

## UBS Short Duration High Yield Sustainable Bond Fund USD (EUR hedged) I-A3-qdist Fund Fact Sheet

UBS Bond Funds > UBS High Yield Funds

### Fund description

- The actively managed fund invests in a diversified portfolio of high-yield bonds with short durations and low ratings.

Please see additional important information on page 6.

Name of fund	<b>UBS (Lux) Bond SICAV - Short Duration High Yield Sustainable (USD)</b>
Share class	UBS (Lux) Bond SICAV - Short Duration High Yield Sustainable (USD) (EUR hedged) I-A3-qdist
ISIN	LU2095324419
Securities no.	51 587 918
Bloomberg	UBYSUHI LX
Currency of fund / share class	USD/EUR
Launch date	21.01.2020
Issue/redemption	daily
Swing pricing	yes
Accounting year end	31 May
Benchmark	No representative reference index is available
Theoretical yield to maturity (gross) <sup>1</sup>	8.58%
Theoretical yield to worst (net) <sup>2</sup>	8.03%
Average rating	BB-
Option Adjusted Duration	1.62
Average remaining maturity (years)	1.97
Distribution	quarterly
Last distribution 20.09.2023	EUR 1.38
Management fee p.a.	0.420%
Flat fee p.a.	0.53%
Name of the Management Company	UBS Fund Management (Luxembourg) S.A., Luxembourg
Fund domicile	Luxembourg
SFDR Classification	Art.8

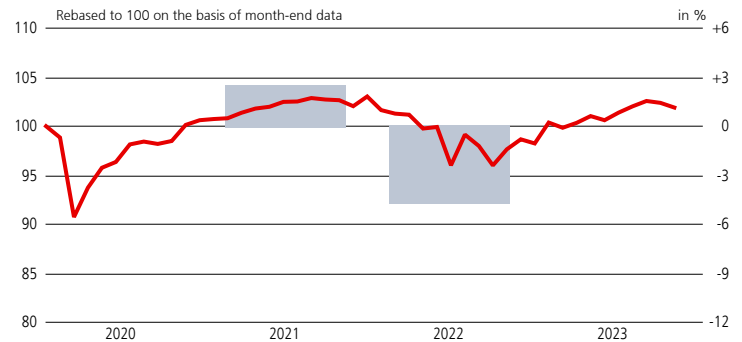
<sup>1</sup> The theoretical yield to maturity, refers to the fixed-income part of the portfolio.

<sup>2</sup> yield to maturity before currency hedging

### Fund Statistics

Net asset value (EUR, 31.10.2023)	86.93
Last 12 months (EUR) – high	90.29
– low	86.58
Total fund assets (EUR m)	473.93
Share class assets (EUR m)	198.72

### Performance (basis EUR, net of fees)<sup>1</sup>



— Fund performance net of fees (left-hand scale)

■ Fund performance per year in % net of fees (right-hand scale)

Past performance is not a reliable indicator of future results.

in %	2020	2021	2022	2023	Oct. 2023	LTD <sup>3</sup>	Ø p.a. 3 years	Ø p.a. 5 years
Fund (EUR)	n.a.	2.40	-4.65	3.73	-0.47	1.15	1.14	n.a.

The performance shown does not take account of any commissions, entry or exit charges.

<sup>1</sup> These figures refer to the past. **If the currency of a financial product, financial service or its costs is different from your reference currency, the return and/or costs can increase or decrease as a result of currency fluctuations.** Source for all data and chart (if not indicated otherwise): UBS Asset Management.

<sup>2</sup> YTD: year-to-date (since beginning of the year)

<sup>3</sup> LTD: launch-to-date

Name changed on 30.11.2019: from UBS (Lux) Bond SICAV - Short Duration High Yield (USD) to UBS (Lux) Bond SICAV - Short Duration High Yield Sustainable (USD)

in %	05.2023	06.2023	07.2023	08.2023	09.2023	10.2023
Fund (EUR)	-0.42	0.77	0.63	0.54	-0.19	-0.47

### Key Figures

	2 years	3 years	5 years
Volatility <sup>1</sup>			
– Fund	5.03%	4.22%	n.a.
Sharpe ratio	-0.33	0.11	n.a.
Risk free rate	1.29%	0.69%	n.a.

