

Principal Adverse Impacts Statement

UBS Fund Management (Luxembourg) S. A. (549300AE48NQE4QVEH24) June 2023

Summary

UBS Fund Management (Luxembourg) S.A., (549300AE48NQE4QVEH24) considers Principal Adverse Impacts ("**PAI**") of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of UBS Fund Management (Luxembourg) S.A.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1st January to 31st December 2022.

UBS Fund Management (Luxembourg) S.A. (hereinafter also known as "**UBS-FML**" or "**the management company**") has delegated portfolio management to the following portfolio managers:

- UBS Asset Management ("**UBS-AM**"), a business division of UBS Group AG
- UBS Global Wealth Management ("**UBS-GWM**"), a business division of UBS Group AG
- Third party portfolio managers as part of our White Label Solutions business ("**WLS**")

However, the management company remains ultimately responsible for the portfolio management function, hence, the delegation is subject to supervision and monitoring from the management company. In order to achieve this, the management company has implemented a robust control framework.

The assessment of PAI is performed for all funds and discretionary portfolio management mandates managed by UBS-FML and includes both, sustainable and non-sustainable strategies. The indicators provided in section 2 are based on the latest data available. We acknowledge that this data is still evolving, and that data availability is still limited for some of the indicators. This statement relates to the first year of reporting, which means no historical comparison is available.

UBS-FML actively considers certain PAI indicators as part of its sustainable investing strategies (SFDR Article 8 / 9). "**Article 8**" & "**Article 9**" are references to the specific levels of product level disclosure prescribed by the EU regulation on sustainability related disclosures in the financial services sector ("**SFDR**"). During the reference period, products have and will continue to be positioned into these strategies in future.

UBS-FML will seek to improve data coverage as industry practice emerges and will assess indicators in order to have as broad a coverage as possible for future consideration into the investment process.

Specific considerations of PAI on product level by UBS AM and UBS GWM are further elaborated in the section 3.2 of the report.