

Sustainable ETFs for a better tomorrow

Your journey with UBS ETFs



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Sustainable ETFs for a better tomorrow



Clemens Reuter

Head of ETF & Index Fund Client
Coverage, UBS Asset Management

Sustainable investment solutions have made quite a journey, and there's no end to this trend in sight. At UBS Asset Management, we have had a focus on sustainable finance for over two decades, and today, it is embedded in our firm and commitment to our clients: we strive to be the financial provider of choice to help clients mobilize their capital towards a more sustainable world.

Sustainable investing has also been a key focus for UBS Exchange Traded Funds (ETFs) for more than a decade, and we have seen it growing from niche to mainstream. Today, we are one of the largest providers of sustainable ETFs in Europe (source: etfbook.com, as of 30 June 2022). UBS ETF has remained at the forefront of innovation, being among the first to bring innovative sustainable solutions to the market, and we will continue to work with a range of index providers to create sustainable solutions for our clients.

ETFs have grown in popularity among institutional investors in recent years, and sustainable strategies in particular have grown to become a crucial part of their asset allocation. We engage with our clients to exchange ideas and feedback. This helps drive our product innovation and efforts to provide a diverse ESG offering for our clients, including a recently launched family of ETFs based on the MSCI ESG Universal methodology and a family of climate-focused products tracking MSCI Paris Aligned indices.

Be assured that we continue to bring the ideas, understanding, and clarity to guide your choices, so you can deliver your investment priorities and your values.

By creating products that take ESG considerations into account, we believe our investments are well-positioned to meet clients' needs while helping drive positive change, beyond just financial returns.

What drives sustainable investing

In recent years attitudes towards sustainable investing have undergone a transformational shift. Once a 'nice to have', today it is a clear 'must have' as more and more investors prioritize sustainable investing in their investment processes.



We see four clear factors driving this trend all of which are structural, long-lasting, and set to be significant drivers of flows in the years ahead.

A shift in societal values

Public awareness of ESG-related risks and opportunities has placed sustainable investing at the top of the global agenda and led to the creation of major milestones, including the Paris Agreement and the UN Sustainable Development Goals (SDGs). The COVID-19 pandemic has further highlighted the materiality of ESG issues.

Changing perception of risk

Institutional investors, in particular pension funds, are pivoting toward sustainable investing, driven by growing regulatory obligations and changing perceptions of their fiduciary duties. Up to 77% of institutional investors plan to stop investing in non-ESG products by 2022, according to a recent study by PWC.¹

Sustainable investing performance

Evidence strongly suggests that investing in sustainable investing-focused funds won't compromise returns: a 2020 study by Morningstar of more than 700 European sustainable funds showed that over one, three, five and ten years the majority of those funds outperformed non-ESG funds².

COVID-19 has further highlighted the resilience of sustainable investing-focused funds in distressed markets. According to MSCI, during the first six months of 2020 – a period of high market volatility – all major MSCI ESG ACWI indexes outperformed the MSCI ACWI³.

In the first half of 2022, investors in ESG equities had to accept lower returns compared to conventional investments due to market changes triggered by the war in Ukraine. However, passive ESG strategies with small tracking errors haven't experienced significant performance deviations versus conventional strategies.

Regulation

Growing regulatory pressure is increasingly driving institutional client demand, particularly in the EU.

Changes to existing regulations, led by the EU Taxonomy and Sustainable Finance Disclosure Regulation, look set to make reporting on ESG outcomes a requirement for client disclosures, which, in turn, will fundamentally underpin the continued flow of assets into sustainable investing funds. Beyond Europe we are seeing regulators in other markets, such as Switzerland and Asia, intensify their focus on sustainability.

¹ www.pwc.lu/en/sustainable-finance/esg-report-the-growth-opportunity-of-the-century.html

² www.morningstar.in/posts/58587/esg-stocks-outperform-wider-market.aspx

³ www.msci.com/www/blog-posts/is-esg-investing-a-price-bubble/02231869256

You can read our full sustainable investment policy online at <https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing.html>

Defining the E, the S and the G

E

Environmental Factors

Environmental issues can be both positive and negative from an investor's perspective. The assessment of these factors considers a company's ability to control their direct and indirect environmental impact. For example, how, and to what extent, is it limiting energy consumption, reducing greenhouse emissions, fighting resource depletion and protecting biodiversity? Is the company making a positive contribution, perhaps by developing new technologies, which can accelerate the transition to a lower-carbon future?

G

Governance Factors

Governance encompasses corporate considerations such as levels of board diversity, executive pay, accounting policies, and ownership and control structures. Corporate behavior is also a constituent element of governance evaluations. For example, how transparent is a company around taxation? What are its policies in relation to anti-competitive practices? Does it uphold a clear set of business ethics?

S

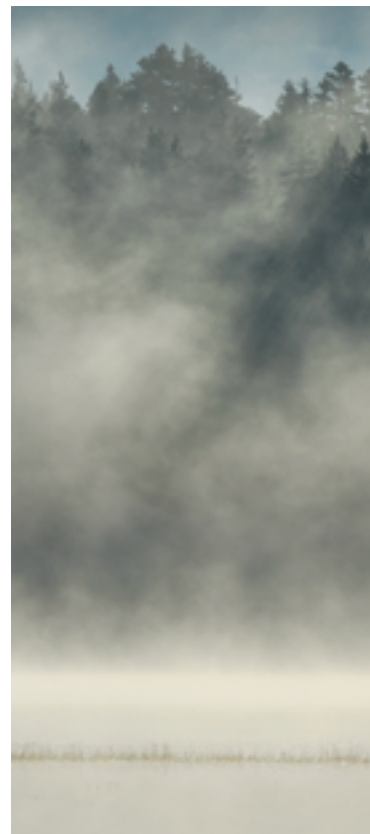
Social Factors

Assessing social factors requires an evaluation of two key elements. The first relates to a company's strategy for developing its human capital, based on a series of fundamental, universally accepted principles. The second element is linked to the company's approach to broader human rights.

