

UBS (Lux) Financial Bond Fund IBH USD



Fund information

Fixed income

131'228'989

Fund total net assets in EUR

| | | |
|---|---|--|
| Share class TNA, USD 17'464'599 | Share class NAV, USD 1'361.40 | Management fee p.a. ¹ 0.50% |
|---|---|--|

| | | |
|----------------------------------|----------------------------------|-----------------------------------|
| MTD (net) return 0.41% | QTD (net) return 0.41% | YTD (net) return 11.29% |
|----------------------------------|----------------------------------|-----------------------------------|

Fund details

| | |
|-------------------------|--------------|
| Investment Manager | Harald Kloos |
| Fund launch date | 05.01.2015 |
| Share class launch date | 11.06.2019 |
| Share class | IBH |
| Share class currency | USD |
| Distribution policy | Accumulating |
| Fund domicile | Luxembourg |
| ISIN | LU1160527252 |
| Benchmark | No benchmark |

Investment Policy

The fund aims to generate both income and capital growth, while seeking to preserve capital through adequate diversification. To achieve this objective the fund invests at least two-thirds of its assets in contingent capital securities and other hybrid, subordinated financial instruments issued by financial institutions. These securities are predominantly rated below investment grade. The main focus is on banks and insurance companies with solid capitalization, where the additional risk of this lower credit segment is expected to be compensated with higher returns. In order to manage risk and liquidity the fund maintains flexibility to invest across the capital structure (eg. adding senior bonds) and may use financial derivative instruments to hedge existing positions.

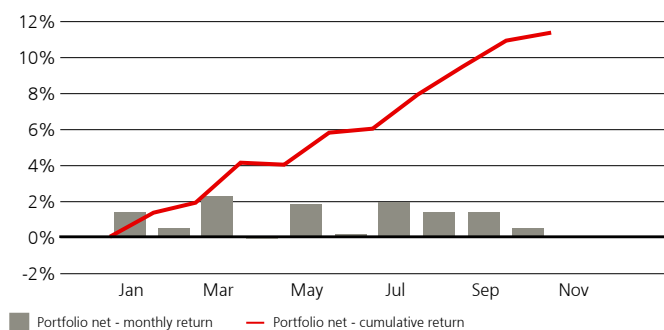
Risks

Contingent Convertible bonds (CoCos) represent an attractive investment, provided the associated risks are properly assessed. However, investors must be prepared and be in a position to accept substantial losses (see section "Risks associated with contingent capital securities" for full details).

Investing involves risk including the risk of loss of capital. Past performance does not predict future returns. Neither simulated nor historical performance is a reliable indicator for current or future performance.

Performance overview - monthly & cumulative

since 01.01.2024



Performance overview - cumulative

since 01.07.2019



Until **12.09.2019**, the Fund had different characteristics and performance was achieved under circumstances that no longer apply. Repositioning as per 12.09.2019 (Old Fund name: Credit Suisse (Lux) Contingent Capital Euro Fund).

Performance overview - monthly & YTD

since 01.01.2024, in %

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|---------------|------|------|------|-------|------|------|------|------|------|------|-----|-----|-------|
| Portfolio net | 1.34 | 0.50 | 2.25 | -0.11 | 1.74 | 0.11 | 1.85 | 1.37 | 1.32 | 0.41 | | | 11.29 |

Performance overview

in %

| | Rolling Returns | | | Annualized Returns | | |
|---------------|-----------------|----------|--------|--------------------|---------|--|
| | 1 months | 3 months | 1 year | 3 years | 5 years | |
| Portfolio net | 0.41 | 3.13 | 19.83 | 3.62 | 5.02 | |

Risk overview - ex post

in %

| | Annualized risk, in % | | |
|----------------------|-----------------------|---------|---------|
| | 1 year | 3 years | 5 years |
| Portfolio volatility | 4.42 | 10.11 | 12.57 |

¹ If the currency of a financial product and/or its costs is different from your reference currency, the return and cost may increase or decrease as a result of currency fluctuations. The individuals mentioned above only conduct regulated activities in the jurisdiction(s) where they are properly licensed, where relevant.

