UBS Manage SI,
UBS Manage SI Advanced,
UBS Manage SI Premium

Product disclosure in accordance with Art. 10(1)(d) of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR").

Legal Entity Identifier:

- UBS SWITZERLAND AG - 549300WOIFUSNYH0FL22
- UBS EUROPE SE - 5299007QVIQ7IO64NX37

This document provides regulatory information in relation to Art. 11 of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR").

This document applies to all UBS Manage SI, UBS Manage SI Advanced and UBS Manage SI Premium risk profiles, reference currencies and the chosen investment strategy.

31.12.2023

Investors who have entered into an agreement for UBS Manage SI are provided with a personalized report titled ‘Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852’ for their portfolio for 2023. This document provides a general, non-personalized summary of what is disclosed in the personalized report.

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics (E/S characteristics)

Did this financial product have a sustainable investment objective?	
☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Your portfolio promoted environmental and/or social (E/S) characteristics that were aligned to one or more sustainability topics such as climate change adaptation/mitigation, water, pollution and waste management, products and services, people (incl. gender related matters) and governance, based on SI strategies developed by UBS. This was done by selecting instruments that aimed to finance sustainable economic developments and environmental projects by engaging companies to improve their performance on E/S issues and opportunities, and investments that supported businesses generating positive outcomes for people and planet. At least 80% of your portfolio was based on SI strategies comprising the aforementioned characteristics.

Sustainable indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

For your sustainable portfolio, instruments chosen by UBS complied with the selection criteria defined below (excl. certain client instructions, where relevant):

Funds

UBS considered only funds with E/S characteristics and a Fund Manager Score (FMS) of 2 or 3 (with exception of cash-like funds for hedging purposes). FMS is defined as follows:

FMS 1 – Traditional investing: There are no material or explicitly sustainable objectives for the strategy.
FMS 2 – Sustainability focus: E/S considerations define the research process and are actively considered when constructing the overall portfolio. For example, they may define the position sizing and determine the overall portfolio characteristics or thematic exposure. Such funds have explicit sustainable intentions or objectives that drive the strategy.
FMS 3 – Impact investing: E/S considerations play a significant role both in investment research and portfolio construction. The manager has explicit intentions to generate measurable, verifiable, positive sustainability outcomes, and impact is attributable to investor action/contribution.

Additionally, all the invested funds fulfilled the requirements of art. 8 or 9 SFDR classification.

Single Securities

Where relevant, the single securities (including SI structured products) selected for your portfolio, followed a selection approach that produced scores from zero to ten for each of the six sustainability topics (climate change, water, pollution and waste, products and services, people, governance). After weighting the six SI topics based on their importance per industry, only the top ranked instruments were selected for your portfolio.

…and compared to previous periods?

In this, as well as in the previous reference period, all investments (excluding liquidity, certain structured products and non-SI expressly requested instruments) met the internal UBS SI selection criteria and were aligned with the UBS SI methodology.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The objectives of the sustainable investments in your portfolio corresponded to the overall UBS Manage SI E/S characteristics such as climate change, water, pollution and waste management, gender-related matters, and governance**.** The sustainable investments in your portfolio contributed to the mentioned objectives by investing in them. They also supported the UN Sustainable Development Goals to achieve positive environmental and social changes.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

For funds, the respective fund managers ensured that the sustainable investments did not significantly harm any environmental or social sustainable investment objectives. For single securities (if applicable) this was ensured via excluding issuers with adverse impacts.

How were the indicators for adverse impacts on sustainability factors taken into account?

Adverse impacts on sustainability factors were taken into account by integrating selected Principle Adverse Impact (PAI) indicators in UBS' investment decision making process based on data availability and alignment to UBS Manage SI sustainable objectives, in the following manner:

Funds

UBS Manage SI considered principal adverse impacts on sustainability factors via its investment in funds with sustainable investments. Investment managers of these funds provided information related to whether the fund considered PAIs on sustainability factors, including contraventions of the "UN Global Compact" principles.

Single securities (if applicable):

The consideration of principal adverse impact was based on the UBS CIO sustainability scoring methodology for issuers, where sustainability data from the best-in-class data providers was sourced and systematically processed to calculate a score for six sustainability topics: (i) Climate Change, (ii) Water, (iii) Pollution and Waste, (iv) People, (v) Governance and (vi) Products and Services . The score of a topic, ranges from zero to ten, (zero demonstrating weak performance and ten demonstrating a strong performance in a given topic). The companies that scored below the bottom 20% percentile threshold of the topics (i)-(v) were considered not to pass principal adverse impact requirements and thus were excluded from the sustainable share of portfolio. The selection of PAI indicators corresponded to the environmental and social topics on which UBS focused as part of the scoring methodology and screening process. Further details on UBS single securities methodology on the consideration of PAIs can be found www.ubs.com/DNSH

UBS continuously reviewed the sustainability data landscape and assessed the possibility to onboard further indicators.

