3,690,643.27 | 5.69 |
| USD | | | | | | | |
| US06738EAB11 | 6.625 % Barclays Plc. Fix-to-Float Perp. | 0 | 0 | 1,000,000 | 99.7490 | 932,756.69 | 1.44 |
| XS1481041587 | 7.875 % Barclays Plc.Fix-To-Float Perp. | 900,000 | 0 | 900,000 | 104.5000 | 879,465.12 | 1.36 |
| USF1058YHX97 | 7.195 % BNP Paribas S.A. Fix-to-Float Perp. | 0 | 0 | 200,000 | 110.2500 | 206,190.39 | 0.32 |
| USF1R15XK441 | 7.625 % BNP Paribas S.A. Reg.S. Fix-to-Float Perp. | 0 | 0 | 400,000 | 106.1250 | 396,951.56 | 0.61 |
| CH0352765157 | 7.125 % Credit Suisse Group AG Perp. Fix-To-Float | 1,100,000 | 600,000 | 500,000 | 103.7500 | 485,085.09 | 0.75 |
| XS1497755360 | 6.875 % ING Groep NV Fix-to-Float Reg.S. Perp. | 1,000,000 | 0 | 1,000,000 | 103.7500 | 970,170.19 | 1.50 |
| US65557DAL55 | 6.125 % Nordea Kredit Realkreditaktieselskab Fix-to-float Reg.S. Perp. | 0 | 0 | 500,000 | 101.5000 | 474,565.18 | 0.73 |
| XS1136391643 | 5.750 % Skandinaviska Enskilda Banken AB Fix-to-Float Perp. | 0 | 0 | 4,000,000 | 101.5000 | 3,796,521.41 | 5.85 |
| XS1584880352 | 5.625 % Skandinaviska Enskilda Banken AB Reg.S. Fix-to-Float Perp. | 400,000 | 0 | 400,000 | 100.0000 | 374,041.52 | 0.58 |
| XS1194054166 | 5.250 % Svenska Handelsbanken AB Reg.S. Fix-to-Float Perp. | 0 | 0 | 2,100,000 | 100.4280 | 1,972,122.69 | 3.04 |
| XS1190655776 | 5.500 % Swedbank AB Fix-to-Float Perp. | 0 | 0 | 1,200,000 | 101.3750 | 1,137,553.77 | 1.75 |

The notes on the report form an integral part of this report.

UnInstitutional CoCo Bonds

| ISIN | Securities | Additions | Disposals | Volume | Price | Market Value | Per cent of fund assets % 1) |
|---|---|-----------|-----------|-----------|----------|----------------------|------------------------------|
| | | | | | | EUR | |
| XS1535953134 | 6.000 % Swedbank AB Reg.S. Fix-to-Float Perp. | 1,000,000 | 0 | 1,000,000 | 102.2500 | 956,143.63 | 1.47 |
| CH0271428317 | 7.125 % UBS Group AG Fix-to-Float Perp. | 0 | 1,000,000 | 2,000,000 | 104.5343 | 1,955,008.42 | 3.01 |
| CH0331455318 | 7.125 % UBS Group AG Reg.S. Fix-to-Float Perp. | 500,000 | 0 | 500,000 | 105.1250 | 491,513.93 | 0.76 |
| | | | | | | 15,028,089.59 | 23.17 |
| Stock-exchange-traded securities | | | | | | 52,218,363.36 | 80.50 |
| Securities listed or included on organised markets | | | | | | | |
| EUR | | | | | | | |
| DE000A14J9N8 | 2.241 % Allianz SE Reg.S. Fix-To-Float v.15(2045) | 0 | 0 | 200,000 | 99.3630 | 198,726.00 | 0.31 |
| XS1107291541 | 6.250 % Banco Santander Bank S.A. Fix-to Float Perp. | 700,000 | 0 | 700,000 | 99.2500 | 694,750.00 | 1.07 |
| DE000DL40SR8 | 4.500 % Dte. Bank AG EMTN v.16(2026) | 1,800,000 | 1,000,000 | 800,000 | 109.2570 | 874,056.00 | 1.35 |
| | | | | | | 1,767,532.00 | 2.73 |
| USD | | | | | | | |
| US20259DAA54 | 8.125 % Commerzbank AG Reg.S. v.13(2023) | 0 | 0 | 900,000 | 117.7500 | 990,976.25 | 1.53 |
| USF22797YK86 | 6.625 % Credit Agricole S.A. Reg.S. Fix-to-float Perp. | 0 | 1,300,000 | 1,300,000 | 98.4000 | 1,196,184.78 | 1.84 |
| US46115HAU14 | 7.700 % Intesa Sanpaolo S.p.A. 144A Fix-to-Float Perp. | 1,000,000 | 500,000 | 1,500,000 | 95.5000 | 1,339,536.19 | 2.06 |
| US55608YAC93 | 6.125 % Macquarie Bank Ltd. (London Branch) Reg.S. Perp. Fix-to-Float | 500,000 | 0 | 500,000 | 100.6875 | 470,766.32 | 0.73 |
| USF43628C734 | 7.375 % Societe Generale S.A. Reg.S. Fix-to-Float Perp. | 1,000,000 | 0 | 1,000,000 | 101.6250 | 950,299.23 | 1.46 |
| USG84228CQ91 | 7.500 % Standard Chartered Plc. Reg.S. Fix-to-Float Perp. | 500,000 | 0 | 500,000 | 103.2500 | 482,747.34 | 0.74 |
| | | | | | | 5,430,510.11 | 8.36 |
| Securities listed or included on organised markets | | | | | | 7,198,042.11 | 11.09 |
| Unquoted securities | | | | | | | |
| USD | | | | | | | |
| US65557CAM55 | 5.500 % Nordea Kredit Realkreditatieselskab Reg.S. Perp. | 0 | 0 | 700,000 | 101.5000 | 664,391.25 | 1.02 |
| | | | | | | 664,391.25 | 1.02 |
| Unquoted securities | | | | | | 664,391.25 | 1.02 |
| Bonds | | | | | | 60,080,796.72 | 92.61 |
| Portfolio assets | | | | | | 60,080,796.72 | 92.61 |
| Futures | | | | | | | |
| Short positions | | | | | | | |
| EUR | | | | | | | |
| EUREX 10YR Euro-Bund Future Juni 2017 | | 0 | 40 | -40 | | -98,588.00 | -0.15 |
| | | | | | | -98,588.00 | -0.15 |
| Short positions | | | | | | -98,588.00 | -0.15 |
| Futures | | | | | | -98,588.00 | -0.15 |
| Bank deposits - current account | | | | | | 5,856,383.52 | 9.03 |
| Other assets/Other liabilities | | | | | | -969,276.53 | -1.49 |
| Fund assets in EUR | | | | | | 64,869,315.71 | 100.00 |