ESG stands for environmental (E), social (S), and governance (G).

Please find the definition of all the acronyms/terms used in this document in the Glossary. Additional important information can be found at the end of the document.

Performance overview - yearly

since 01.07.2019, in %

| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------|------|------|------|-------|------|-------|
| Portfolio net | 8.07 | 6.17 | 5.22 | -8.91 | 9.33 | 11.29 |

Until **12.09.2019**, the Fund had different characteristics and performance was achieved under circumstances that no longer apply. Repositioning as per 12.09.2019 (Old Fund name: Credit Suisse (Lux) Contingent Capital Euro Fund).

Key risk figures

| | Portfolio | | Portfolio |
|---------------------------|-----------|---------------------------------------|-----------|
| Modified duration | 3.05 | Linear weighted average credit rating | BB+ |
| Yield to worst | 7.28% | Number of securities | 77 |
| Average maturity in years | 5.13 | | |

Potential Risks

The Fund's risk and reward profile does not reflect the risk inherent in future circumstances that differ from what the Fund has experienced in the recent past. This includes the following events which are rare but can have a large impact.

- **Credit risk:** Issuers of assets held by the Fund may not pay income or repay capital when due. Part of the Fund's investments may have considerable credit risk.
- **Liquidity risk:** Assets cannot necessarily be sold at limited cost in an adequately short timeframe. Part of the Fund's investments may be prone to limited liquidity. The Fund will endeavor to mitigate this risk by various measures.
- **Counterparty risk:** Bankruptcy or insolvency of the Fund's derivative counterparties may lead to payment or delivery default. The Subfund will endeavor to mitigate this risk by the receipt of financial collateral given as guarantees.
- **Event risk:** In the case a trigger event occurs contingent capital is converted into equity or written down and thus may lose substantially in value. In addition, the Fund being predominantly exposed to financial institutions, adverse circumstances affecting this sector may cause material losses.
- **Operational risk:** Deficient processes, technical failures or catastrophic events may cause losses.
- **Political and Legal risks:** Investments are exposed to changes of rules and standards applied by a specific country. This includes restrictions on currency convertibility, the imposing of taxes or controls on transactions, the limitations of property rights or other legal risks.
- **Sustainability risks:** Sustainability risks are environmental, social or governance events or conditions that can have a material negative effect on the return, depending on the relevant sector, industry and company exposure.

The product's investment objectives, risks, charges and expenses, as well as more complete information about the product, are provided in the prospectus (or relevant offering document), which should be read carefully before investing.

Investors may lose part or all of their invested amount. The investment promoted in this marketing material concerns the acquisition of units or shares in a fund and not of any underlying assets. The underlying assets are owned by the fund only. 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.

Asset breakdown by risk country

In % of total economic exposure

| | in % | Portfolio |
|----------------|-------|-----------|
| United Kingdom | 12.85 | |
| Spain | 11.93 | |
| Germany | 10.24 | |
| France | 9.88 | |
| Netherlands | 9.66 | |
| Italy | 6.80 | |
| Switzerland | 5.50 | |
| Austria | 5.10 | |
| Sweden | 3.78 | |
| Denmark | 3.76 | |
| Ireland | 3.09 | |
| Others | 17.40 | |

Asset breakdown by risk currency (before hedging)

In % of total economic exposure

| | in % | Portfolio |
|-----|-------|-----------|
| EUR | 69.03 | |
| USD | 16.92 | |
| GBP | 11.54 | |
| CHF | 2.52 | |

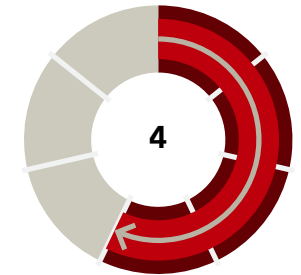
Asset breakdown by risk currency (after hedging)

In % of total economic exposure

| | in % | Portfolio |
|-----|--------|-----------|
| USD | 132.00 | |
| CHF | 0.01 | |
| GBP | -0.10 | |
| EUR | -31.90 | |

Risk profile²

PRIIP SRI



Larger values (up to 7) indicate higher risk while lower values (up to 1) indicate lower risk.