You can read our full sustainable investment policy online at
<https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing.html>



Our approach to stewardship



Proxy voting

It is our belief that voting rights have economic value and should be treated accordingly. As a result we consider voting to be an important part of our fiduciary duty to clients and integral to both the investment process and our overall stewardship approach. We have been voting on a discretionary basis on behalf of our clients since 1995 and implemented our first internal voting policy in 1998. The policy continues to be reviewed annually to take into account changes in global standards and best practice related to Corporate Governance and Sustainability.

While there is no absolute set of standards that determine appropriate governance under all circumstances, and no set of values that will guarantee ethical board behavior, there are certain principles which we consider are appropriate to protect the economic value of our clients' investments. Our policy is therefore applied globally but also allows us the discretion to reflect local laws or standards where appropriate.

Our approach is to vote in all markets, unless we feel that by doing so we will impede our ability to manage a portfolio, or that the logistics involved in voting are prohibitive and would not deliver sufficient benefit to clients.

Engagement

We believe that engaging with investee companies and prospective investee companies can steer those companies toward longer-term issues that drive company value and that we believe will likely contribute to the success of the investment thesis over time. These discussions relate to the governance structure and increasingly to longer-term sustainability trends that have a material impact on company performance, such as climate change, environmental management and human capital performance.

These efforts involve reaching out to both executive and, ideally, non-executive, board members in order to influence the company strategy. Finally, engagements entail working closely with corporate management to take appropriate and concrete measures to unlock long-term value.

Most fundamentally, engagements linked to the investment case provide a differentiated means of creating better longer-term returns for clients. Such engagements lead investment teams to approach each company's investment decision as an owner, transforming the investment process from simply developing a view on the current short-term price in the market to instead making a commitment to work collaboratively with companies on realizing positive change.



UBS Asset Management's proxy voting and engagement activities are overseen by the Stewardship Committee. The Stewardship Committee is chaired by the Head of Investments and comprises the Head of Sustainable Research & Investment Specialists, the Head of Active Equities, the Head of Systematic and Index Investing, the Head of Research and Stewardship and the Head of Global Institutional Client Coverage.

Further information



As part of its investment processes,
UBS considers adverse impacts.
Read our Adverse Impacts Statement online.



UBS Asset Management
Stewardship Annual Report 2021



UBS Asset Management
Stewardship Statement



UBS Asset Management
Proxy Voting Policy



You can read our full sustainable investment policy online.

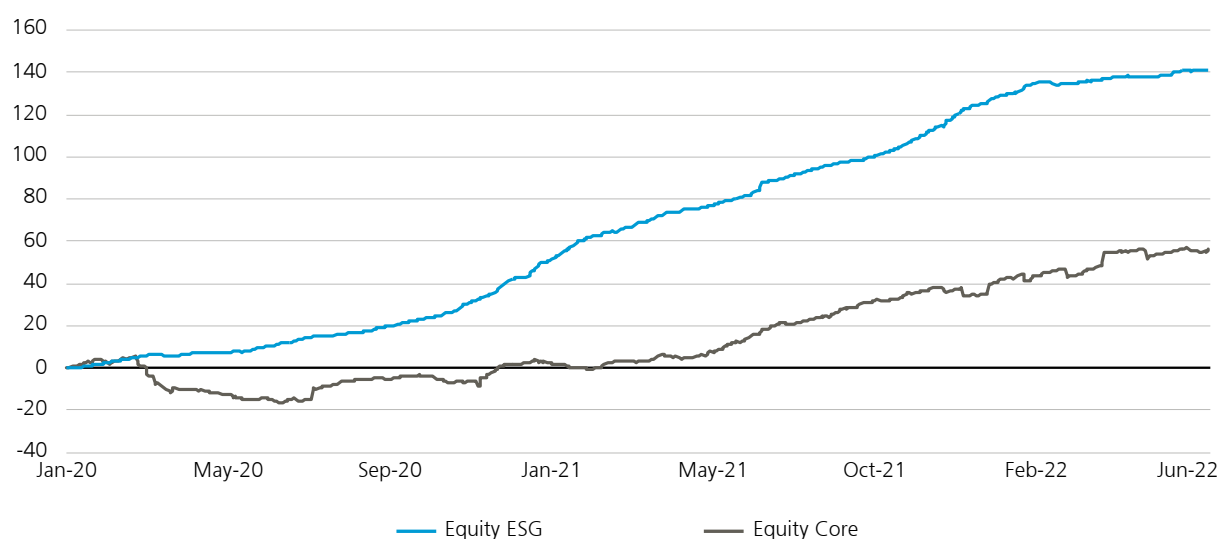
Sustainable ETF flows

Investors have increasingly been adopting an ESG approach in recent years.

Assets invested in sustainable ETFs (UCITS) have reached USD 236 bn as of 30 June 2022 (source: etfbook.com).

Investors have shown a strong commitment to ESG since the beginning of the COVID-19 pandemic. In fact, inflows into sustainable equity ETFs during the period accounted for total net new money of USD 140bn, considerably exceeding the USD 60bn in net new money in core equity exposures (Figure 1).

Figure 1: NNM from 1 January 2020 to 30 June 2022 (in USD bn)



Source: UBS Asset Management, etfbook.com. Data from 1 January 2020 to 30 June 2022.



Our sustainable ETF journey

UBS ETFs has been at the forefront of innovation in the sustainable ETF space. The product range today consists of multiple solutions across equities and fixed income which enable investors to build global sustainable portfolios.

