

ANNEX IV

Template 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

Product name:

Legal entity identifier

UBS (Lux) Fund Solutions – Global Green
Bond ESG 1-10 UCITS ETF

5493000LBA65ZPRI5023

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?



Yes



No



It made sustainable investments with an environmental objective: ___%



It promoted Environmental/Social (E/S) characteristics and

while it did not have as its objective a sustainable investment, it had a proportion of 93.24% 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 made sustainable investments with a social objective: ___%



It promoted E/S characteristics, but did not make any sustainable investments

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.



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

● *How did the sustainability indicators perform?*

The ESG promotion characteristics are measured using the following indicators respectively:

The financial product is passively managed and tracks an Index, securities are only eligible for the Index if they meet the MSCI ESG Research Green Bond Principles. Green bonds are committed to a stated use of proceeds and there are processes for evaluating and selecting these green projects which are funded by the bond.

The classification as green bonds is based on external providers and relates to:

-Green bonds: Use of proceeds to finance projects that advance environmental objectives (e.g. renewable energy, clean transportation).

For the Bloomberg MSCI Global Green Bond 1-10 Year Sustainability Select Index (Total Return), securities are independently evaluated by MSCI ESG Research along four dimensions to determine whether they should be classified as a green bond. These eligibility criteria reflect themes articulated in the Green Bond Principles and require commitments about a bond's:

- Stated use of proceeds;
- Process for green project evaluation and selection;
- Process for management of proceeds; and
- Commitment to ongoing reporting of the environmental performance of the use of proceeds.

Issuers with relevant environmental or social revenue would origin from:

-Environmental revenues: related to alternative energy, energy efficiency, green building, pollution prevention, sustainable water, or sustainable agriculture.

● *...and compared to previous periods?*

2023 was the first period the indicators were calculated.

● *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 that the financial product partially intends to make, is to contribute to environmental characteristics the financial product promotes.

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

The financial product intends to make sustainable investment by investing at least 90% of its total net assets in securities that are constituents of the Index.

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?

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

Securities are only eligible for the Index if they meet the MSCI ESG Research Green Bond Principles. Green bonds are committed to a stated use of proceeds and there are processes for evaluating and selecting these green projects which are funded by the bond.

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

The financial product excludes investments in companies involved directly in the use, development, manufacturing, stockpiling, transfer or trade of cluster munitions and/or anti-personnel landmines, nuclear weapons, biological weapons or chemical weapons. The financial product also excludes treasury or sovereign issuers that are classified as "Not Free" by Freedom House.

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

The MSCI ESG Controversies tool 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, and performance with respect to these norms and principles.

The EU Taxonomy sets out a “do not 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 Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union 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?

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.

Further details can be found in the prospectus annex

Securities are only eligible for the Index if they meet the MSCI ESG Research Green Bond Principles.

Green bonds are committed to a stated use of proceeds and there are processes for evaluating and selecting these green projects which are funded by the bond. The issuer must clearly delineate and outline either specific projects or criteria of activities to be financed which fall into one of the six eligible environmental categories. By definition of the Green Bond Principles themselves, investment into these bonds do not cause significant harm to any environmental or social investment objective.

The financial product exclude investments in companies involved directly in the use, development, manufacturing, stockpiling, transfer or trade of cluster munitions and/or antipersonnel landmines, nuclear weapons, biological weapons or chemical weapons.