² The risk indicator assumes you keep the Product for 7 years. The actual risk can vary significantly if you redeem at an early stage and you may get back less. The Summary Risk Indicator is a guide to the level of risk of this Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the markets. Be aware of currency risk if your reference currency differs from the currency of the Product. You may receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. Investors shall note that the Product may be exposed to further risks such as operational, counterparty, political, sustainability and legal risks that are not included in the Summary Risk Indicator. This Product does not include any protection from future market performance so you could lose some or all of your investment.

Asset breakdown by combined rating

In % of total economic exposure

| | in % | Portfolio |
|---------------------------|-------|-----------|
| A+ | 4.19 | |
| A- | 1.28 | |
| BBB+ | 2.44 | |
| BBB | 5.61 | |
| BBB- | 18.90 | |
| BB+ | 22.72 | |
| BB | 20.19 | |
| BB- | 17.88 | |
| B+ | 3.08 | |
| B | 1.59 | |
| Cash and Cash Equivalents | 2.11 | |

Asset breakdown by WAL bucket

In % of total economic exposure

| | in % | Portfolio |
|----------|-------|-----------|
| < 1yr | 12.45 | |
| 1-3 yrs | 26.76 | |
| 3-5 yrs | 36.07 | |
| 5-7 yrs | 19.78 | |
| 7-10 yrs | 1.17 | |
| >15 yrs | 3.76 | |

Asset breakdown by IBOXX sector

In % of total economic exposure

| | in % | Portfolio |
|---------------------------|-------|-----------|
| Banks | 82.04 | |
| Insurance | 12.89 | |
| Financial Services | 2.96 | |
| Cash and Cash Equivalents | 2.11 | |
| Others | 0.00 | |

Asset breakdown by capital structure

In % of total economic exposure

| | in % | Portfolio |
|---------------------------|-------|-----------|
| Senior unsecured | 0.71 | |
| Tier 2 | 4.42 | |
| Add Tier 1 | 78.14 | |
| Restricted Tier 1 | 11.66 | |
| Cash and Cash Equivalents | 5.07 | |

Top 10 positions

In % of total economic exposure

| Instrument Name ³ | ISIN | Coupon p.a. | Weight |
|------------------------------------|--------------|-------------|--------|
| UBS GROUP AG PERPNC6 AT1 | CH0506668869 | 3.00% | 2.47% |
| BARCLAYS PLC | XS2492482828 | 8.88% | 2.44% |
| LLOYDS BANKING GROUP PLC | XS1043552261 | 7.88% | 2.39% |
| MITSUBISHI CORPORATION FINANCE PLC | XS2913948175 | | 2.27% |
| NATWEST GROUP PLC PERP | XS2258827034 | 5.13% | 2.22% |
| KBC GROEP NV | BE0002961424 | 8.00% | 2.15% |
| BANCO DE SABADELL SA | XS2471862040 | 9.38% | 2.02% |
| HSBC HOLDINGS PLC | XS1640903701 | 4.75% | 2.02% |
| ABANCA PERPNC5.5 | ES0865936019 | 6.00% | 1.96% |
| RABOBANK AT1 PERPNC7.5 | XS2202900424 | 4.38% | 1.94% |

Fund Statistics - ex post

| | 3 years Portfolio | 5 years Portfolio |
|------------------------|----------------------|----------------------|
| Maximum drawdown, in % | -16.84 | -19.37 |

Past performance does not predict future returns. Neither simulated nor historical performance is a reliable indicator for current or future performance.

Performance review

The fund's current yield to maturity is 5.77% with a modified duration of 2.89 years and a spread duration of 4.43 years. The fund delivered a positive gross performance in October. Positive contribution from carry and falling credit spreads for financials more than offset the negative contribution from raising interest rates in most developed nations.

