ANNEX III

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph of Regulation (EU) 2020/852

Product name: UBS (Irl) ETF plc – S&P 500 Climate Transition ESG UCITS ETF

Legal entity identifier: 391200L92SK9497WSV13

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.

Sustainable investment objective

Does this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective:** 20 %	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___ % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___ %	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

What is the sustainable investment objective of this financial product?

This financial product has a reduction in carbon emissions as its sustainable investment objective in view of achieving the long-term global warming objectives of the Paris Agreement. The financial product contributes to this by tracking, before expenses, the price and income performance of the S&P 500 Climate Transition Base Index (Net Return) (the "Index"). The attainment of the sustainable investment objective is measured using the following ESG characteristics respectively:

- tracks/tracking of a benchmark with a sustainability profile (ESG Score) that is higher than the Parent Index's sustainability profile
- a Carbon Intensity (1, 2) emissions indicator lower than Parent Index (MSCI)

The Reference Benchmark designated for the purpose of attaining the characteristics promoted by the financial product is the S&P 500 Climate Transition base ESG Index (Net Return).

- ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The objective is measured using the following indicators respectively:

• The MSCI ESG Score

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 MSCI ESG 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. MSCI ESG Scores are also shown as 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 MSCI ESG Score measures the most financially significant environmental, social and governance risks and opportunities of companies on the basis of the Key ESG themes. In addition, sectoral differences are taken into account through identifying key industry specific ESG issues relevant to each Key ESG Theme. This assessment of risk and opportunity makes the MSCI ESG Score a rather static measure, as the relative valuation of a sector remains constant over a longer period of time. Companies with the highest ratings are those assessed as best managing their exposures to the above mentioned Key ESG Themes and the associated issues. Each company in the product's portfolio will produce a score which will contribute to the overall MSCI ESG Score of the product's portfolio. The product's MSCI ESG Score will be higher than that of the Parent Index.

• Weighted average carbon intensity (Scope 1+2) MSCI

The weighted average carbon intensity ("WACI") measures a portfolio'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. It's the sum product of the portfolio weights and individual carbon intensities (carbon emissions scope 1+2 / USDm sales).

Please note that while the Reference Benchmark and Parent Index are provided by Standard & Poor's, the Investment Manager will rely on data provided by MSCI to calculate the MSCI ESG Score and the weighted average carbon intensity (Scope 1+2) of the financial product and the Parent Index. As a result, there might be a discrepancy between the figures disclosed by the Investment Manager and the Reference Benchmark / Parent Index provider.

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 do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

This financial product is passively managed and tracks an Index and, therefore, indicators for adverse impacts on sustainability factors are taken into account by the Index Provider as appropriate to the Index family.

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

Indicators for adverse impacts on sustainability factors are taken into account by the Index provider as appropriate to the Index family.

The indices incorporate the Sustainalytics' Global Standards Screening (GSS), screening out on a timely basis any issuers violating the international norms and standards. The basis of the GSS assessments is the United Nations (UN) Global Compact Principles.

GSS is designed to provide timely and consistent assessments of ESG controversies involving issuers. As of each rebalancing reference date, companies classified as Non-Compliant, according to Sustainalytics, are ineligible for index inclusion. Companies without Sustainalytics coverage, are also ineligible for index inclusion until they receive such coverage.

The GSS monitors company involvement in notable ESG controversies related to the company's operations and/or products, possible breaches of international norms and principles such as the UN Global Compact, Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, with respect to these norms and principles.

Furthermore, the financial product excludes investments in companies involved directly or indirectly in the following business activities: Controversial Weapons, Military Contracting, Thermal Coal, Tobacco, Oil Sands, Shale Energy, Artic Oil & Gas Exploration, Oil & Gas, Small Arms, Adult Entertainment, Alcohol, Gambling, Genetically Modified Plants and Seeds, Nuclear Power, Predatory Lending and Palm Oil.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The MSCI ESG Controversies tool monitors company involvement in notable ESG controversies related to the company's operations and/or products.