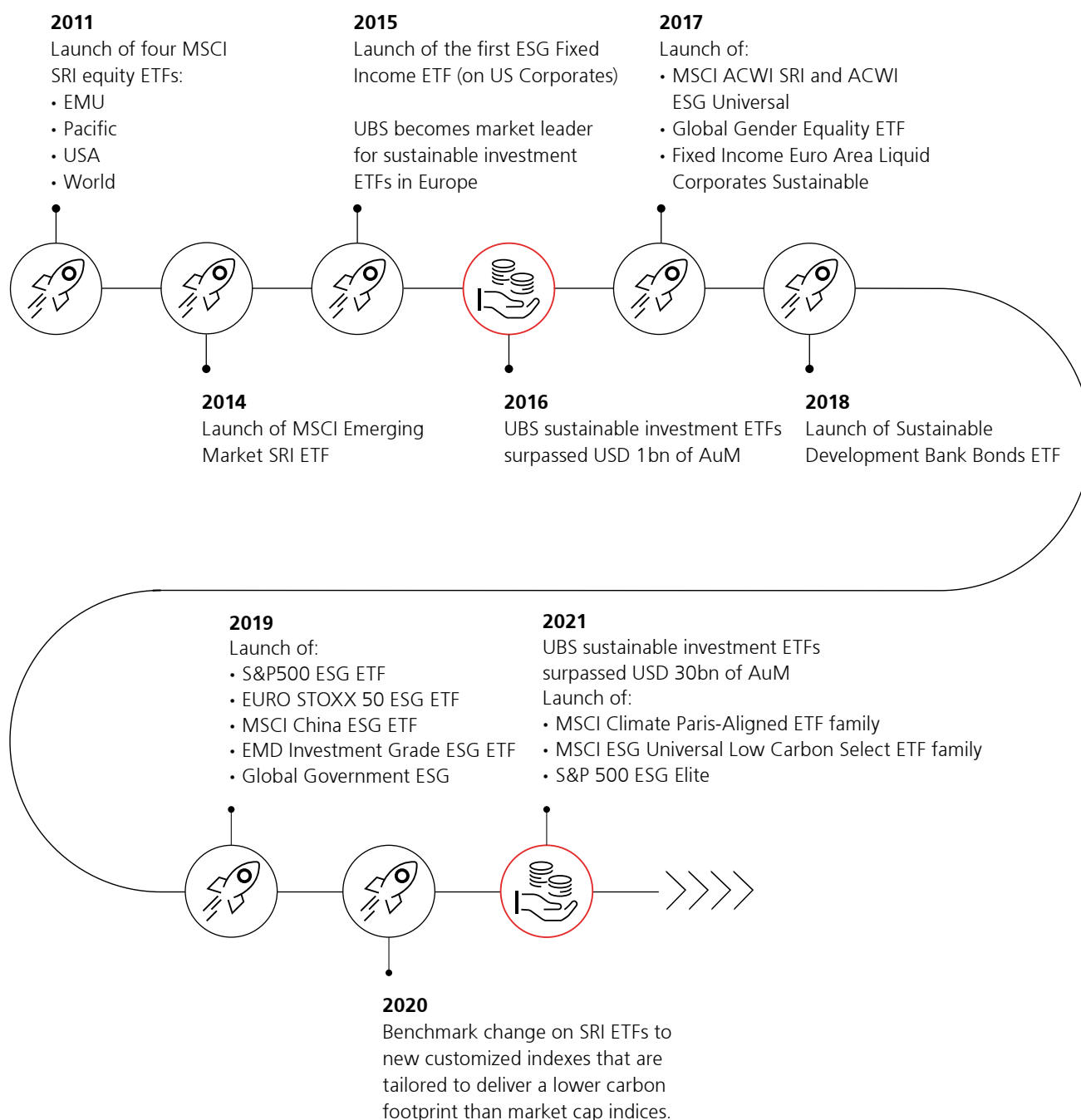
Sustainable invested assets have exceeded USD 32.8 bn (source: etfbook.com, as of 30 June 2022).

UBS Asset Management started its journey in creating sustainability ETFs in 2011 with the launch of a family of ETFs aiming for a strong ESG approach called SRI ETFs. Since then, the sustainable ETF family has grown significantly over time in terms of different solutions as well as in invested assets. See illustration on the next page.