Market Review

Global fixed income markets posted largely negative returns in October as investors repriced expectations of policy easing by the US Federal Reserve. Jobs data came in mostly stronger than expected, suggesting that the Fed is in no rush to cut aggressively. While the broad disinflationary trend was intact, certain readings such as core CPI and core PCE showed that the battle against inflation is not completely over. Concerns over the US fiscal policy outlook were also in focus during the run-up to the election. Yields on 5-year and 10-year US government bonds were up by 60bp and 50bp, respectively. Yields on the German 10-year Bunds and UK 10-year Gilts followed suit and traded 27bp and 44bp higher, respectively. On the credit side, US investment grade credits underperformed their European counterparts mostly due to the difference in rates movements. This was also the case for US and Euro high yield. Within emerging markets, both sovereigns and corporates were under pressure with sovereigns more affected given their longer duration.

³ This is an indicative allocation which may change over time. This product is not a direct investment the collaterals displayed above. As a result, it does not reflect the actual performance of the product either positively or negatively. The individual entities and/or instruments mentioned on this page are meant for illustration purposes only and are not intended as a solicitation or an offer to buy or sell any interest or any investment.

Key identifiers

| | |
|------------------|---------------------------------------|
| Instrument Name | UBS (Lux) Financial Bond Fund IBH USD |
| Bloomberg ticker | CLCPIBH LX |
| ISIN | LU1160527252 |
| Valor no. | 26495435 |
| Benchmark | No benchmark |

Key facts

| | |
|--------------------------------|------------------------------------|
| Fund management company | UBS Asset Management (Europe) S.A. |
| UCITS | Yes |
| SFDR Alignment ⁴ | Article 8 |
| Accounting year end | 31. October |
| Securities lending | Yes |
| Ongoing charges ⁵ | 0.81% |
| Subscription frequency | daily |
| Subscription settlement period | T + 2 |
| Redemption frequency | daily |
| Redemption settlement period | T + 2 |
| Cut-off time | 15:00 CET |
| Swinging single pricing (SSP*) | partial swing NAV |

ESG Approach

This fund promotes environmental, social and governance (ESG) characteristics (within the meaning of Art. 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector). It applies the CSAM Sustainable Investing Policy (www.credit-suisse.com/esg), including norms-based, values-based and business conduct exclusions, to combine ESG factors with traditional financial analysis to calculate a CSAM ESG signal, which serves as the basis for a bottom-up security selection process. For further information about the ESG investment criteria and the sustainability-related aspects of the fund please consider the legal and regulatory documents of the fund (such as, e.g., the prospectus) and visit www.credit-suisse.com/esg. In addition to sustainability-related aspects, the decision to invest in the fund should take into account all objectives and characteristics of the fund as described in its prospectus, or in the information which is to be disclosed to investors in accordance with applicable regulations.

Certain data points are provided for mere transparency purposes and are not linked to a specific ESG investment process. For details about the fund's ESG decision-making process, please refer to the fund's prospectus.

ESG Characteristics

| ESG Benchmark | Exclusion Criteria | ESG Integration | Active Ownership ⁶ | Sustainable Investment Objective |
|--------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

ESG Overview

According to MSCI methodology.

| | Portfolio |
|---|-----------|
| ESG Rating | AA |
| ESG Quality score | 7.67 |
| Environmental score | 7.72 |
| Social score | 4.85 |
| Governance score | 6.27 |
| Coverage for Rating/Scoring | 99.31% |
| Weighted Average Carbon Intensity (Tons of CO ₂ e/\$M sales) | 16.95 |
| Coverage for Carbon Intensity | 99.31% |

Note: The total carbon intensity figure shown in this section may be higher than the total in the breakdown graph. This is because the figure is normalized, and actual weights are inflated because of limited data coverage. For further information on the MSCI methodology for the above listed ESG data points, please refer to the glossary.