1) Due to rounding differences in each position, the sum may deviate from the actual value.

Forward exchange transactions

On the 31st of march, 2017 the following open forward exchange transactions were outstanding:

| Currency | | Monetary amount | Market Value | Per cent of fund assets % |
|----------|----------------|-----------------|---------------|---------------------------|
| | | EUR | | |
| EUR/GBP | Currency sales | 3,200,000.00 | 3,738,623.49 | 5.76 |
| EUR/USD | Currency sales | 22,400,000.00 | 20,900,006.53 | 32.22 |

Exchange rates

For the valuation of assets in a foreign currency, the following exchange rate for March 31st, 2017 was used for conversion into Euro.

| | | | |
|---------------|-----|---|--------|
| British pound | GBP | 1 | 0.8550 |
| US dollar | USD | 1 | 1.0694 |

The notes on the report form an integral part of this report.

UnInstitutional CoCo Bonds

Purchases and sales from April 1st, 2016 to March 31st, 2017

Purchases and sales of securities, loans evidenced by promissory notes and derivatives, including changes without money movements, made during the reporting period insofar as they are not specified in the schedule of assets.

| ISIN | Securities | Additions | Disposals |
|---|---|-----------|-----------|
| Bonds | | | |
| Stock-exchange-traded securities | | | |
| EUR | | | |
| FR0013241346 | 1.000 % Air Liquide Finance EMTN Reg.S. v.17(2027) | 500,000 | 500,000 |
| XS1523975859 | 1.500 % Akelius Residential Property AB Reg.S. v.16(2022) | 500,000 | 500,000 |
| XS1391625289 | 1.125 % Akzo Nobel NV EMTN Reg.S. v.16(2026) | 300,000 | 300,000 |
| XS1501162876 | 0.125 % Amadeus Capital Markets S.A.U. EMTN Reg.S. v.16(2020) | 400,000 | 400,000 |
| XS1428773763 | 5.000 % Assicurazioni Generali S.p.A. EMTN Fix-to-Float v.16(2048) | 500,000 | 500,000 |
| XS1028942354 | 5.250 % Atradius Finance BV Fix-to-Float v.14(2044) | 0 | 900,000 |
| XS1418788599 | 3.125 % Aurizon Network Proberly Ltd. EMTN Reg.S. v.16(2026) | 1,000,000 | 1,000,000 |
| XS1496758092 | 0.750 % Australia & New Zealand Banking Group Ltd. Reg.S. v.16(2026) | 1,500,000 | 1,500,000 |
| XS1190663952 | 6.750 % Banco Bilbao Vizcaya Argentaria S.A. Reg.S. Fix-to-Float Perp. | 0 | 1,600,000 |
| XS1562614831 | 3.500 % Banco Bilbao Vizcaya Argentaria S.A. Reg.S. v.17(2027) | 1,700,000 | 1,700,000 |
| XS1043535092 | 6.250 % Banco Santander Bank S.A. Fix-to-Float FRN Perp. | 0 | 2,000,000 |
| XS1458405898 | 0.750 % Bank of America Corporation Reg.S. EMTN v.16(2023) | 1,300,000 | 1,300,000 |
| XS1075963485 | 4.250 % Bank of Ireland EMTN Fix-To-Float v.14(2024) | 500,000 | 1,000,000 |
| BE0002251206 | 3.125 % Belfius Bank S.A. Reg.S. v.16(2026) | 300,000 | 300,000 |
| XS1470601656 | 2.250 % BNP Paribas S.A. EMTN Reg.S. v.16(2027) | 600,000 | 600,000 |
| XS1527126772 | 1.117 % BP Capital Markets Plc. EMTN Reg.S. v.16(2024) | 400,000 | 400,000 |
| FR0013204468 | 1.000 % BPCE S.A. EMTN v.16(2028) | 800,000 | 800,000 |
| XS1565131213 | 3.500 % Caixabank S.A. EMTN Reg.S. Fix-to-Float v.17(2027) | 600,000 | 600,000 |
| XS1401331753 | 0.750 % Carrefour S.A. EMTN Reg.S. v.16(2024) | 300,000 | 300,000 |
| XS1415366720 | 0.000 % Ceske Drah AS Reg.S. v.16(2023) | 600,000 | 600,000 |