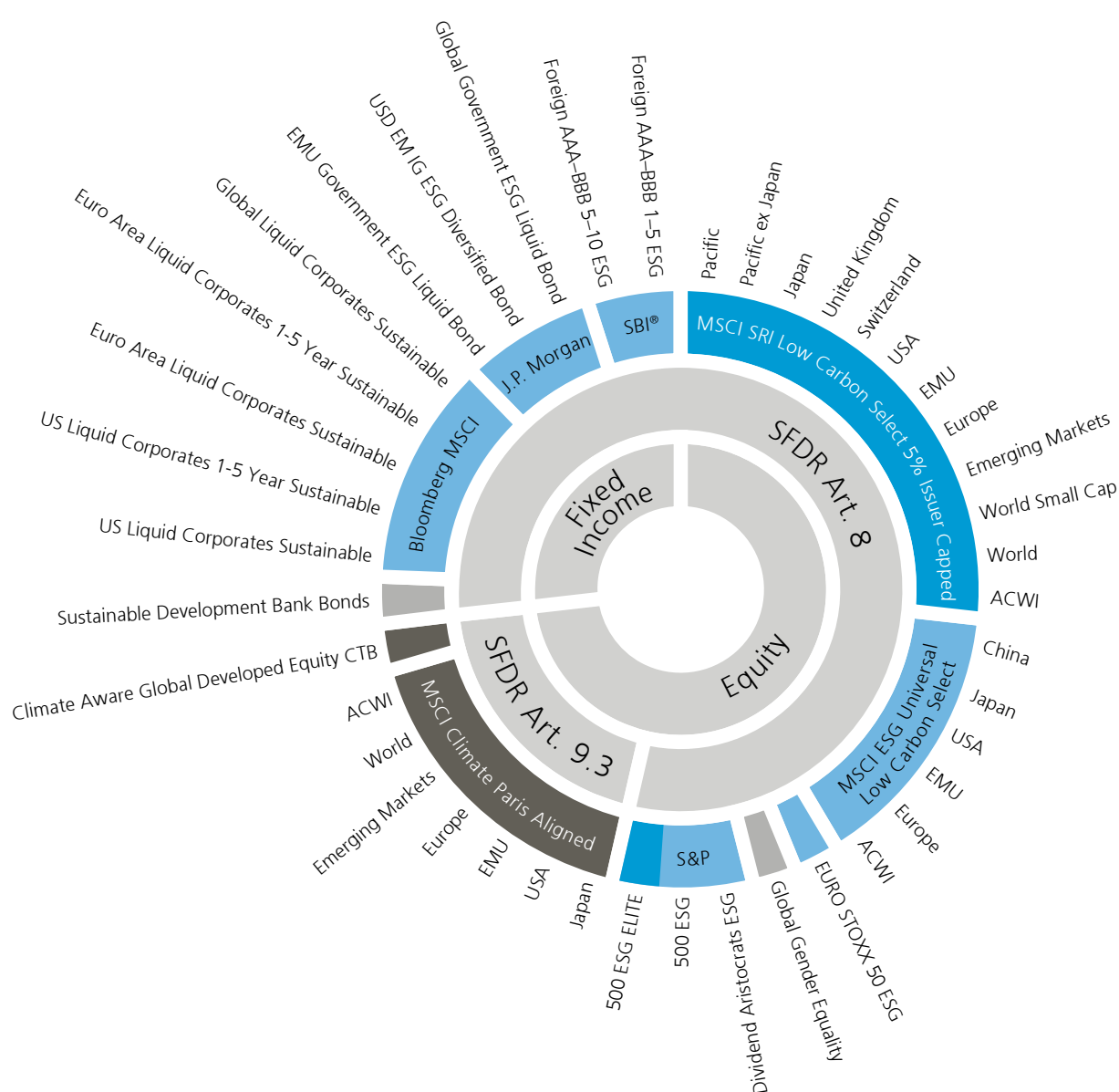
- All our sustainability-focused ETFs are classified as article 8 or 9 under SFDR.
- UBS Sustainable Investment ETFs are physically replicated and do not participate in a security lending program.
- UBS Asset Management's stewardship strategy differentiates its ETF offering with a focus on climate change, collaboration, and access to senior management.

For more information on our sustainability commitment, please visit our website: ubs.com/global/en/assetmanagement/about/commitment

A pioneer in sustainable investments



Our sustainable offerings



Source: UBS Asset Management. Data as of 30 June 2022.
For illustration purposes only.

At UBS Asset Management, we focus on helping our clients achieve their sustainable investment and decarbonization objectives. Over the next few pages, we provide an overview of our ETF offering in this space, which are a result of our sustainability ambition and commitment to the low-carbon transition. Considering the UBS Asset Management ESG Product Framework¹, we will focus in particular on the Sustainable Investing products which are classified under SFDR as Article 8 and 9 funds.



11 years'

Experience in sustainable ETFs

Our sustainable offering:

- Currency hedged share classes to major currencies
- Physically-replicating ETFs
- No securities lending
- Stewardship: Proxy voting & engagement

Baseline ESG Considerations

- Classified as **'Sustainable Investing: Sustainability Focus'** under the UBS sustainability framework
- A solution potentially suitable as a core allocation replacement with an ESG tilt
- Designed to offer broad market representation
- Reweighting towards higher ESG-rated companies and/or exclusion of ESG laggards¹
- Essential business activity and climate exclusions
- Qualifies as Article 8 under SFDR

Extensive ESG Considerations

- Classified as **'Sustainable Investing: Sustainability Focus'** under the UBS sustainability framework
- A solution aiming for a strong improvement in ESG scores
- Applies a best-in-class approach to select top 25% of highest ESG rated stocks
- Emphasis on reducing carbon footprint²
- Extensive business activity and climate exclusions
- Qualifies as Article 8 under SFDR

Climate

- Classified as **'Sustainable Investing: Sustainability Focus'** under the UBS sustainability framework
- Focused on climate objectives and limiting global warming
- Aligned and exceeding minimum standards of EU Paris-Aligned Benchmarks (PAB) or EU Climate Transition Benchmark (CTB)
- Reducing exposure to transition and physical climate risks
- Pursues opportunities arising from the transition to a lower-carbon economy
- Qualifies as Article 9.3 under SFDR

Thematic

- Classified as **'Sustainable Investing: Sustainability Focus'** under the UBS sustainability framework
- Focused around a particular theme such as Gender Diversity that may be aligned with Sustainable Development Goals
- Investing in bonds of development banks such as the World Bank Group, which provides them with capital to finance high-impact development projects across developing countries
- Qualifies as Article 8 under SFDR

¹ <https://www.ubs.com/global/en/assetmanagement/capabilities/sustainable-investing.html>

² The ESG improvement and carbon footprint reduction of ESG indexes is relative to their respective parent indexes.