Top 10 issuers

In terms of the fund's total economic exposure. Certain data points disclosed in this table are provided for mere transparency purposes and are not linked to a specific ESG investment process. For details about the fund's ESG decision-making process, please refer to the fund's prospectus. Sources: MSCI and proprietary fixed income ESG signal

| Issuer short name ⁷ | Weight in portfolio | IBOXX sector | MSCI ESG Rating | Fixed income ESG Signal | Controversy flag | Carbon intensity (tCO ₂ e / \$M sales) |
|--------------------------------|---------------------|--------------|-----------------|-------------------------|------------------|---|
| DEUTSCHE BANK AG | 3.04% | Financials | AA | Positive | Orange | 7.00 |
| UBS GROUP AG | 2.98% | Financials | AA | Positive | Orange | 3.38 |
| BARCLAYS PLC | 2.94% | Financials | AA | Positive | Orange | 2.82 |
| HSBC HOLDINGS PLC | 2.76% | Financials | AA | Positive | Orange | 4.20 |
| COMMERZBANK AG | 2.73% | Financials | AA | Positive | Yellow | 1.20 |
| SOCIETE GENERALE SA | 2.70% | Financials | AA | Positive | Yellow | 0.92 |
| BNP PARIBAS SA | 2.68% | Financials | AA | Positive | Orange | 1.34 |
| UNICREDIT SPA | 2.68% | Financials | AA | Positive | Yellow | 4.60 |
| INTESA SANPAOLO SPA | 2.65% | Financials | AA | Positive | Yellow | 1.17 |
| COOPERATIEVE RABOBANK UA | 2.56% | Financials | A | Neutral | Orange | 2.05 |

Note: All ESG data points in the table refer to an underlying issuer as applicable (e.g., an equity issuer in case of a convertible bond). For further information on the methodology for the above listed ESG data points, please refer to the glossary.

⁴ CS Product Sustainability Classifications and SFDR Article are valid at the time of publishing and may be subject to change.

⁵ If the currency of a financial product and/or its costs is different from your reference currency, the return and cost may increase or decrease as a result of currency fluctuations.

⁶ Active Ownership is part of the fund's strategy to act in the best interests of its investors and to preserve and optimize the long-term value of their investments. To promote best practices and to ensure that the investee companies are sustainable and successful in the long term, Active Ownership is designed to influence the investee companies on two levels: first, through proxy voting, and second, through engagement. In the case of investments in other funds (Target Funds), the fund has no or only limited ability to exercise Active Ownership on the Target Fund, resp. on the Target Funds' investee companies.

⁷ This is an indicative allocation which may change over time. This product is not a direct investment the collaterals displayed above. As a result, it does not reflect the actual performance of the product either positively or negatively. The individual entities and/or instruments mentioned on this page are meant for illustration purposes only and are not intended as a solicitation or an offer to buy or sell any interest or any investment.

Asset breakdown by proprietary fixed income ESG Signal

According to proprietary methodology in % of fund total economic exposure from fixed income investments.

| | in % | Portfolio |
|----------|-------|-----------|
| Positive | 70.38 | |
| Neutral | 25.93 | |
| Negative | - | |

Note: Exposure to fixed income investments represents 96.30% of portfolio weight for this share class. According to the fund contract, the asset manager's ESG integration approach applies proprietary ESG signals. For further information on the fixed income ESG Signal, please refer to the glossary.

Asset breakdown by ESG controversy flag

In % of fund total economic exposure to investee companies. Source: MSCI

| | in % | Portfolio |
|--------|-------|-----------|
| Green | 36.48 | |
| Yellow | 28.40 | |
| Orange | 31.42 | |
| Red | - | |

Note: Exposure to investee companies represents 96.30% of portfolio weight for this share class. MSCI only provides data on ESG controversies for corporate issuers. Any remaining instruments (e.g., government bonds) are excluded from this breakdown. For further information on MSCI's ESG controversy flag methodology, please refer to the glossary.

Asset breakdown by ESG rating

In % of total economic exposure. Source: MSCI ESG rating

| | in % | Portfolio |
|-------------|-------|-----------|
| AAA | 11.70 | |
| AA | 58.67 | |
| A | 24.11 | |
| BBB | 4.82 | |
| BB | - | |
| B | - | |
| CCC | - | |
| Not ratable | 0.69 | |

Note: For further information on MSCI's ESG rating methodology and the difference between categories "not ratable" and "no data coverage", please refer to the glossary.