| XS1505890530 | 1.125 % Chorus Ltd. EMTN Reg.S. v.16(2023) | 300,000 | 300,000 |
| FR0013173028 | 3.250 % Cie Financière du Crédit Mutuel v.16(2026) | 400,000 | 400,000 |
| XS1457608286 | 1.500 % Citigroup Inc. EMTN Reg.S. v.16(2028) | 1,500,000 | 1,500,000 |
| XS1391086987 | 2.000 % CK Hutchison Finance 16 Ltd. v.16(2028) | 1,600,000 | 1,600,000 |
| XS1485643610 | 1.100 % Coca-Cola Co. v.16(2036) | 500,000 | 500,000 |
| DE000CZ40LR5 | 0.500 % Commerzbank AG EMTN v.16(2023) | 1,500,000 | 1,500,000 |
| XS1395021089 | 1.250 % Credit Agricole S.A. (London Branch) EMTN v.16(2026) | 600,000 | 600,000 |
| XS1538284230 | 1.875 % Crédit Agricole S.A. (London Branch) Reg.S. v.16(2026) | 400,000 | 400,000 |
| FR0010301713 | 0.820 % Credit Logement S.A. FRN Perp. | 0 | 1,000,000 |
| FR0013236544 | 3.500 % Crédit Mutuel Arkéa S.A. EMTN v.17(2029) | 1,000,000 | 1,000,000 |
| DE000A13SWH9 | 1.125 % Deutsche Pfandbriefbank AG v.16(2020) | 400,000 | 400,000 |
| XS1400342587 | 1.000 % Distribuidora Internacional de Alimentacion S.A. EMTN Reg.S. v.16(2021) | 100,000 | 100,000 |
| DE000DL19TA6 | 1.500 % Dte. Bank AG EMTN v.17(2022) | 1,300,000 | 1,300,000 |
| XS1471646965 | 1.125 % EDP Finance BV EMTN Reg.S. v.16(2024) | 1,100,000 | 1,100,000 |
| FR0013152899 | 1.000 % Electricite de France S.A. EMTN Reg.S. v.16(2026) | 300,000 | 300,000 |
| DE000A185QB3 | 0.750 % Evonik Finance BV EMTN Reg.S. v.16(2028) | 1,300,000 | 1,300,000 |
| XS1319814577 | 1.000 % FedEx Corporation v.16(2023) | 200,000 | 200,000 |
| FR0013170834 | 1.875 % Foncière des Régions S.A. v.16(2026) | 700,000 | 700,000 |
| XS1396767854 | 1.250 % Gas Natural Fenosa Finance BV EMTN Reg.S. v.16(2026) | 600,000 | 600,000 |
| XS1413583839 | 1.168 % General Motors Financial International BV EMTN Reg.S. v.16(2020) | 200,000 | 200,000 |
| XS1458408561 | 1.625 % Goldman Sachs Group Inc. EMTN v.16(2026) | 1,100,000 | 1,100,000 |
| XS1419661118 | 3.500 % Hanesbrands Finance Luxembourg SCA Reg.S. v.16(2024) | 300,000 | 300,000 |
| XS1425274484 | 2.250 % HeidelbergCement AG Reg.S. v.16(2024) | 700,000 | 700,000 |
| XS1420337633 | 1.375 % Holcim Finance S.A. (Luxembourg) EMTN Reg.S. v.16(2023) | 700,000 | 700,000 |
| XS1485597329 | 0.875 % HSBC Holdings Plc. Reg.S. v.16(2024) | 700,000 | 700,000 |
| XS1428953407 | 3.125 % HSBC Holdings Plc. EMTN v.16(2028) | 1,000,000 | 1,000,000 |
| XS1398476793 | 1.125 % Iberdrola International BV EMTN Reg.S. v.16(2026) | 300,000 | 300,000 |
| XS1548475968 | 7.750 % Intesa Sanpaolo S.p.A. Reg.S. Fix-to-Float Perp. | 1,300,000 | 1,300,000 |
| IT0005177909 | 2.250 % Italien Reg.S. v.16(2036) | 2,400,000 | 2,400,000 |
| IT0005217390 | 2.800 % Italien Reg.S. v.16(2067) | 700,000 | 700,000 |
| XS1525536840 | 2.000 % ITV Plc. Reg.S. v.16(2023) | 400,000 | 400,000 |
| XS1402921412 | 1.500 % JPMorgan Chase & Co. EMTN Reg.S. v.16(2026) | 900,000 | 900,000 |
| XS1456422135 | 0.625 % JPMorgan Chase & Co. Reg.S. EMTN v.16(2024) | 1,100,000 | 1,100,000 |
| BE0002266352 | 0.750 % KBC Grep NV EMTN Reg.S. v.16(2023) | 400,000 | 400,000 |
| XS1485533431 | 1.125 % Koninklijke KPN NV EMTN Reg.S. v.16(2028) | 700,000 | 700,000 |

The notes on the report form an integral part of this report.