<sup>1</sup> Annualised standard deviation

### For more information

UBS Fund Infoline: 0800 899 899

Internet: [www.ubs.com/funds](http://www.ubs.com/funds)

Contact your client advisor

### Portfolio management representatives

Matthew Iannucci

Anders Nelson

Robert Martin

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## Credit quality (%)

	Fund
BBB+	0.0
BBB-	8.3
BB+	8.6
BB	17.4
BB-	23.3
B+	16.1
B	11.3
B-	7.7
CCC-	4.7
Others	2.7

## Structure of maturities (%)

	Fund
Until 1 year	15.6
1-3 years	68.1
3-5 years	16.3
5-7 years	0.0

## Benefits

Investors benefit from exposure to High Yield as an asset class with an up in quality and potentially less volatile risk/return profile compared to a full maturity High Yield strategy. Integrating material sustainability criteria into credit research alongside financial analysis enhances our credit research and helps us make better informed investment decisions as well as providing a more holistic risk assessment. Credit risk is managed both by an experienced team drawing on fundamental credit research, and by diversifying the portfolio.

## Additional information

- The fund provides investors exposure to the high yield sector with an up in quality and potentially less volatile risk/return profile compared to a full maturity High Yield strategy.
- UBS Asset Management categorizes this fund as a Sustainability Focus fund. The fund promotes environmental and/or social characteristics.
- This sub-fund promotes environmental and/or social characteristics but does not have a sustainable investment objective.
- The portfolio manager is not tied to the benchmark in terms of investment selection or weight.
- The exchange rate risk between USD and EUR is largely hedged.
- This share class (qdist) may make quarterly distributions. There are potential negative tax consequences for investors in some jurisdictions. See risk section below.

## 5 largest positions (%)

	Fund
CSC Holdings	3.3
OneMain Holdings Inc	3.3
Navient LLC	2.3
Jaguar Land Rover Automotive	2.1
Travel + Leisure Co	2.1

## Sector exposure (%)

	Fund
Industrials	83.0
Financial Services	12.7
Cash	2.6
Utility	1.7
Others	0.1

## Risks

Depending on the credit quality, the default risk is higher for high yield bonds than investment grade corporate and government bonds. Changes in interest rates affect the value of the portfolio which requires corresponding risk tolerance and capacity. All investments are subject to market fluctuations. Every fund has specific risks, which can significantly increase under unusual market conditions. The fund can use derivatives, which may result in additional risks (particularly counterparty risk).

All investments are subject to market fluctuations. Every fund has specific risks, which can significantly increase under unusual market conditions. Please consult your client advisor for more information on the investment risks of this product. This share class (qdist) may make quarterly distributions. There are potential negative tax consequences for investors in some jurisdictions.

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Please note that additional fees (e.g. entry or exit fees) may be charged. Please refer to your financial adviser for more details. Investors should read the Key Information Document, Prospectus and any applicable local offering document prior to investing and to get complete information of the risks. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. For a definition of financial terms refer to the glossary available at [www.ubs.com/am-glossary](http://www.ubs.com/am-glossary).

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# UBS Short Duration High Yield Sustainable Bond Fund USD – ESG Report

## ESG Performance

The fund seeks to select companies that focus on environmental, social, and/or governance topics. The following illustrations show the fund’s performance against sustainability criteria that are either explicitly part of the fund’s ESG objectives or are included in the investment process.

### UBS AM sustainability approaches applied

- |   |   |  |
|---|---|--|
| <input checked="" type="checkbox"/> Exclusion | <input checked="" type="checkbox"/> ESG Integration | <input checked="" type="checkbox"/> SI Focus   |
| <input type="checkbox"/> Impact               | <input type="checkbox"/> Voting                     | <input checked="" type="checkbox"/> Engagement |

### ESG details of the top 10 fixed income positions

(in % of fund AuM)<sup>1,2</sup>

Holding	Weight	ESG Score
CSC Holdings LLC	3.3	3.5
OneMain Finance Corp	3.3	7.5
Navient Corp	2.3	3.6
Jaguar Land Rover Automotive PLC	2.1	3.9
Travel + Leisure Co	2.1	6.0
American Airlines Inc/AAdvantage Loyalty IP Ltd	2.0	5.4
Ardagh Packaging Finance PLC / Ardagh Holdings USA	2.0	4.2
United States Treasury Bill	2.0	7.3
Tenet Healthcare Corp	1.9	3.8
Ford Motor Credit Co LLC	1.9	5.4