Equity indexes: MSCI

Benchmark family	MSCI ESG Universal Low Carbon Select 5% Issuer Capped	MSCI SRI Low Carbon Select 5% Issuer Capped	MSCI Climate Paris Aligned Index
Strategy	<ul style="list-style-type: none"> – A solution potentially suitable as a core allocation replacement with an ESG tilt – Designed to offer broad market representation – Reweighting towards higher ESG-rated companies¹ 	<ul style="list-style-type: none"> – A solution aiming for a strong improvement in ESG scores – Applies a best-in-class approach to select top 25% of highest ESG rated stocks – Emphasis on reducing carbon footprint¹ 	<ul style="list-style-type: none"> – Focused on climate objectives and limiting global warming – Aligned and exceeding minimum standards of EU Paris-Aligned Benchmarks (PAB) – Reducing exposure to transition and physical climate risks¹ – Pursues opportunities arising from the transition to a lower-carbon economy
SFDR classification	Article 8	Article 8	Article 9.3
ESG Selection	A weighting tilt towards higher-ESG rated stocks and those with a positive trend in ESG ratings	Selection of top 25% of the highest ESG-rated eligible stocks per each GICS sector	Optimization to achieve, among others: <ul style="list-style-type: none"> – A 50% reduction in greenhouse gas emissions and a 10% annual reduction – A minimum 4x ratio of green revenue / brown revenue – Minimum increase of companies setting targets of 20%
Value-based business activity exclusion	Controversial weapons, tobacco, nuclear weapons, UNGC, civilian firearms, tobacco, severe controversies	Controversial weapons, tobacco, nuclear weapons, UNGC, civilian firearms, tobacco, controversies, conventional weapons, GMO, adult entertainment, gambling	Controversial weapons, tobacco, UNGC
Climate-related exclusions	<ul style="list-style-type: none"> – Highest emitters exclusions (exclusion of 10% of companies with highest carbon footprint) – Potential emissions (exclusion of companies with highest carbon reserves) – Thermal coal mining & power generation, unconventional oil & gas extraction 	<ul style="list-style-type: none"> – Highest emitters exclusions (exclusion of 10% of companies with highest carbon footprint) – Potential emissions (exclusion of companies with highest carbon reserves) – Thermal coal mining & power generation, unconventional oil & gas extraction – Conventional oil & gas extraction, oil & gas-based power generation, nuclear power-based power generation 	<ul style="list-style-type: none"> – Thermal coal mining, unconventional oil & gas, conventional oil & gas, power generation

¹ The ESG improvement and carbon footprint reduction of ESG indexes is relative to their respective parent indexes.

The ESG Universal range is based on the MSCI ESG Universal Low Carbon Select 5% Issuer Capped Index.

The SRI range is based on the MSCI SRI Low Carbon Select 5% Issuer Capped Index.

The Climate Paris Aligned range is based on the MSCI Climate Paris Aligned Index.

Key metrics	MSCI ACWI	MSCI ACWI ESG Universal Low Carbon Select	MSCI ACWI SRI Low Carbon Select	MSCI ACWI Climate Paris Aligned
Number of constituents	2895	2437	548	916
Tracking error 5Y annualized (bps)	n.a.	98	278	118
Tracking difference 5Y annualized (bps)	n.a.	52	180	44
ESG Score ¹	6.5	6.9	8.2	6.8
Environmental Pillar Score	6.0	6.4	6.8	6.5
Social Pillar Score	5.2	5.4	6.0	5.2
Governance Pillar Score	5.6	5.7	6.2	5.6
Carbon footprint Scope 1+2 (t CO ₂ e/USDm Sales)	171	71.1	46	46.8
Carbon footprint Scope 1+2+3 (t CO ₂ e/USDm Sales)	979	587	577	451

¹ ESG ratings, scores and carbon footprints shown here are based on MSCI ESG data.

Source: UBS Asset Management, MSCI, Bloomberg. Carbon and ESG metrics from MSCI ESG Research. Data as of 30 June 2022

Equity indexes:

S&P Dow Jones Indices

Benchmark family	S&P 500 ESG	S&P 500 ESG Elite	S&P Developed ESG Dividend Aristocrats
Strategy	<ul style="list-style-type: none"> – A solution potentially suitable as a core replacement – Designed to offer broad market representation – Basic values-based and climate-related exclusions 	<ul style="list-style-type: none"> – A solution aiming for a strong improvement in ESG scores – Applies a best-in-class approach to select top 25% of highest ESG rated stocks – Emphasis on reducing carbon footprint 	<ul style="list-style-type: none"> – Exposure to 100 high dividend-yielding companies that have increased or maintained dividends for at least 10 years – An ESG overlay excluding ESG laggards (exclusion of lowest ESG scored 25% of companies)
SFDR classification	Article 8	Article 8	Article 8
ESG Selection	Selection of top 75% of the highest ESG-rated stocks per each GICS sector ¹	Selection of top 25% of the highest ESG-rated stocks per each GICS sector	Removal of ESG laggards defined as companies with the lowest 25% of ESG scores in the universe.
Value-based exclusions	Controversial weapons, tobacco, UNGC	Controversial weapons, tobacco, UNGC, military weapons, small arms, alcoholic beverages, adult entertainment, gambling, predatory lending, palm oil	Controversial weapons, tobacco, UNGC
Climate-related exclusions	Thermal coal	Thermal coal, oil sands, shale energy, arctic oil & gas, oil & gas, nuclear power	Thermal coal
Number of constituents	307	97	97
Tracking error 5Y annualized (bps)	124	319	234
Tracking difference 5Y annualized (bps)	140	32	127
ESG Score ²	6.6	6.8	6.9
Environmental Pillar Score	6.9	7.7	7
Social Pillar Score	5.4	5.5	5.5
Governance Pillar Score	5.4	5.6	6.1
Carbon footprint Scope 1+2 (t CO ₂ e/USDm Sales)	111.7	68.8	143.4

1 S&P Dow Jones Indices utilize S&P DJI ESG scores.

2 ESG ratings, scores and carbon footprints shown here are based on MSCI ESG data.

Source: UBS Asset Management, S&P Dow Jones, Bloomberg. Carbon and ESG metrics from MSCI ESG Research. Data as of 30 June 2022.