UnInstitutional CoCo Bonds

| ISIN | Securities | Additions | Disposals |
|---|--|-----------|-----------|
| FR0013181898 | 3.000 % La Banque Postale S.A. EMTN Reg.S. v.16(2028) | 800,000 | 800,000 |
| DE000LB1B2E5 | 2.875 % Landesbank Baden-Württemberg Reg.S. v.16(2026) | 1,400,000 | 1,400,000 |
| XS1405763019 | 4.500 % LANXESS AG Reg.S. FRN v.16(2076) | 500,000 | 500,000 |
| XS1501363425 | 0.250 % LANXESS AG Reg.S. v.16(2021) | 800,000 | 800,000 |
| XS1392460397 | 1.000 % LeasePlan Corporation NV EMTN Reg.S. v.16(2020) | 200,000 | 200,000 |
| XS1418631930 | 1.000 % LeasePlan Corporation NV EMTN Reg.S. v.16(2021) | 1,200,000 | 1,200,000 |
| XS1397134609 | 1.000 % Linde Finance BV EMTN Reg.S. v.16(2028) | 300,000 | 300,000 |
| XS1043545059 | 6.375 % Lloyds Banking Group Plc. Fix-to-Float Perp. | 0 | 600,000 |
| XS1403263723 | 0.500 % McDonald's Corporation Reg.S. v.16(2021) | 300,000 | 300,000 |
| XS1403264291 | 1.750 % McDonald's Corporation Reg.S. v.16(2028) | 300,000 | 300,000 |
| XS1398336351 | 2.225 % Merlin Properties Socimi S.A. EMTN Reg.S. v.16(2023) | 700,000 | 700,000 |
| XS1512827095 | 1.875 % Merlin Properties Socimi S.A. EMTN Reg.S. v.16(2026) | 1,300,000 | 1,300,000 |
| XS1416688890 | 2.375 % Metrovacesa S.A. EMTN Reg.S. v.16(2022) | 1,200,000 | 1,200,000 |
| XS1496343986 | 1.398 % mFinance France S.A. Reg.S. v.16(2020) | 700,000 | 700,000 |
| XS1486520403 | 1.000 % Nordea Bank AB EMTN Reg.S. Fix-to-Float v.16(2026) | 500,000 | 500,000 |
| DK0009510992 | 0.875 % Nykredit Realkredit AS Reg.S. v.16(2019) | 300,000 | 300,000 |
| DK0009511537 | 0.750 % Nykredit Realkredit AS Reg.S. v.16(2021) | 600,000 | 600,000 |
| XS1405780617 | 1.875 % PerkinElmer Inc. v.16(2026) | 400,000 | 400,000 |
| XS1496344794 | 0.250 % Santander Consumer Bank AS Reg.S. v.16(2019) | 400,000 | 400,000 |
| XS1384064587 | 3.250 % Santander Issuances S.A.U. Reg.S. v.16(2026) | 0 | 400,000 |
| XS1487315860 | 1.125 % Santander UK Group Holdings Plc. Reg.S. v.16(2023) | 900,000 | 900,000 |
| XS1419636862 | 0.500 % SCA Hygiene AB EMTN Reg.S. v.16(2021) | 500,000 | 500,000 |
| XS1405777746 | 4.625 % SES S.A. Reg.S. Fix-to-Float Perp. | 400,000 | 400,000 |
| XS1394764689 | 1.460 % Telefonica Emisiones S.A.U. EMTN Reg.S. v.16(2026) | 1,100,000 | 1,100,000 |
| XS1432384664 | 1.000 % TenneT Holding BV EMTN Reg.S. Green Bond v.16(2026) | 400,000 | 400,000 |
| XS1439749281 | 1.125 % Teva Pharmaceutical Finance Netherlands II BV Reg.S. v.16(2024) | 500,000 | 500,000 |
| XS1443997819 | 0.750 % Total Capital International S.A. Reg.S. EMTN v.16(2028) | 800,000 | 800,000 |
| XS1413581205 | 3.875 % Total S.A. EMTN Reg.S. Fix-to-Float Perp. | 500,000 | 500,000 |
| CH0336602930 | 0.000 % UBS Group Funding (Jersey Branch) Ltd. Reg.S. v.16(2026) | 200,000 | 200,000 |
| XS0986063864 | 5.750 % UniCredit S.p.A. Reg.S. EMTN v.13(2025) | 0 | 200,000 |
| XS1403014936 | 0.500 % Unilever NV EMTN Reg.S. v.16(2024) | 600,000 | 600,000 |
| XS1580469895 | 0.000 % Unione di Banche Italiane S.p.A. EMTN Reg.S. Fix-to-Float v.17(2027) | 1,000,000 | 1,000,000 |
| DE000A2AA0W5 | 3.750 % Wepa Hygieneprodukte GmbH Reg.S. v.16(2024) | 200,000 | 200,000 |
| XS1245290181 | 2.625 % Zürcher Kantonalbank Fix-to-Float v.15(2027) | 200,000 | 300,000 |
| GBP | | | |
| XS0286515621 | 1.103 % Belfius Financing Co. S.A. EMTN v.07(2017) | 0 | 500,000 |
| XS1472483772 | 3.000 % Vodafone Group Plc. EMTN Reg.S. v.16(2056) | 300,000 | 300,000 |
| XS1412547660 | 4.875 % William Hill Plc. Reg.S. v.16(2023) | 400,000 | 400,000 |
| USD | | | |
| XS0989394589 | 7.500 % Credit Suisse Fix-to-Float Reg.S. Perp. | 0 | 1,800,000 |
| US456837AF06 | 6.500 % ING Groep NV Fix-to-Float Perp. | 0 | 2,000,000 |
| XS1055787680 | 6.250 % Nordde. Landesbank Reg.S. S.1748 v.14(2024) | 0 | 1,600,000 |
| USF8586CXG25 | 6.000 % Societe Generale S.A. Reg.S. Fix-to-Float Perp. | 0 | 1,000,000 |
| USF8586CRW49 | 7.875 % Societe Generale S.A. Reg.S. Fix-to-Float Perp. | 0 | 1,000,000 |
| CH0286864027 | 6.875 % UBS Group AG Fix-to-Float Reg.S. Perp. | 0 | 700,000 |
| Securities listed or included on organised markets | | | |
| EUR | | | |
| XS1405774990 | 0.625 % ASML Holding NV Reg.S. v.16(2022) | 400,000 | 400,000 |
| XS1492691008 | 1.125 % Celanese US Holdings LLC v.16(2023) | 300,000 | 300,000 |
| XS1551726810 | 2.875 % Cellnex Telecom S.A. EMTN Reg.S. v.17(2025) | 200,000 | 200,000 |
| XS1551347393 | 2.200 % Jaguar Land Rover Automotive Plc. Reg.S v.17(2024) | 150,000 | 150,000 |
| XS1511787589 | 1.375 % Morgan Stanley Reg.S. v.16(2026) | 1,000,000 | 1,000,000 |
| XS1405769487 | 0.875 % PPG Industries Inc. v.16(2025) | 500,000 | 500,000 |
| XS1511589605 | 1.375 % Skandinaviska Enskilda Banken AB Reg.S. FRN v.16(2028) | 1,000,000 | 1,000,000 |
| ES00000128H5 | 1.300 % Spanien Reg.S. v.16(2026) | 500,000 | 500,000 |
| XS1532765879 | 1.414 % Zimmer Biomet Holdings Inc. v.16(2022) | 400,000 | 400,000 |
| USD | | | |
| US63859VBD29 | 0.000 % Nationwide Building Society Reg.S. v.16(2021) | 1,000,000 | 1,000,000 |