The Sustainalytics' Global Standards Screening (GSS) provides assessments of controversies concerning the negative environmental, social, and/or governance impact of a company's operations, products and services. The evaluation framework used in Sustainalytics' Global Standards Screening (GSS) is designed to monitor company involvement in notable ESG controversies related to the company's operations and/or products, possible breaches of international norms and principles such as the UN Global Compact, Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, with respect to these norms and principles.

	https://www.msci.com/documents/1296102/14524248/MSCI+ESG+Research+Controversies+Executive+Summary+Methodology+-++July+2020.pdf/b0a2bb88-2360-1728-b70e-2f0a889b6bd4

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

Yes, this financial product is passively managed and tracks an Index, indicators for adverse impacts on sustainability factors are taken into account by the Index provider as appropriate to the Index family.

The indices incorporate the Sustainalytics' Global Standards Screening (GSS), screening out on a timely basis any issuers violating the international norms and standards. The basis of the GSS assessments is the United Nations (UN) Global Compact Principles.

GSS is designed to provide timely and consistent assessments of ESG controversies involving issuers. As of each rebalancing reference date, companies classified as Non-Compliant, according to Sustainalytics, are ineligible for index inclusion. Companies without Sustainalytics coverage, are also ineligible for index inclusion until they receive such coverage.

The GSS monitors company involvement in notable ESG controversies related to the company's operations and/or products, possible breaches of international norms and principles such as the UN Global Compact, Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, with respect to these norms and principles.

Furthermore, the financial product excludes investments in companies involved directly or indirectly in the following business activities: Controversial Weapons, Military Contracting, Thermal Coal, Tobacco, Oil Sands and Small Arms.

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk

This financial product seeks the objective(s) described in this annex through Index selection and passive asset management.

This financial product is passively managed and seeks to track the performance and the ESG profile of the Index. Sustainability objectives and risks are considered as part of the Index selection process. The Index which is stated by the index provider to be screened against environmental, social or governance criteria and any methodology used by the index provider to assess sustainability objectives and risks of the constituents of the Index can be found on the website of the index provider.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The following binding element(s) of the investment strategy are used to select the investments to attain the objective sought by this financial product:

1) The MSCI ESG Score

- A sustainability profile (MSCI ESG Score) that is higher than the Parent Index's (S&P 500 Index) sustainability profile

2) Weighted average carbon intensity (Scope 1+2) MSCI

- Carbon Intensity (1 and 2) emissions indicator that is lower than Parent Index (MSCI)

The calculations do not take account of cash, derivatives, and unrated investment instruments.

The above (s) and the minimum proportion of sustainable investments are calculated at quarter end using the average of all of business days' values in the quarter.

Please note that while the Reference Benchmark and Parent Index are provided by Standard & Poor's, the Investment Manager will rely on data provided by MSCI to calculate the MSCI ESG Score and the weighted average carbon intensity (Scope 1+2) of the financial product and the Parent Index. As a result, there might be a discrepancy between the figures disclosed by the Investment Manager and the Reference Benchmark / Parent Index provider.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the policy to assess good governance practices of the investee companies?***

Assessment of good governance practices of the investee companies are performed by the index provider.

Sustainalytics assess a company's corporate governance structures, practices and behaviors along six pillars that are deemed crucial for good governance: Board Integrity & Quality, Board Structure, Remuneration, Shareholder Rights, Financial Reporting and Stakeholder Governance.

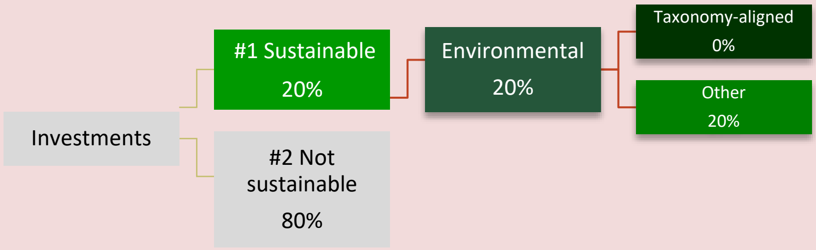
What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

The minimum proportion of the investments of the financial product used to meet the sustainable investment objective is 20%, with the exception of any investments used for hedging or relating to cash held as ancillary liquidity.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- ***operational expenditure*** *(OpEx) reflecting green operational activities of investee companies.*



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

- ***How does the use of derivatives attain the sustainable investment objective?***

The financial product tracks an ESG index and may replicate the performance of the Index by the use of derivatives. Derivatives will only be used in case that a) the investment objective cannot be achieved by investments Index components, in particular in order to reflect the performance of a currency hedge where a sub-fund replicates a currency-hedged Index, or b) to generate efficiencies in gaining exposure to the constituents of the Index, in particular where there are legal or practical obstacles to gaining direct access to a market to which the Index refers.