Equity indexes: other providers

Benchmark family	EURO STOXX 50 ESG	UBS Climate Aware Global Developed Equity CTB	Global Gender Equality
Strategy	<ul style="list-style-type: none"> – A solution designed to offer similar risk-return properties to the renowned EURO STOXX 50 ESG – Suitable as a core replacement – Basic values-based and climate-related exclusions 	<ul style="list-style-type: none"> – Seeking to achieve climate objectives while controlling tracking error – EU Climate Transition Benchmark (CTB) aligned 	<ul style="list-style-type: none"> – A thematic exposure to 100 high companies scoring highest on a range of gender and employment-related criteria – Basic values-based and climate-related exclusions
SFDR classification	Article 8	Article 9.3	Article 8
ESG Selection	Exclusion of 20% of lowest ESG scored companies (with replacement) ¹	Achieving climate objectives: <ul style="list-style-type: none"> – 30% emissions reduction versus benchmark – 7% YoY self-decarbonization 	100 companies with the highest scores on gender and employment related criteria (gender balance in leadership & workforce, equal compensation & work life balance, policies promoting gender equality, transparency & accountability) ²
Value-based exclusions	Controversial weapons, military contracting, tobacco, thermal coal, UNGC.	Controversial weapons, tobacco, UNGC	Controversial weapons, tobacco, UNGC, gambling, military weapons, companies involved in unethical practices regarding employees and customers (discrimination, marketing and advertisement practices)
Climate-related exclusions	Thermal coal	Thermal coal mining and power generation, oil sands (thresholds of 10% at revenue level)	Coal extraction and power generation
Number of constituents	50	939	100
Tracking error 5Y annualized (bps)	161	191	567
Tracking difference 5Y annualized (bps)	97	132	-124
ESG Score ³	7.9	7	7.4
Environmental Pillar Score	7	7.2	7.6
Social Pillar Score	6.6	5.5	5.6
Governance Pillar Score	6	5.8	6.4
Carbon footprint Scope 1+2 (t CO ₂ e/USDm Sales)	190.3	82.6	125.6

1 Based on ESG scores from Sustainalytics.

2 Selection based on Equileap assessment.

3 ESG ratings, scores and carbon footprints shown here are based on MSCI ESG data.

Source: UBS Asset Management, STOXX, Bloomberg, Solactive. Carbon and ESG metrics from MSCI ESG Research. Data as of 30 June 2022.

Fixed income indexes

Bond type	Sovereign / corporate	Corporate	Supranational
Index provider	J.P. Morgan	Bloomberg MSCI	Solactive
Exposure	<ul style="list-style-type: none"> – Global Government ESG – EMU Government ESG – EM IG ESG 	<ul style="list-style-type: none"> – US Corporate Sustainable – Euro Area Corporate Sustainable – Global Corporate Sustainable 	<ul style="list-style-type: none"> – Sustainable Development Banks
Strategy	<ul style="list-style-type: none"> – Broad exposures with similar risk and return properties as the flagship benchmarks – Liquidity filter 	<ul style="list-style-type: none"> – Broad exposures with similar risk and return properties as the flagship benchmarks – Strict liquidity filters – Availability of short-maturity (1-5Y) variants for Euro Area and US exposures 	<ul style="list-style-type: none"> – Bonds issued by multilateral development banks – Capital raised through these bonds are used by development banks to fund high impact development projects – Credit rating of AAA by S&P, Moody's, Fitch
SFDR classification	Article 8	Article 8	Article 8
ESG selection	Minimum JP Morgan's ESG Score threshold and reweighting to promote highest ESG-rated sovereigns/companies. ESG ratings from Reprisk and Sustainalytics.	Minimum ESG rating of BBB by MSCI	Development banks with all G7 countries as shareholders: World Bank Group, European Bank for Reconstruction and Development, Asian Dev. Bank, Inter-American Dev. Bank, African Dev. Bank
Values-based business activity exclusions	Military weapons (incl. controversial), tobacco, UNGC, alcohol, civilian firearms, adult entertainment, gambling, GMO	Controversial, nuclear, conventional weapons, civilian firearms, tobacco, UNGC, alcohol, gambling, adult entertainment, GMO, nuclear power, companies with severe controversies	N.a.
Climate-related exclusions	Nuclear power	Thermal coal mining and power generation, unconventional oil and gas extraction, fossil fuel reserves	N.a.



Our equity solutions

MSCI ESG Universal Low Carbon Select Indices

		ISIN*
SFDR Art. 8	UBS ETF (IE) MSCI ACWI ESG Universal Low Carbon Select UCITS ETF	IE00BDQZMX67
	UBS ETF (IE) MSCI Europe ESG Universal Low Carbon Select UCITS ETF	IE00BNC0M681
	UBS ETF (IE) MSCI EMU ESG Universal Low Carbon Select UCITS ETF	IE00BNC0M913
	UBS ETF (IE) MSCI USA ESG Universal Low Carbon Select UCITS ETF	IE00BNC0M681
	UBS ETF (IE) MSCI Japan ESG Universal Low Carbon Select UCITS ETF	IE00BNC0MD55
	UBS ETF (LU) MSCI China ESG Universal Low Carbon Select UCITS ETF	LU1953188833