The notes on the report form an integral part of this report.

Uninstitutional CoCo Bonds

| ISIN | Securities | Additions | Disposals |
|-----------------------------|--|------------|------------|
| Unquoted securities | | | |
| EUR | | | |
| ES00000128E2 | 3.450 % Spanien Reg.S. v.16(2066) | 730,000 | 730,000 |
| Options | | | |
| EUR | | | |
| | Put on Barclays Bank Plc./iTraxx Europe S25 5Yr Index CDS September 2016/0.850 | 10,000,000 | 10,000,000 |
| Futures | | | |
| EUR | | | |
| | EUREX 10YR Euro-Bund Future Dezember 2016 | 870 | 870 |
| | EUREX 10YR Euro-Bund Future Dezember 2016 | 50 | 50 |
| | EUREX 10YR Euro-Bund Future Juni 2016 | 320 | 320 |
| | EUREX 10YR Euro-Bund Future Juni 2016 | 250 | 250 |
| | EUREX 10YR Euro-Bund Future März 2017 | 150 | 150 |
| | EUREX 10YR Euro-Bund Future September 2016 | 260 | 260 |
| | EUREX 10YR Euro-Bund Future September 2016 | 50 | 50 |
| Credit Default Swaps | | | |
| EUR | | | |
| | Barclays Bank Plc./iTraxx Europe Senior Financial Serie 25 Index (5 Years) CDS v.16(2021) | 5,000,000 | 5,000,000 |
| | BNP Paribas S.A., Paris/iTraxx Europe Serie 26 Index (5 Years) CDS v.16(2021) | 20,000,000 | 20,000,000 |
| | J.P. Morgan Securities Plc., London/iTraxx Europe Senior Financial Serie 25 Index (5 Years) CDS v.16(2021) | 5,000,000 | 5,000,000 |
| | J.P. Morgan Securities Plc., London/iTraxx Europe Serie 25 Index (5 Years) CDS v.16(2021) | 5,000,000 | 5,000,000 |