Were sustainable investments aligned with the "OECD Guidelines for Multinational Enterprises" and the "UN Guiding Principles on Business and Human Rights"? Details:

International frameworks such as the "UN Global Compact", the "UN Guiding Principles on Business and Human Rights" as well as the "OECD Guidelines for Multinational Enterprises" address rules of environmental and social conduct for companies to act upon responsibly worldwide. UBS took these guidelines into account in its investment selection process in the following manner:

Funds

As part of the due diligence and funds selection process, companies violating the “UN Global Compact” principles who did not demonstrate credible corrective actions, have been excluded from the investment universe.

Single securities (if applicable):

UBS excluded companies with controversial business activities (i.e., weapons) as well as high severity environmental, social and governance-related incidents that may negatively impact stakeholders, the environment or the company's operations. Examples of such incidents could include bribery or damage to the environment, when the company is directly responsible for such misconducts (e.g., oil-spills).

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider Principal Adverse Impacts on sustainability factors?

PAIs on sustainability factors were taken into consideration in the sustainable investment portion of your portfolio as described above under “How were indictors for adverse impacts on sustainability factors taken into account?”.

What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is 01.01.2023 to 31.12.2023

Largest investments	Sector	% Assets	Country

The exact list of top investments in a discretionary mandate is specific to each individual portfolio. This information is provided in personalized report. In general, investment funds invest in several sectors based on the fund's purpose.

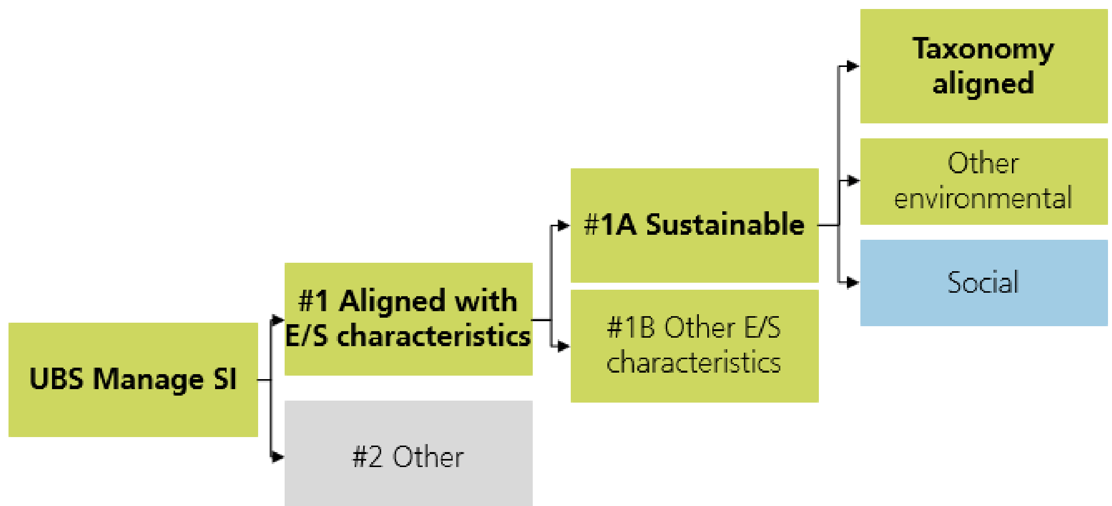
What was the proportion of sustainability-related investments?

In your portfolio, all investments (excluding liquidity) met the internal UBS SI selection criteria and were aligned with the UBS SI methodology. SFDR requires to disclose the invested proportion in pre-defined regulatory categories (see flow-chart below) including sustainability-related investments. The values below indicate aggregated data of underlying instruments (for funds, using the data disclosed by the respective fund managers).

The exact proportion of investments in below categories in a discretionary mandate are specific to each individual portfolio. This information is provided in the personalized report, which specifies the aggregated value of each proportion in the reference period.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments (e.g., liquidity, certain structured products and non-SI expressly requested instruments (ERI)) of the financial product which were neither aligned with the environmental or social characteristics, nor qualified as sustainable investments.

The category #1 Aligned with E/S characteristics covers:

- The sub-category #1A Sustainable covers environmentally and socially sustainable investments. This includes any SI-expressly requested instrument (where applicable).
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

The main part of your portfolio consisted of investment funds that invested in various sectors. All investment decisions including potential investments in traditional energy companies were taken by the respective investment fund managers. Your personalized report has specified exposure to companies active in the fossil fuel sector.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sustainable investments were not aligned with the EU Taxonomy.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Does the financial product invest in fossil gas and/or nuclear energy related that comply with the EU Taxonomy[1]?