Carbon emission intensity contribution by IBOXX sector

Tons of CO2 equivalent emission intensity (GHG scopes 1 & 2) per \$m sales, by IBOXX sector split. Source: MSCI

| | Portfolio | Portfolio |
|--------------------|--------------|-----------|
| Insurance | 13.58 | |
| Banks | 1.78 | |
| Financial Services | 1.47 | |
| Total | 16.83 | |

Note: Security weighted data coverage is 99.31% for the portfolio. The total shown in this section may be lower than the one in the 'ESG Overview' section. This is because the figures in this breakdown are not normalized and use the actual weights. For further information on the Carbon emission intensity, please refer to the glossary.

Glossary

| | |
|--|---|
| Accumulating | Indicates a regular reinvestment of the dividends received in the portfolio itself |
| Annualized risk | Annualized risk is a statistic, which is used to measure the risk of a fund by describing the range of returns, which were achieved in the observation period are most likely to be achieved. Greater volatility implies greater risk. |
| Annualized return | A measure of how much an investment has increased on average each year during a specific period. |
| Bottom-up | An investment approach that focuses on the analysis of individual stocks and de-emphasizes the macroeconomic environment. |
| Carbon emission intensity | The weighted average emissions intensity, which is provided by MSCI ESG, divides the Scopes 1 & 2 emissions in tons of CO ₂ -equivalent by million \$ sales. Intensities are broken down by IBOXX sector and are security weighted. |
| ESG aware | This product undertakes investments that explicitly assess and integrate the sustainability characteristics of companies in the investment process. |
| ESG benchmark | A ticked 'ESG benchmark' box reflects that the ESG section in this document compares the ESG performance of the portfolio with an ESG index. In case the box is not ticked, this means that the ESG section in this document compares the ESG performance of the portfolio with a non-ESG index or that no comparison is performed due to a lack of a recognized benchmark. The investor shall read the legal documentation of the Fund to understand how the benchmark is used. In any case, a ticked 'ESG benchmark' box does not mean that the ESG benchmark is used to attain the ESG strategy of the fund. |
| ESG Controversy Flag | ESG Controversy Flag is designed to provide timely and consistent assessments of ESG controversies involving publicly traded companies and fixed income issuers. A controversy case is typically a one-off event such as an environmental oil spill, an accident, or allegations such as safety issues in a production facility. Controversy flags can be red, orange, yellow or green. Red indicates that a company is involved in one or more very severe controversies. Orange indicates that a company has been involved in one or more recent severe structural controversies that are ongoing. Yellow indicates that the company is involved in severe-to-moderate level controversies. Green indicates that the company is not involved in any major controversies. For further information on the methodology, please refer to www.msci.com/esg-investing . |
| ESG Quality score | The ESG Quality score, based on MSCI ESG scores of underlyings, is measured on a scale from 0 (very poor) to 10 (very good). It does not correspond directly to the underlying Environment, Social and Governance Pillar scores. The Pillar scores are derived on an absolute basis, while the portfolio ESG Quality score is adjusted by MSCI to reflect the industry-specific level of ESG risk exposure. As Pillar scores are absolute, and the portfolio ESG Quality score is relative, the first cannot be averaged to derive the latter. The coverage rate is security weighted. |
| Issuer ESG Rating | Company and Government ESG Ratings, which are provided by MSCI ESG, are measured on a scale from AAA (highest rating) to CCC (lowest rating). Company ESG Ratings are based on the issuer's exposure to industry specific ESG risks and its ability to mitigate those risks relative to peers. Company ESG Ratings are calculated on an industry relative basis while the underlying individual E, S and G Ratings are absolute. Hence, the ESG Rating cannot be seen as an average of the individual E, S and G Ratings. Government ESG Ratings identify a country's exposure to and management of ESG risk factors and explain how these factors might impact the long-term sustainability of its economy. They are derived from 0-10 scores on underlying factors in the E, S and G pillars. For further information on the MSCI methodology, please refer to www.msci.com/esg-investing . |
| Ex post | Refers to metrics based on historical data |