Supplementary information in accordance with ESMA - guideline

Derivatives

| | | |
|--|-----|---------------|
| Underlying exposure from OTC and derivatives traded on the stock exchange: | EUR | 28,817,885.17 |
|--|-----|---------------|

Identity of the counterparty(-ies) in these derivative transactions:

DZ Privatbank S.A., Luxembourg
Merrill Lynch Intl., London

| | | |
|---|-----|------|
| Type and amount of the collateral received for OTC derivatives which is attributed to the UCITS' counterparty risk: | EUR | 0.00 |
|---|-----|------|

of which:

| | | |
|---------------|-----|------|
| Bank deposits | EUR | 0.00 |
|---------------|-----|------|

| | | |
|-----------------|-----|------|
| Debenture bonds | EUR | 0.00 |
|-----------------|-----|------|

| | | |
|--------|-----|------|
| Shares | EUR | 0.00 |
|--------|-----|------|

Techniques for efficient portfolio management

| | | |
|--|-----|------|
| Exposure achieved from techniques for efficient portfolio management | EUR | 0.00 |
|--|-----|------|

Identity of the counterparty(-ies) in these techniques for efficient portfolio management:

N.A.

| | | |
|---|-----|------|
| Type and amount of the collateral received which is attributed to the UCITS' counterparty risk: | EUR | 0.00 |
|---|-----|------|

of which:

| | | |
|---------------|-----|------|
| Bank deposits | EUR | 0.00 |
|---------------|-----|------|

| | | |
|-----------------|-----|------|
| Debenture bonds | EUR | 0.00 |
|-----------------|-----|------|

| | | |
|--------|-----|------|
| Shares | EUR | 0.00 |
|--------|-----|------|

| | | |
|--|-----|------|
| Income received from securities lending for the purpose of efficient portfolio management for the whole reporting period, including any direct and indirect costs and fees | EUR | 0.00 |
|--|-----|------|

Earnings from securities lending transactions are distributed between the Fund and the management company Union Investment Luxembourg S.A. for its activity as an agent after deducting associated costs and the vast majority is credited to Fund assets.

ADDITIONAL INFORMATION ON COLLATERAL RECEIVED FOR OTC DERIVATIVES AND TECHNIQUES FOR EFFICIENT PORTFOLIO MANAGEMENT

Identity of the issuer, if the collateral received from the issuer exceeds 20% of the net asset value of the UCITS

N.A.

Collateralisation in conjunction with OTC derivatives and techniques for efficient portfolio management

N.A.

Notes on the report as at the end of March 2017

The fund's accounts are kept in Euro.

The fund's annual accounts were prepared based on the applicable classification and valuation principles in the country of domicile.

The price of securities and other exchange-listed derivatives reflects the relevant stock exchange or market value at the end of the financial year. Securities traded on a regulated market are valued at the market prices published for the relevant market.

If the fund holds OTC derivatives on the closing date, these are valued daily on the basis of indicative quotes from brokers or mathematical valuation models.

If the fund has pending forward exchange transactions, these are valued based on the forward rates applicable to the residual maturity.

Securities whose prices are not in line with market conditions and all assets for which no representative market value can be obtained are valued at a price established by the Management Company in good faith using recognised valuation rules.

Bank deposits were estimated at par value.

Assets and liabilities denominated in a currency other than that of the fund are converted at the latest available mean rate of exchange into Euro. Transactions in foreign currencies are converted into the fund currency at the time of compiling the accounts. Realised and unrealised currency gains and losses are included as income or expenses.

The deferred interest includes accrued interest as at the end of the financial year.

The position "interest on bonds" also includes pro rata income from issue yields, where applicable.

The issue or redemption price of the fund units is determined from the net asset value per unit on the respective valid trading days and, if relevant, plus any initial sales charge and/or redemption fee as defined in the sales prospectus. The initial sales charge shall be levied in favour of the Management Company and the sales agent and can be scaled according to the size of the order. The redemption fee is credited to the fund.

The fees of the Management Company and the all-in fee are calculated based on the net fund assets per calendar day and paid out on a monthly basis. The all-in fee covers the depositary fee, general custody and bearing fees for holding assets in custody, auditors' fees, costs of appointing proxies and costs of principal management activities, such as fund accounting and reporting. The calculation is based on a contractual agreement.

If profit and loss includes other expenses, these expenses consist of the costs referred to in the prospectus, such as government fees, collateral management fees or cost of changes to the prospectus.

Earnings and expense adjustments have been charged to the ordinary net income. These include net income generated during the reporting period, which purchasers of units pay as part of the issue price, and sellers of units receive in the redemption price.

Fund assets are currently subject to a "taxe d'abonnement" of 0.05 % p.a. in Luxembourg, payable quarterly and based on the respective reported net fund assets at the end of the quarter. Insofar as fund assets are invested in other Luxembourg investment funds that are already subject to the taxe d'abonnement, the portion of fund assets invested in such Luxembourg investment funds is exempt from this tax.