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: 2023

Largest investments	Sector	% Assets*	Country
<i>Kreditanstalt fuer Wiederaufbau</i>	<i>Finance</i>	<i>3.71</i>	<i>Germany</i>
<i>Bundesobligation</i>	<i>Government</i>	<i>3.01</i>	<i>Germany</i>
<i>United Kingdom Gilt</i>	<i>Government</i>	<i>2.94</i>	<i>United</i>
<i>Bundesrepublik Deutschland</i>	<i>Government</i>	<i>2.90</i>	<i>Germany</i>
<i>European Investment Bank</i>	<i>Government</i>	<i>2.20</i>	<i>EU</i>
<i>Iberdrola Finanzas SA</i>	<i>Utility</i>	<i>1.90</i>	<i>Spain</i>
<i>European Union</i>	<i>Government</i>	<i>1.70</i>	<i>EU</i>
<i>Airport Authority</i>	<i>Government</i>	<i>1.69</i>	<i>Hongkong</i>
<i>Italy Buoni Poliennali Del Tesoro</i>	<i>Government</i>	<i>1.66</i>	<i>Italy</i>
<i>ABN AMRO Bank NV</i>	<i>Finance</i>	<i>1.60</i>	<i>Netherlands</i>
<i>Kingdom of Belgium Government Bond</i>	<i>Government</i>	<i>1.56</i>	<i>Belgium</i>
<i>Equinix Inc</i>	<i>Finance</i>	<i>1.37</i>	<i>USA</i>
<i>Orsted AS</i>	<i>Utility</i>	<i>1.33</i>	<i>Danmark</i>
<i>Province of Ontario Canada</i>	<i>Government</i>	<i>1.32</i>	<i>Canada</i>
<i>BNP Paribas SA</i>	<i>Finance</i>	<i>1.31</i>	<i>France</i>

**Minor differences with "Schedule of Investments" might occur due to rounding and valuation differences in production systems.*



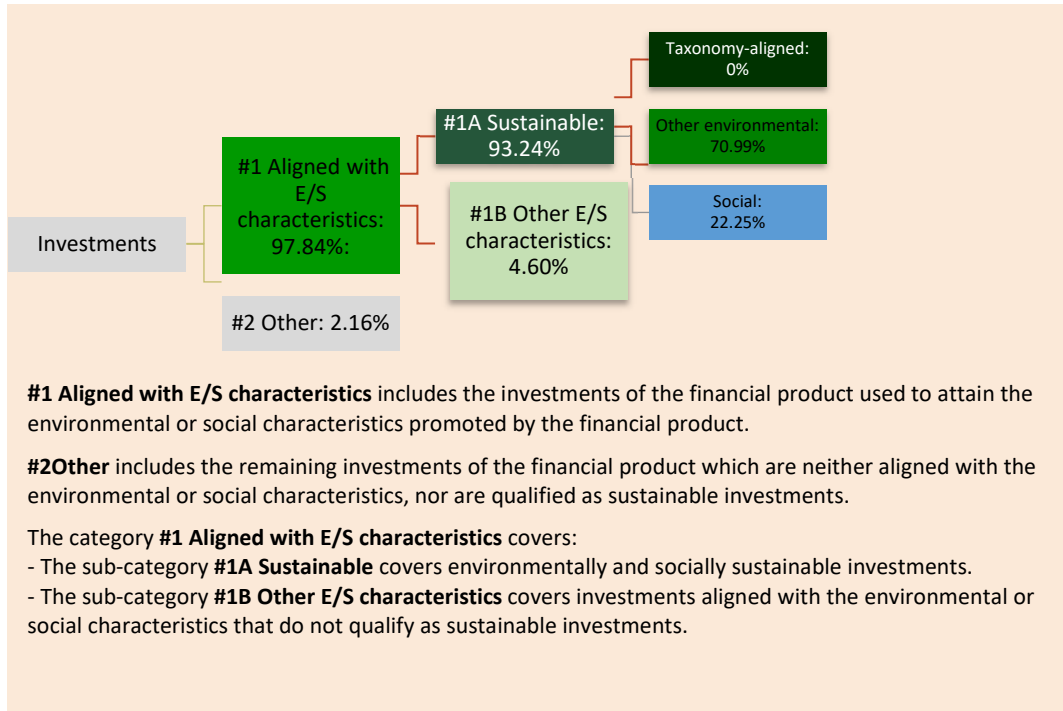
What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

As per the end of the reference period the minimum proportion of the investments used to meet the environmental and/or social characteristics promoted by the financial product was 97.84%. The minimum proportion of sustainable investments of the financial product was 93.24%.

● **What was the asset allocation?**

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 December 2023



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.

● **In which economic sectors were the investments made?**



Please refer to the section “Schedule of Investments” of the relevant sub-fund of this Annual report to review the breakdown of the economic sectors where the investments were made.