| Greenhouse gas (GHG) emissions | Scope 1 emissions are generated by a company directly from owned or controlled sources such as the burning of fuels (stationary or mobile), industrial processes, etc. Scope 2 emissions are indirect emissions, primarily those associated with the electricity consumed by a company. Scope 3 emissions are all other indirect emissions associated with a company's operations, such as business travel, waste generated, and products both upstream (in the supply chain) and downstream (use of the products and end of life). Scope 3 emissions typically account for the largest proportion of a company's emissions. |
| Maximum drawdown | Represents the worst possible result (in percentage terms) that occurred during the period being analyzed. |
| MTD | Month-to-date |
| MSCI | MSCI refers to the external data provider MSCI ESG Research LLC and/or its affiliates. |
| MSCI ESG Methodology | For further information on the methodology applied to assess the ESG characteristics of the investments, please refer to www.msci.com/esg-investing . |
| NAV | Net Asset Value |
| Not ratable / No data coverage | Where MSCI considers an asset type for ESG analysis but data on an economic exposure is unavailable due to a lack of data from the data vendor, the investment falls under the category "No data coverage". Where MSCI considers an asset type out of scope for ESG analysis (e.g. Cash, Currency), the economic exposure falls under the category "Not ratable". For further information regarding excluded asset types, please refer to www.msci.com/esg-investing . |
| Ongoing Charges | The calculation of the ongoing charge is based on the Committee of European Securities Regulators/10-674 Directive. For a maximum of 12 months from fund fiscal year end and since inception, the ongoing charges figure is based on estimated expenses. After that, the ongoing charges correspond to the TER of the last annual report. It excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling shares/units in another collective investment undertaking. |
| Portfolio ESG Rating | Discrepancies may exist between the portfolio-level ESG Rating calculated by UBS applying the MSCI methodology (provided in this factsheet) and the ESG Ratings displayed by other providers (e.g., MSCI ESG fund ratings). There are three main reasons for these potential deviations: (1) UBS uses updated month-end holdings data as basis for its calculation, (2) UBS consistently uses underlying issuer data where applicable (e.g., equity issuer in case of a convertible bond), and (3) look-through approach for target funds applied by UBS. The coverage rate is security weighted. For further information on the MSCI methodology, please refer to www.msci.com/esg-investing . |
| Proprietary fixed income ESG Signal | For risk management purposes, the investment manager integrates ESG factors into the security analysis to develop a proprietary waterfall combining ESG ratings of multiple data providers. External data sources considered are Lucror, MSCI, Sustainalytics, Inrate, Clarity AI and Refinitiv. The rating can yield a "positive", "neutral" or "negative" ESG signal. Where the external providers do not make the necessary data on the issuer available, the ESG signal cannot be computed, and these investments fall into the category "not rated". The proprietary methodology applied by the investment manager is not subject to third party assurance. |
| QTD | Quarter-to-date |
| Rating | A measure of creditworthiness of a financial instrument (e.g. bond) or their issuer (e.g. corporate or sovereign). They are published by credit rating agencies and can be combined into a single representative metric. |
| Sustainable Finance Disclosure Regulation (SFDR) | 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 |
| Swing Pricing | A method used to calculate the net asset values of investment funds. Which allows transaction costs arising from subscriptions made by incoming investors and redemptions made by outgoing investors to be borne by the incoming and outgoing investors, rather than existing investors. |
| Sustainable investment objective | Where the 'sustainable investment objective' box is ticked, this means that the product implements our investment strategies that allocate capital into companies that offer solutions to society's challenges and meet a sustainable investment objective. The sustainable investment objective is achieved through a dedicated investment process focusing on investments in themes and sectors whose economic activities address specific ESG challenges. An unticked box reflects that the product does not aim to meet a sustainable investment objective. |
| TNA | Total Net Assets |
| WAL | Weighted Average Life: the average length of time that each unit of unpaid principal is expected to remain outstanding. |
| YTD | Year-to-date |