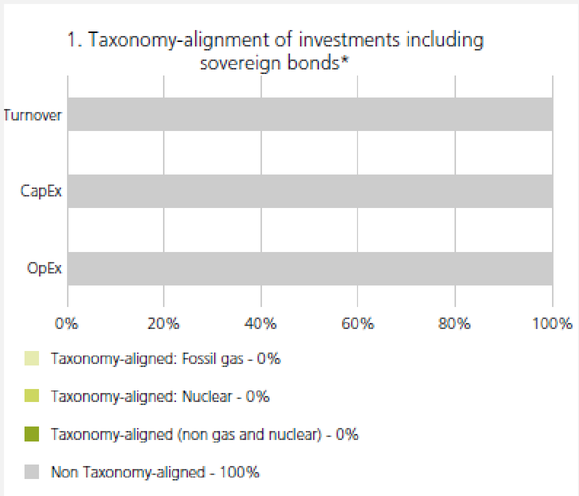
☐ Yes:

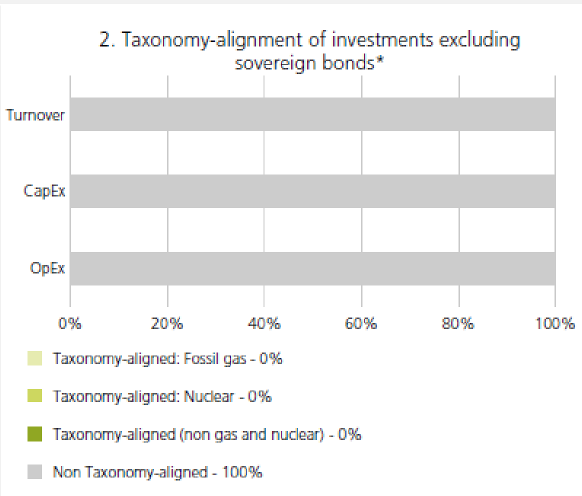
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective- see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





*For the purpose of these graphs, “sovereign bonds” consist of all sovereign exposures.

Taxonomy-aligned activities are expressed as a share of:
-**turnover** reflecting the share of revenue from green activities of investee companies today.
-**capital expenditure** (CapEx) showing the green investments made by investee

What was the share of investments made in transitional and enabling activities?

Since there were no Taxonomy-aligned investments, no shares of investments in transitional and enabling activities can be indicated.

companies, relevant for a transition to a green economy.
-**operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

The share of sustainable investments with an environmental objective (not aligned with the EU Taxonomy due to low data availability) is individual to each portfolio and will be specified in personalized report. This value is based on aggregated funds data only.

What was the share of socially sustainable investments?

The share of sustainable investments with a social objective not aligned with the EU Taxonomy is individual to each portfolio and will be specified in personalized report. This value is based on aggregated funds data only.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The investments included under the “Other” section of your portfolio consisted mainly of liquidity, cash, certain structured products and expressly requested instruments (where applicable). The primary purpose of these investments was to enhance liquidity, provide hedging opportunity, and ensure portfolio diversification.
Your portfolio was safeguarded through constant monitoring of these investments including exclusions of controversial businesses (adult entertainment, alcohol, gambling, genetically modified organisms, nuclear power, thermal coal, tobacco, weapons) and sanctioned countries from the investment universe and through fund provider’s due diligence process.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In order to meet the environmental and/or social characteristics of your portfolio, the following actions have been taken:

Funds

Fund adherence to the SI approach was checked during monitoring process. Fund managers were asked to update relevant questionnaire and to monitor any potential changes. During regular periodic meetings, the funds' results and changes in people or processes (incl. SI approach and E/S integration) were discussed, assessed, and reported. The analyst recommendation level was re-evaluated in all aspects. The E/S rating was reviewed alongside normal investment reviews. If the E/S rating of any fund deteriorated significantly, based on fund analyst recommendation, that fund became ineligible for SI portfolios and was removed from UBS SI universe. Similarly, if a fund made significant improvement in the E/S integration rating, which led to meeting the criteria for one of the SI approaches in the SI Strategic Asset Allocation (SAA) it became eligible for selection and was added to the SI investment universe.

Single securities

UBS held semi-annual updates for the SI scores of single securities, and at each update quality and accuracy of the scores were checked based on the defined SI methodology. In addition, ad hoc interim updates were performed if there were any new sever controversies that led to the exclusions of companies from the eligible SI universe. If an issuer's score fell below the defined thresholds, or if a company faced any sever controversies, the securities were sold by the portfolio managers (if they were held in the portfolio).