<sup>1</sup> This is not a recommendation to buy or sell any security

<sup>2</sup> AuM = Assets under Management

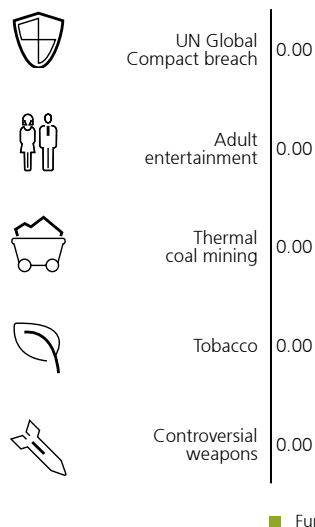
### UBS ESG Consensus Score (Holding-weighted average (0-10))



**5.2**  
Fund

### Controversy check

(in % of fund AuM)<sup>1,2</sup>



<sup>1</sup> The fund excludes issuers identified as violating the UN Global Compact principles without credible corrective action

<sup>2</sup> AuM = Assets under Management

Sources: Fund holding data: UBS Asset Management; MSCI ESG Research

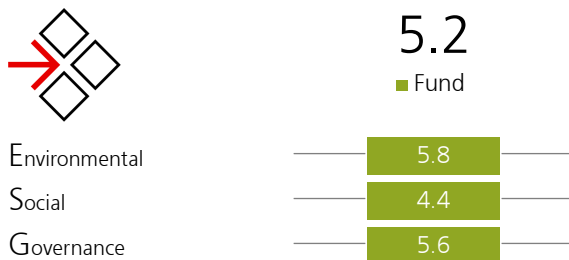
# UBS Short Duration High Yield Sustainable Bond Fund USD – ESG Report

## ESG Transparency

This page provides transparency on key sustainability metrics that may be of interest to investors but are not part of the fund's investment process. The following metrics inform investors more broadly on their exposure to selected ESG topics.

### MSCI ESG Scores

Holding-weighted average (0-10)



### External fund ratings<sup>1</sup>



### Weighted average carbon intensity

(tCO<sub>2</sub> equivalents per USD million in sales)



### Carbon footprint

(tCO<sub>2</sub> per USD million invested)



### Glossary

**ESG** is an abbreviation for Environmental, Social and Governance (factors). These factors are used to evaluate companies and countries on how advanced they are with respect to sustainability. Once sufficient data on these factors are available, they can be used to assess and compare assets and also to inform the investment process when deciding what assets to buy, hold or sell.

#### UBS AM sustainability approaches applied

**Exclusion:** Strategies that exclude securities from funds where they are not aligned to an investor's values. Includes customized screening criteria.

**ESG Integration:** Strategies that integrate environmental, social and governance (ESG) factors into fundamental financial analysis to improve risk/return profile.

**SI Focus:** Strategies where sustainability is an explicit part of the investment guidelines, universe, selection and/or investment process

**Impact:** Strategies where the intention is to generate measurable environmental and/or social benefits ("impact") alongside the financial return.

**Voting:** Exercising shareholder rights by proxy voting on resolutions.

**Engagement:** (Pro-) actively entering in a dialogue with companies to influence material ESG topics.

**ESG Score (UBS ESG Consensus Score):** The UBS ESG Consensus Score is based on UBS-internal and independent external ESG data sources. The UBS ESG Consensus Score is

industry-adjusted and is measured on a scale from 0 (lowest/worst score) to 10 (highest/best score).

**Controversy check:** Controversial Business Involvement exposure is the exposure to companies with a revenue share exceeding a certain threshold of the respective field (production). Link to our exclusion policy for more details: -> [www.ubs.com/si-exclusion-policy](http://www.ubs.com/si-exclusion-policy)

**MSCI ESG scores** are provided by MSCI ESG Research and are measured on a scale from 0 (lowest/worst score) to 10 (highest/best score). The score is based on the underlying company's exposure to industry-specific ESG risks and their ability to mitigate those risks relative to their peers. ESG scores are also shown a breakdown of the E, S and G scores, in reference to the different components that are considered for the Environmental, Social and Government pillars. The components are also rated on a scale of 0-10. Based on the individual E, S and G values, a weighted average can be calculated. This is dynamic and takes into account the direct changes of all underlying results, which affect the individual E, S and G values. The ESG Score measures the most financially significant environmental, social and governance risks and opportunities of companies. In addition, sectoral differences are taken into account through key industry specific ESG issues. This makes the ESG score a rather static measure, as the relative valuation of a sector remains constant over a longer period of time.