Warning statements

| | |
|----------------------------------|--|
| Asset breakdown | Indicative allocation may change over time. All holdings are shown strictly for information purposes only and do not constitute investment recommendations of UBS. Please note that this does not constitute an offer or a solicitation to buy or sell any interest or any investment. |
| Swinging Single Pricing | For more details, please refer to the relevant chapter "Net Asset Value" of the fund's prospectus |
| Performance start date | Performance calculation and presentation start with the first full month of an invested strategy. This can lead to a difference in launch and performance start dates. |
| PRIIP SRI | The Summary Risk Indicator is a guide to the level of risk of this Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the markets. |
| Yield to maturity/Yield to worst | The shown yield to maturity/yield to worst is calculated as of 31.10.2024 and does not take into account costs, changes in the portfolio, market fluctuations and potential defaults. The yield to maturity / yield to worst is an indication only and is subject to change. |

Risks associated with contingent capital securities

Potential capital loss: If the capital ratio of an issuing bank drops below a predetermined trigger, the CoCo bond will automatically be converted into equity or its nominal value will be written down in full or in part. In the event of a conversion to equity, investors may have to purchase the shares at a much lower price than when the CoCo bond was purchased. In the event of a writedown of the nominal value, investors may suffer the complete loss of their invested capital.

Forced conversion or writedown by the regulator: The regulatory authority may, at its own discretion, trigger a mandatory conversion or mandatory writedown even if the capital ratio is above the trigger level. The potential influence of the regulator introduces an additional uncertainty for investors in terms of the exact timing of the conversion or writedown of the CoCo bond.

High default risk: CoCos are subordinated bonds mostly with a noninvestment grade rating. A security of this type carries a higher default risk than a senior bond even if both are issued by the same issuer.

Full or partial coupon cancellation: Annual coupon payments on AT1 CoCos are discretionary, i.e. the bank may under certain conditions suspend interest payments in full or in part. This may lead to a partial or full cancellation of the coupon.

Liquidity risk: CoCos might exhibit low liquidity, particularly during stress phases. This can have negative implications for the fund, particularly if redemptions require securities to be sold during periods when demand is insufficient and the fund is consequently forced to sell at a significant discount.

Concentration on few securities: The fund invests in roughly 70 selected securities, thereby accepting a certain degree of concentration risk. If one of the securities defaults, investors may correspondingly suffer a relatively large loss.

High sector specific concentration risk: The fund focuses on issuers from the financial sector. This leads to a concentrated risk within a single sector, with the fund exposed to elevated systematic risks as a result. A high correlation may emerge among individual CoCos in the event of a new bank crisis, with the risk that the valuation of many CoCos may thus come under significant pressure and result in a substantial capital loss to investors.

Call risk: Future changes in legislation could lead to issuers no longer being able to count their CoCo bonds toward regulatory equity and consequently calling them early.

Risk of a rating downgrade: Since the fund invests mostly in noninvestment grade securities, it is subject to a higher risk of a rating downgrade and to an elevated default risk compared to investments in investment grade bonds.

Unrated bonds: Unrated bonds do not carry a rating from an independent rating agency. The fund may invest in unrated bonds.

For marketing and information purposes by UBS.

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Arrangements for marketing fund units mentioned in this document may be terminated at the initiative of the management company of the fund(s).

Before investing in a product please read the latest prospectus and key information document carefully and thoroughly.

Any decision to invest should take into account all the characteristics or objectives of the fund as described in its prospectus, or similar legal documentation. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. The information and opinions contained in this document have been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith, but is not guaranteed as being accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the document. Members of the UBS Group may have a position in and may make a purchase and / or sale of any of the securities or other financial instruments mentioned in this document. Units of UBS Group funds mentioned herein may not be eligible for sale in all jurisdictions or to certain categories of investors and may not be offered, sold or delivered in the United States. The information mentioned herein is not intended to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. Past performance is not a reliable indicator of future results. The calculated performance takes all costs on the fund level into consideration (ongoing costs). The entry and exit costs, which would have a negative impact on the performance, are not taken into consideration. If whole 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.

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