MSCI SRI Low Carbon Select 5% Issuer Capped Indices

SFDR Art. 8	UBS ETF (IE) MSCI ACWI Socially Responsible UCITS ETF	IE00BDR55471
	UBS ETF (LU) MSCI World Socially Responsible UCITS ETF	LU0950674332
	UBS ETF (IE) MSCI World Socially Responsible UCITS ETF	IE00BK72HJ67
	UBS ETF (IE) MSCI World Small Cap Socially Responsible UCITS ETF	IE00BKSCBX74
	UBS ETF (LU) MSCI Emerging Markets Socially Responsible UCITS ETF	LU1048313974
	UBS ETF (LU) MSCI Europe Socially Responsible UCITS ETF	LU2206597804
	UBS ETF (LU) MSCI EMU Socially Responsible UCITS ETF	LU0950674761
	UBS ETF (LU) MSCI USA Socially Responsible UCITS ETF	LU0629460089
	UBS ETF (IE) MSCI USA Socially Responsible UCITS ETF	IE00BJXT3C94
	UBS ETF (LU) MSCI Switzerland IMI Socially Responsible UCITS ETF	LU2250132763
	UBS ETF (IE) MSCI United Kingdom IMI Socially Responsible UCITS ETF	IE00BMP3HN93
	UBS ETF (LU) MSCI Pacific Socially Responsible UCITS ETF	LU0950674928
	UBS ETF (IE) MSCI Pacific (ex Japan) IMI Socially Responsible UCITS ETF	IE000BKMMHF9
	UBS ETF (LU) MSCI Japan Socially Responsible UCITS ETF	LU1230563022

MSCI Climate Paris Aligned Indices

SFDR Art. 9.3	UBS ETF (IE) MSCI ACWI Climate Paris Aligned UCITS ETF	IE00BN4Q0P93
	UBS ETF (IE) MSCI World Climate Paris Aligned UCITS ETF	IE00BN4Q0370
	UBS ETF (IE) MSCI Emerging Markets Climate Paris Aligned UCITS ETF	IE00BN4Q1675
	UBS ETF (IE) MSCI Europe Climate Paris Aligned UCITS ETF	IE00BN4Q0933
	UBS ETF (IE) MSCI EMU Climate Paris Aligned UCITS ETF	IE00BN4Q0L55
	UBS ETF (IE) MSCI USA Climate Paris Aligned UCITS ETF	IE00BN4Q0602
	UBS ETF (IE) MSCI Japan Climate Paris Aligned UCITS ETF	IE00BN4Q0X77

S&P

SFDR Art. 8	UBS ETF (IE) S&P Dividend Aristocrats ESG UCITS ETF	IE00BMP3HG27
SFDR Art. 8	UBS ETF (IE) S&P 500 ESG UCITS ETF	IE00BHXMH11
	UBS ETF (IE) S&P 500 ESG ELITE UCITS ETF	IE00BLSN7P11

Solactive

SFDR Art. 8	UBS ETF (IE) Global Gender Equality UCITS ETF (SFDR Art. 8)	IE00BDR5GV14
SFDR Art. 9.3	UBS ETF (IE) UBS Climate Aware Global Developed Equity CTB UCITS ETF (SFDR Art. 9.3)	IE00BN4PXC48

STOXX

SFDR Art. 8	UBS ETF (LU) EURO STOXX 50 ESG UCITS ETF	LU1971906802
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Our fixed income solutions

J.P. Morgan

ISIN*

SFDR Art. 8

UBS ETF (LU) J.P. Morgan Global Government ESG Liquid Bond UCITS ETF	LU1974693662
UBS ETF (LU) J.P. Morgan USD EM IG ESG Diversified Bond UCITS ETF	LU1974695790
UBS ETF (LU) J.P. Morgan EMU Government ESG Liquid Bond UCITS ETF	LU2194286006

Bloomberg MSCI

SFDR Art. 8

UBS ETF (LU) Bloomberg MSCI Global Liquid Corporates Sustainable UCITS ETF	LU2099991536
UBS ETF (LU) Bloomberg MSCI Euro Area Liquid Corporates 1-5 Year Sustainable UCITS ETF	LU1805389258
UBS ETF (LU) Bloomberg MSCI Euro Area Liquid Corporates Sustainable UCITS ETF	LU1484799843
UBS ETF (LU) Bloomberg MSCI US Liquid Corporates 1-5 Year Sustainable UCITS ETF	LU2408467723
UBS ETF (LU) Bloomberg MSCI US Liquid Corporates Sustainable UCITS ETF	LU1215461168

SBI®

SFDR Art. 8

UBS ETF (LU) SBI® Foreign AAA-BBB 1-5 ESG UCITS ETF	LU0879397742
UBS ETF (LU) SBI® Foreign AAA-BBB 5-10 ESG UCITS ETF	LU0879399441

Solactive

SFDR Art. 8

UBS ETF (LU) Sustainable Development Bank Bonds UCITS ETF	LU1852211215
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*Please refer to ubs.com/etf for a comprehensive list of all available share classes.

About UBS ETFs & Index Funds

Index-tracking investment solutions have been a core competence of UBS Asset Management for almost 40 years. As a leading fund house in Europe, UBS launched its first ETF in Europe in 2001 and is currently both one of Europe's foremost providers as well as a dominant force in sustainable and currency hedged ETFs in the region. UBS ETFs offers investors a transparent and flexible opportunity to diversify their investments across key markets and all asset classes, including equities, bonds, real estate, commodities and alternative investments. UBS ETFs are listed on the following stock exchanges around the world – SIX Swiss Exchange, Borsa Italiana, London Stock Exchange, Deutsche Börse XETRA, Euronext Amsterdam, Australian Securities Exchange ASX, KRX Korea Exchange, Tokyo Stock Exchange and the Mexican Stock Exchange BMV.