Income from the investments of the fund's assets will not be taxed in Luxembourg. However, it may be subject to withholding or other tax in the countries in which the fund assets are invested. Neither the Management Company nor the depositary will obtain individual or collective receipts for such taxes.

In conjunction with transactions in listed derivatives and/or OTC derivatives, the fund is required to provide or receive collateral in the form of bank deposits or securities.

The positions "Other bank deposits/bank liabilities" include collateral provided/received by the fund in the form of bank deposits for listed and/or OTC derivatives. Collateral provided in the form of securities is recorded in the statement of assets. Collateral received in the form of securities is not recorded in the statement of assets.

The performance of the fund's units is calculated based on the unit values published on the closing dates, according to the BVI formula. In individual cases, it may vary slightly from the performance of the units as shown in the fund report.

The calculation method used to calculate the "ongoing charges" indicator, is that outlined by the Committee of European Securities Regulators (Circular CESR/10-674 of 1 July 2010).

The "ongoing charges" indicate the costs charged to the fund and may vary from year to year. They take into account the management charges and all-in fee, the taxe d'abonnement and all other costs charged to the fund. For funds with a significant holding in other funds, the costs of those funds will be taken into account. This figure shows the total costs as a percentage of the average fund volume during the financial year. Any performance-related fee and transaction costs incurred - except the transaction costs of the depositary - are not included in the figure "ongoing charges".

The transaction costs refer to all costs that were listed or invoiced separately in the financial year in the name of the fund and are directly related to the purchase or sale of assets.

The Management Company, in its role as the Management Company of the fund, may benefit from "soft commissions" (e.g. broker research, financial analyses, market and price information systems) in connection with trade transactions. Said commissions are used in the interests of unitholders when making investment decisions. Transactions of this type cannot be conducted with natural persons; the service providers concerned may trade only in the interests of the fund and the services provided must be directly associated with fund activities.

Note on the Law of 17 December 2010

The fund was set up in accordance with Part I of the Luxembourg Law of 17 December 2010 relating to undertakings for collective investment ("Law of 17 December 2010") and fulfils the conditions laid down by Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of legal and administrative provisions relating to undertakings for collective investment in transferable securities ("Directive 2009/65/EC").

Auditor's report

To the unitholders of
UnilInstitutional CoCo Bonds

In accordance with the task assigned to us on March 17th, 2017 by the Board of Directors of the Management Company, we have audited the attached annual accounts for UnilInstitutional CoCo Bonds, including the composition of the Fund's assets and the statement of assets held as at March 31st, 2017, the income and expenditure statement and the change in Fund's assets for the financial year ending on that date, as well as a summary of the main accounting methods and other explanatory notes to the statements.

Responsibility of the Board of Directors of the Management Company relevant to the annual accounts

The Board of Directors of the Management Company is responsible for the preparation and correct presentation of the annual accounts in accordance with Luxembourg laws and regulations on the preparation of annual accounts and for the internal auditing they consider necessary to allow the preparation of annual accounts to be free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

It is our responsibility to issue an audit certificate for the annual accounts based on our audit. We conducted our audit in accordance with the International Standards on Auditing for Luxembourg, as adopted by the Commission de Surveillance du Secteur Financier. These standards require us to comply with professional requirements and to plan and execute the audit in such a way that we can determine, with an adequate degree of certainty, whether the annual accounts are free of material misstatement.

An audit involves auditing activities required to issue an auditing certificate on the assessments and information contained in the annual accounts. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. As part of this risk assessment, the Auditor examines the internal control system set up to prepare the annual accounts and the accuracy of its descriptions to determine the appropriate auditing procedures for the circumstances, but not to issue an opinion on the effectiveness of the internal control system.

An audit also includes an assessment of the appropriateness of the accounting policies and methods applied and the justification of the estimates made in the accounts by the Board of Directors of the Management Company as well as of the overall presentation of the annual accounts.

In our opinion, adequate and appropriate evidence has been provided to arrive at an auditor's opinion.

Audit opinion

According to our assessment, the annual accounts convey a true picture of the financial position and assets of UnilInstitutional CoCo Bonds as at March 31st, 2017, as well as the performance and income of the net fund assets for the financial year ending on this date, in accordance with Luxembourg laws and regulations on the preparation of annual accounts.

Miscellaneous

We have examined the additional information provided in the annual report as part of our assignment, but have not conducted special auditing procedures on this information according to the above-mentioned standards. Consequently, the audit opinion does not apply to such information. We have no comments to make on any such information within the framework of a general description of the annual accounts.

Luxembourg, June 22nd, 2017

ERNST & YOUNG
Société Anonyme
Cabinet de révision agréé

Dr. Christoph Haas

Other information of the Management Company

Disclosures in accordance with Regulation (EU) 2015/2365

During the period under review, no transactions were entered in accordance to Regulation (EU) 2015/2365 on securities finance transactions and overall yield swaps.

Other information

Securities transactions are only ever carried out with counterparties included in a list of approved parties by the fund management. The list is reviewed on an ongoing basis. Criteria such as quality of execution, level of transaction costs, quality of research and reliability in the settlement of securities transactions are given precedence. Furthermore, the annual reports of the counterparties are examined.