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

The financial product had 0% Taxonomy Aligned Investments.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹?**

Yes:

In fossil gas In nuclear energy

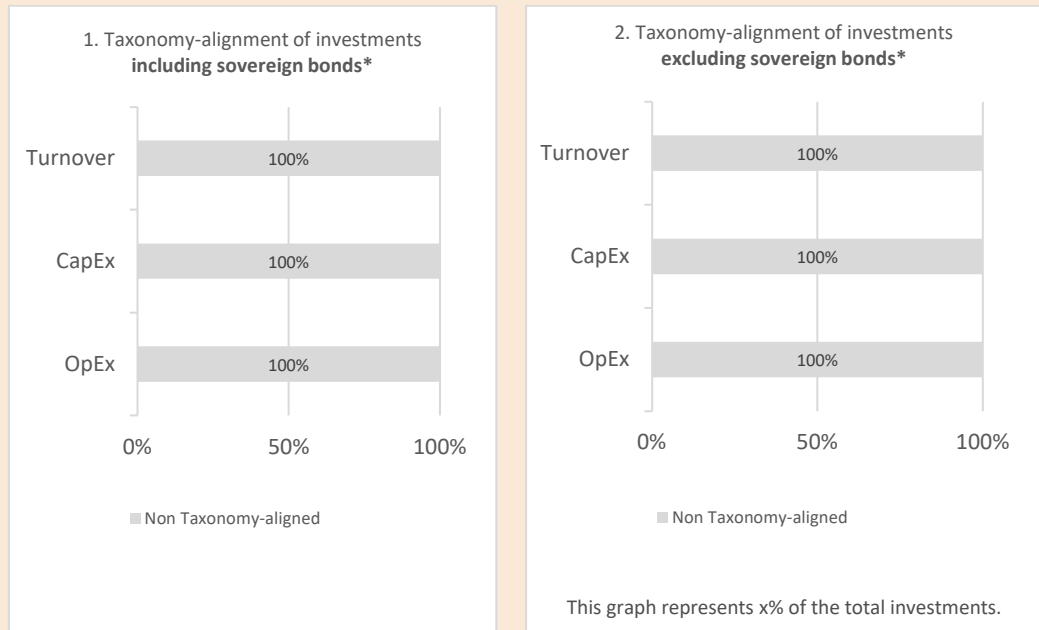
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

✘ No

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

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.

- **What was the share of investments made in transitional and enabling activities?**
There were no investments in transitional and enabling activities.
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

No change. 0% Taxonomy Aligned Investments..



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.



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

The financial product had a proportion of sustainable investment with an environmental objective not aligned with the EU Taxonomy as stated in the asset allocation section of this annex.



What was the share of socially sustainable investments?

The financial product had a proportion of socially sustainable investment as stated in the asset allocation section of this annex of 22.25%



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

Included in “#2 Other” are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



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

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 Portfolio Manager tracks the Index in line with the limits set out in the investment policy of Fund.

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 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 strategy is to replicate the index by applying stratified sampling managing the tracking error.

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



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared to the reference benchmark?

- ***How does the reference benchmark differ from a broad market index?***

The broad market index is the Bloomberg Global Aggregate Index. The Bloomberg MSCI Global Green Bond 1-10 Year Sustainability Select Index is based on the Bloomberg Global Aggregate Index. The Bloomberg MSCI Global Green Bond 1-10 Year Sustainability Select Index offers investors an objective and robust measure of the global market for fixed income securities issued to fund projects with direct environmental benefits. An independent research driven methodology is used to evaluate index-eligible green bonds to ensure they adhere to established Green Bond Principles and to classify bonds by their environmental use of proceeds. The Bloomberg MSCI Global Green Bond 1-10 Year Sustainability Select Index shall have a higher market capitalization value percentage of Green Bonds than the Bloomberg Global Aggregate Index (Parent Benchmark).

More information can be found in the annex of the prospectus.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

The ESG Score was 0.27% higher than that of the reference benchmark (Bloomberg MSCI Global Green Bond 1-10 Year Sustainability Select Index) (7.42 vs. 7.40).

- ***How did this financial product perform compared with the reference benchmark?***

The ESG Score was 0.27% higher than that of the reference benchmark (Bloomberg MSCI Global Green Bond 1-10 Year Sustainability Select Index) (7.42 vs. 7.40).

- ***How did this financial product perform compared with the broad market index?***

The ESG Score was 46.06% higher than that of the parent benchmark (Bloomberg Global Aggregate Index) (7.42 vs. 5.08)