Opportunities

- The investment objective of each sub-fund is to replicate the price and return performance of the sub-fund's index net of fees.
- For physically replicated funds, the fund generally invests in stocks contained in the Index. The relative weightings of the companies correspond to their weightings in the index.
- The stock exchange price may differ from the net asset value.
- The products described herein aligns to Articles 8 or 9.3 of Regulation (EU) 2019/2088.
- Clients benefit from the flexibility of an exchange-traded investment.
- Provides access to the performance of the index with a single transaction.
- The funds are passively managed.
- The funds offer a high degree of transparency and cost efficiency.
- UCITS compliant funds.

Risks

- Each UBS Exchange Traded Fund invest in different type of assets and may be subject to high fluctuations in value.
- Investors therefore require an investment horizon of at least five years and corresponding risk tolerance and capacity.
- All investments are subject to market fluctuations.
- Every fund has specific risks, which may significantly increase under unusual market conditions.
- For products aligned to Article 8 of Regulation (EU) 2019/2088, sustainability characteristics and risks are considered as part of the Index selection process.
- For products aligned to Article 9.3 of Regulation (EU) 2019/2088, climate criteria and risks are considered as part of the Index selection process.
- The fund's assets are passively managed. As a result, the net asset value of the fund is directly dependent on the performance of the underlying index. Losses that could be avoided via active management will not be offset.
- Changes in currency exchange rates may have an impact on fund value.
- Please note that past performance is not a reliable indicator of future results. These figures refer to the past. If the currency and/or costs of a financial product or financial service is different from your reference currency, the return and/or costs can increase or decrease as a result of currency fluctuations.

Risk information

UBS ETFs investing in Equities

UBS Exchange Traded Funds invest in equities and may therefore be subject to high fluctuations in value. For this reason, an investment horizon of at least five years and corresponding risk tolerance and capacity are required. All investments are subject to market fluctuations. Every fund has specific risks, which can significantly increase under unusual market conditions. The fund's assets are passively managed. As a result, the net asset value of the fund's assets is directly dependent on the performance of the underlying assets. Losses that could be avoided via active management will not be offset.

UBS ETFs investing in Real Estate Funds

The funds invest in real estate funds under Swiss law that are denominated in CHF and invest exclusively in Swiss properties. The price of the underlying fund units is not determined by estimates of market value but by investor supply and demand. All investments are subject to market fluctuations. Every fund has specific risks, which may increase considerably in unusual market conditions. The fund's assets are passively managed. As a result the net asset value depends on the performance of the underlying assets. Please contact your client advisor if you wish to receive further information on the investment risks associated with this product.

UBS ETFs investing in Metals

The UBS Exchange Traded Fund investing in metals may be subject to considerable fluctuations in value. Investors therefore require an investment horizon of at least five years and corresponding risk tolerance and capacity. All investments are subject to market fluctuations. All funds have specific risks, which may significantly increase under unusual market conditions. The fund's assets are passively managed. As a result, the net asset value of the fund's assets is directly dependent on the performance of the underlying assets. Losses that could be avoided via active management will not be offset.

UBS ETFs investing in Oil and Commodities

The Fund delivers the returns of a broadly diversified commodity index and may therefore be subject to high fluctuations in value. For this reason, an investment horizon of at least five years and corresponding risk tolerance and capacity are required. The returns payable on the Fund are dependent on payments received by the Fund from the Swap Counterparty under the terms of the Relevant Swap and, therefore, are subject to the credit risk of the Swap Counterparty. In the event that the Swap Counterparty defaults under the terms of the Relevant Swap, the Fund may suffer a loss. Assets are passively managed meaning losses that could be avoided via active management will not be offset. The net asset value of the Fund's assets are materially dependent on the performance of the underlying investments. If all or part of the total costs to be paid is different from your reference currency, the costs may increase or decrease as a

result of currency and exchange rate fluctuations. Commissions and costs have a negative impact on the investment and on the expected returns. If the currency of a financial product or financial service is different from your reference currency, the return can increase or decrease as a result of currency and exchange rate fluctuations. All investments are subject to market fluctuations. Every fund has specific risks, which can significantly increase under unusual market conditions.

UBS ETFs investing in Fixed Income

This UBS Exchange Traded Fund invests in government bonds of a single country and/or in corporate bonds and may therefore be subject to high fluctuations in value. For this reason, an investment horizon of at least five years and corresponding risk tolerance and capacity are required. All investments are subject to market fluctuations. Every fund has specific risks, which can significantly increase under unusual market conditions. The fund's assets are passively managed. As a result, the net asset value of the fund's assets is directly dependent on the performance of the underlying assets. Losses that could be avoided via active management will not be offset.

Climate-focused investments

The Fund is subject to the risk that its climate-focused investment strategy may select or exclude securities of certain issuers for reasons other than investment performance considerations. Climate Criteria and risks are considered as part of the Index selection process.

ESG investments

Sub-fund's that are classified as Article 8 or Article 9 Product are passively managed, tracking the reference of their relevant index. Sustainability characteristics and risks are considered as part of the relevant index' selection process or in case of a fund applying the Climate Awareness Overlay, in the investment decision process. The integration of these ESG characteristics and risks could have a positive or negative impact (compared to not considering ESG) on the performance of the sub-fund.

Retail investors

Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company.

Any decision to invest should take into account all the characteristics or objectives of the promoted fund as described in its prospectus, or similar legal documentation.

For complete information about the fund, including the risks of investing, applicable fees (e.g. entry or exit fees) and other important information, investors prior to investing should read the Key Investor Information Document (KIID), full prospectus, the complete risk information and any applicable local offering documents.

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The benchmark is the intellectual property of the index provider. The Share Class is not sponsored or endorsed by the index provider. Please refer to the Fund's prospectus or supplement for the full disclaimer.

The products described herein align to Article 8 / 9.3 Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. Information on sustainability-related aspects pursuant to that regulation can be found on ubs.com/funds.

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