The financial product may namely enter into a range of index related swaps (excluding funded swaps) and derivative instruments (futures, forwards, currency swaps, p-notes, options, warrants and foreign exchange contracts) in order to replicate the Index.

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

The minimum extent that investments underlying this financial product are sustainable investments with an environmental objective aligned with the EU Taxonomy is 0%.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities 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.

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.

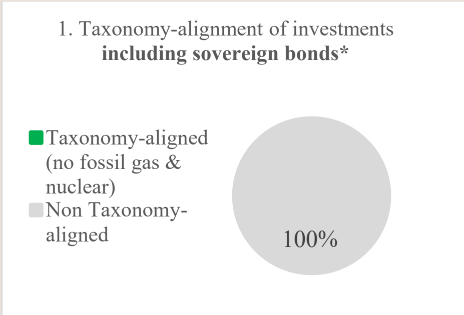
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

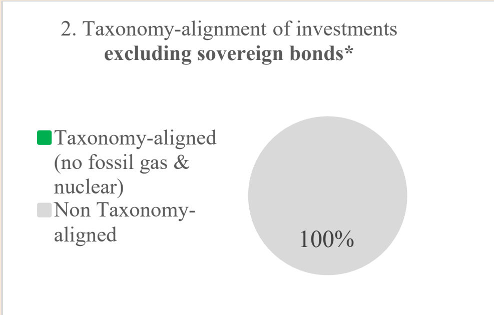
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission leels corresponding to the best performance.

are environmentally sustainable investments **that do not take into account the criteria** for environmentally sustainable economic activities under the

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

The two graphs below show in green the minimum percentage of investments that are 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*

- ***What is the minimum share of investments in transitional and enabling activities?***

Not applicable

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The financial product targets a minimum proportion of sustainable investments with an environmental objective that are not aligned with the EU taxonomy of 20%.

What is the minimum share of sustainable investments with a social objective?

The financial product targets a minimum share of socially sustainable investments greater than 0%.

What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

Included in "#2 Not sustainable" are cash, cash equivalents, money market instruments and derivatives or other instruments used for ancillary liquidity or hedging purposes.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

The Reference Benchmark designated for the purpose of attaining objectives promoted by the financial product is the S&P 500 Climate Aware Base ESG IndexTotal Return Net.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

- The financial product has initially selected the reference benchmark for its relevance to its investment strategy and the attainment of the characteristics it seeks to promote. The Index rebalances on a quarterly basis. More details on the index methodology applied by the index provider can be found below.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

The alignment of the investment strategy with the methodology of the Index is ensured on a continuous basis as the Index provider rebalances the Index on a regular basis and the Investment Manager will track the Index in line with the limits set out in the investment policy of the fund.

The financial product has initially selected the reference benchmark for its relevance to its investment strategy and the attainment of the investment objective it seeks to achieve.

The investment strategy of the fund is to track the benchmark's return and its characteristics, including ESG characteristics, as closely as reasonably possible.

- The Investment Manager reviews the Index methodology when the product is set up and the Index provider may be contacted if the Index methodology is no longer in line with the investment strategy of the financial product.

- ***How does the designated index differ from a relevant broad market index?***

- The S&P Climate Transition Base Index Series measures the performance of eligible equity securities from an underlying parent index selected and weighted to be collectively compatible with the transition to a low-carbon and climate resilient economy. The indices apply exclusions based on companies' involvement in specific business activities, violations of the principles of the United Nations' Global Compact (UNGC), and involvement in relevant ESG controversies, all outlined in *Eligibility Criteria*.

- ***Where can the methodology used for the calculation of the designated index be found?***

The methodology of the construction of the Index can be found in the section of the fund supplement entitled "Description of the Index".

www.spglobal.com/spdji.
https://supplemental.spindices.com/supplemental-data/europe
https://us.spindices.

Where can I find more product specific information online?

More product-specific information can be found on the website:

www.ubs.com/etf