**MSCI ESG Fund Ratings\*\*** are designed to measure the Environmental, Social and Governance (ESG) characteristics of a fund's underlying holdings, making it possible to rank or

# UBS Short Duration High Yield Sustainable Bond Fund USD – ESG Report

screen mutual funds and ETFs on a AAA to CCC ratings scale. MSCI leverage MSCI ESG Ratings for over 10,500 companies (19,500 total issuers including subsidiaries) and more than 760,000 equity and fixed-income securities globally to create ESG scores and metrics for approximately 56,000 multi-asset class Mutual funds and ETFs globally (as of January 17, 2022).

\* MSCI ESG Research LLC's ("MSCI ESG") fund metrics and ratings (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 56,000 multi-asset class Mutual funds and ETFs globally (as of January 17, 2022). MSCI ESG is a Registered Investment Adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

**Weighted Average Carbon Intensity (tons CO<sub>2</sub>e /USDm sales):** The Weighted Average Carbon Intensity (WACI) measures a fund's exposure to carbon-intensive companies. The WACI metric provides insight into potential risks related to the transition to a lower-carbon economy because companies with higher carbon intensity are likely to face more exposure to carbon related market and regulatory risks. This metric is applicable across asset classes, including fixed income, as it's not based on equity ownership basis. It's the sum product of the fund weights and individual carbon intensities (carbon emissions scope 1+2 / USDm sales).  
Data provider: MSCI ESG Research

**Carbon Footprint (tons CO<sub>2</sub>e / USDm invested):** Expresses the greenhouse gas footprint of an investment sum. The

Sources: Fund holding data: UBS Asset Management; MSCI ESG Research

carbon emissions scope 1 and 2 are allocated to investors based on an enterprise value (with inclusion of cash) ownership approach and normalized by the current fund value. The Carbon Footprint is a normalized measure of a fund's contribution to climate change that enables comparison with a benchmark, between funds and between individual investments. Metric is Total Carbon Emissions expressed as per currency invested.  
Data provider: MSCI ESG Research

## Use of derivatives / fund of fund investments

Derivatives and fund of fund investments used in the fund are treated on a lookthrough basis, whereby the economic exposures to the underlying basket of securities is treated as an actual investment in the individual securities that make up this basket. This might in the case of broad market derivatives or fund of fund investments lead to minimal exposures to securities that are excluded from direct investments.

## Aggregation of ESG/Carbon data

ESG scores of holdings in the fund and the reference index are aggregated using their respective individual weights and ESG scores (sum product).

## Active ESG

Benchmark selection is driven by portfolio implementation considerations, in particular to closely reflect the financial objectives of the fund. For actively managed strategies, generally a traditional benchmark is selected to provide a broad investment universe to which active management is applied. This enables an assessment of the magnitude of ESG improvements against the traditional benchmark, and allows the costs and benefits of investing sustainably to be assessed.

## Important information about sustainable investing strategies

Sustainable investing strategies aim to consider and incorporate environmental, social and governance (ESG) factors into investment process and fund construction. Strategies across geographies and styles approach ESG analysis and incorporate the findings in a variety of ways. Incorporating ESG factors or sustainable investing considerations may inhibit UBS's ability to participate in or to advise on certain investment opportunities that otherwise would be consistent with the Client's investment objectives. The returns on a fund consisting primarily of sustainable investments may be lower or higher than funds where ESG factors, exclusions, or other sustainability issues are not considered by UBS, and the investment instruments available to such funds may differ. Companies, product issuers and/or manufacturers may not necessarily meet high performance standards on all aspects of ESG or sustainable investing issues.

## Reconciliation of Assets under Management (AuM)

This report does not contain reconciled AuM positions, it only takes in consideration positions with settlement date as of report date. This means that traded but not settled positions are not included. Therefore, AuM figures in this report may differ from other UBS reports produced on the same date.

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