
Notice to Unitholders of UBS (Lux) Equity Fund (the "Fund")

The Board of Directors of the Management Company wishes to inform you of the following amendments to the Fund's Sales Prospectus, to be included in the January 2023 version:

- For the sub-funds "**UBS (Lux) Equity Fund - Emerging Markets Sustainable Leaders (USD)**", "**UBS (Lux) Equity Fund - Euro Countries Opportunity Sustainable (EUR)**", "**UBS (Lux) Equity Fund - European Opportunity Sustainable (EUR)**", "**UBS (Lux) Equity Fund - Global Sustainable Improvers (USD)**", "**UBS (Lux) Equity Fund - Global Sustainable (USD)**", "**UBS (Lux) Equity Fund - Mid Caps Europe Sustainable (EUR)**" and "**UBS (Lux) Equity Fund - US Sustainable (USD)**", the use of carbon targets for the management of the portfolio has been clarified in the new Annex - SFDR related information

"What environmental and/or social characteristics are promoted by this financial product?"

The following characteristics are promoted by the financial product:

- 2) A lower Weighted Average Carbon Intensity (WACI) than the reference benchmark or a low absolute carbon profile.

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

For characteristic 2):

Scope 1 and 2 Weighted Average Carbon Intensity (WACI):

- Scope 1 refers to direct carbon emissions and therefore includes all direct greenhouse gas emissions from owned or controlled sources of the relevant entity or issuer.

- Scope 2 refers to indirect carbon emissions and therefore includes greenhouse gas emissions from the generation of electricity, thermal energy and/or steam that is consumed by the relevant entity or issuer.

Low absolute carbon profile is defined as below 100 tonnes of CO₂ emissions per million US dollars of revenues."

The way in which the sub-funds are managed and the underlying investments have not changed.

- For the sub funds "**UBS (Lux) Equity Fund - Biotech (USD)**", "**UBS (Lux) Equity Fund - China Opportunity (USD)**", "**UBS (Lux) Equity Fund - Greater China (USD)**", "**UBS (Lux) Equity Fund - Japan (JPY)**", "**UBS (Lux) Equity Fund - Mid Caps USA (USD)**", "**UBS (Lux) Equity Fund - Small Caps USA (USD)**" the use of the UBS ESG consensus score for the management of the Portfolio has been clarified in the Investment objective and investment policy of the sub-funds as below:

~~"The Portfolio Manager utilises a~~ **UBS ESG consensus score is used** to identify **issuers/companies** for the investment universe with strong environmental and social performance characteristics, or a strong sustainability profile. This UBS ESG consensus score is a normalized weighted average of ESG score data from internal and recognised external providers. Rather than relying on an ESG score from a single provider, the consensus score approach **increases conviction in** ~~enhances the validity/plausibility~~ of the sustainability profile ~~quality~~. The UBS ESG consensus score assesses sustainability factors, such as the performance of the relevant **issuers/companies** with reference to environmental, social and governance

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(ESG) aspects. These ESG aspects relate to the main areas in which the **issuers/companies** operate and their effectiveness in managing ESG risks. Environmental and social factors can include (amongst others) the following elements: environmental footprint and operational efficiency, environmental risk management, climate change, natural resource usage, pollution and waste management, employment standards and supply chain monitoring, human capital, diversity within the board of directors, occupational health and safety, product safety, as well as anti-fraud and anti-corruption guidelines.

With respect to the sub-fund's investments the Portfolio Manager includes ESG analysis by means of the UBS ESG Consensus Score (by number of issuer) for at least (i) 90% of the securities issued by large capitalisation companies domiciled in "developed" countries and (ii) 75% of the securities issued by large capitalisation companies domiciled in "emerging" countries (by reference to the benchmark) and at least 75% for all other companies. "

The way in which the sub-funds are managed and the underlying investments have not changed.

- The Investment objective and investment policy of the sub-fund "**UBS (Lux) Equity Fund - European Opportunity Sustainable (EUR)**" has been updated to clarify that:
"These investments may be complemented by shares and equity interest of companies that are domiciled or chiefly active outside of Europe."

and further that;

"The sub-funds investment universe consist of (i) mainly stocks of companies that are domiciled or chiefly active in Europe complemented by (ii) stocks of companies that are domiciled or chiefly active outside of Europe. The two parts of the investment universe are segregated and each reduced by at least 20% whereby issuers with the lowest UBS ESG consensus score are excluded."

and that:

"The Portfolio Manager shall apply the UBS ESG consensus score assessment for at least 90% of the securities in the portfolio, excluding cash, cash equivalents and derivatives for hedging purposes."

- The portfolio management of the sub-fund "**UBS (Lux) Equity Fund – Biotech (USD)**" has been transferred from "**UBS Asset Management Switzerland AG, Zurich**" to "**UBS Asset Management (Americas) Inc. Chicago**"

The amendments shall enter into force on 11 January 2023. The amendments shall be visible in the January 2023 version of the Fund's Sales Prospectus.

Luxembourg, 11 January 2023 | The Management Company

The prospectus, the PRIIPs KID (Packaged Retail and Insurance-based Investment Products Key Information Document), the articles of association as well as the annual and semi-annual reports of the Company can be obtained or ordered free of charge from the paying agent in Switzerland, UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich and its Swiss branch offices, from the representative in Switzerland as well as on UBS Infoline (0800 899 899).

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