The proportion of securities transactions conducted during the period under review (April 1st, 2016 to March 31st, 2017) on account of the retail funds managed by Union Investment Luxembourg S.A. with companies within the Group or associated with it through significant holdings amounted to 3.62 per cent. The total transactions volume amounted to EUR 2,083,295,689.43.

Information on risk management processes

The absolute VaR approach is used for monitoring the total risk associated with derivatives.

The VaR (value-at-risk) model is used to ascertain the absolute VaR approach. The Value-at-Risk (VaR) indicator is a mathematical-statistical concept and indicates the possible losses of a portfolio over a specific period that is unlikely to be exceeded.

A Monte Carlo simulation is used in order to ascertain the VaR indicator. The parameters used for this are:

- Holding period: 20 days
- Confidence level: 99%
- Historical monitoring period: 1 year (balanced)

The utilisation of the total risk associated with derivatives determined via the above model and the corresponding limit utilisation at a regulatory limit of 20 % amounted for the minimal, maximal and average VaR value to:

Minimum VaR 2.71%; Limit utilisation 14%,

Maximum VaR 5.49%; Limit utilisation 27%,

Average VaR 3.89%; Limit utilisation 19%.

Leverage effect

The determined average leverage effect using the gross method amounted to 143%.

Management Company and Main Management Company

Union Investment Luxembourg S.A.
308, route d'Esch
L-1471 Luxembourg
Grand Duchy of Luxembourg
R.C.S.L. B 28679

Equity capital as at 31/12/2016:
Euro 162.737 million
after profit appropriation

Management body of Union Investment Luxembourg S.A.:

Board of Directors

Chairman of the Board of Directors

Hans Joachim REINKE
Chairman of the Executive Board of
Union Asset Management Holding AG
Frankfurt / Main

Deputy Chairman of the Board of Directors

Giovanni GAY
Member of the Board of Management of
Union Investment Privatfonds GmbH
Frankfurt / Main

Other Members of the Board of Directors

Björn JESCH
Member of the Management Board of
Union Investment Privatfonds GmbH
Frankfurt / Main

Nikolaus SILLEM
Member of the Management Board of
Union Investment Institutional GmbH
Frankfurt / Main

Maria LÖWENBRÜCK
Member of the Management Board of
Union Investment Luxembourg S.A.
Luxembourg

Rudolf KESSEL (until 20.04.2017)
Member of the Management Board of
Union Investment Luxembourg S.A.
Luxembourg

Dr. Joachim VON CORNBERG (since 01.01.2017)
Member of the Management Board of
Union Investment Luxembourg S.A.
Luxembourg

Bernd SCHLICHTER (since 01.01.2017)
Independent member of the
Board of Directors
Luxembourg

Chief Executive of Investment Luxembourg S.A.

Maria LÖWENBRÜCK
Rudolf KESSEL
Dr. Joachim VON CORNBERG

Shareholders of Union Investment Luxembourg S.A.

Union Asset Management Holding AG
Frankfurt / Main

Outsourcing of portfolio management to the following companies belonging to the Union Investment Group:

Union Investment Privatfonds GmbH
Weißfrauenstraße 7
D-60311 Frankfurt / Main

Union Investment Institutional GmbH
Weißfrauenstraße 7
D-60311 Frankfurt / Main

Auditor (Réviseur d'entreprises agréé)

Ernst & Young S.A.
35E avenue John F. Kennedy,
L-1855 Luxembourg

also the auditor of
Union Investment Luxembourg S.A.

Depositary and Main Paying Agent

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Luxembourg-Strassen

Paying and sales agent in the Grand Duchy of Luxembourg

DZ PRIVATBANK S.A.
4, rue Thomas Edison
L-1445 Luxembourg-Strassen

Paying Agents, Distributors and Information Agents in the Federal Republic of Germany

DZ BANK AG
Deutsche Zentral-Genossenschaftsbank
Platz der Republik
D-60265 Frankfurt / Main
Registered Office: Frankfurt / Main

**until July 31st, 2016 (as at August 1st, 2016 merger with
DZ BANK AG)**

WGZ BANK AG
Westdeutsche Genossenschafts-
Zentralbank
Ludwig-Erhard-Allee 20
D-40227 Düsseldorf
Registered Office: Düsseldorf

BBBank eG
Herrenstraße 2-10
D-76133 Karlsruhe
Registered Office: Karlsruhe

Deutsche Apotheker- und Ärztebank eG
Richard-Oskar-Mattern-Str. 6
D-40547 Düsseldorf
Registered Office: Düsseldorf

Further Distributors in the Federal Republic of Germany

Banks affiliated to the abovementioned banks and cooperative central banks are additional distributors in the Federal Republic of Germany.

Paying Agent and Distributor in Austria

VOLKSBANK WIEN AG
Kolingasse 14-16
A-1090 Vienna

Union Investment Luxembourg S.A.
308, route d'Esch
L-1471 Luxembourg
service@union-investment.com
institutional.union-investment.de

