

Multi Manager Access II - Sustainable Investing Balanced

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment. The sub-fund has indirect exposure to sustainable investments via its investments in target funds with a minimum proportion of sustainable investments.

As part of the due diligence and selection process, the Portfolio Manager checks if there are processes in place by the target funds to ensure that the sustainable investments do not cause significant harm to any environmental or social sustainable investment objective.

The sub-fund has indirect exposure to sustainable investments via its investments in target funds with a minimum proportion of sustainable investments.

As part of the due diligence and selection process, the Portfolio Manager checks if there are processes undertaken by the target funds to consider the indicators for adverse impacts on sustainability factors.

The sub-fund has indirect exposure to sustainable investments via its investments in target funds with a minimum proportion of sustainable investments.

As part of the due diligence and selection process, the Portfolio Manager checks if there are processes undertaken by the target funds to align sustainable investments with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Environmental or social characteristics of the financial product

The following characteristic(s) is/are promoted by the financial product:

The sub-fund promotes environmental and/or social characteristics such as climate change, water, pollution and waste management, and gender-related matters, by investing in target funds and/or via Dedicated Portfolios ("Investment Strategies") which promote environmental (E) and/or social (S) characteristics and/or Investment Strategies with sustainable investment or a reduction in carbon emissions as their objective.

The characteristic(s) is/are measured using the following indicator(s) respectively:

The attainment of the environmental and social characteristics promoted by the sub-fund is measured by the percentage of the sub-fund's assets (excluding investments in cash, cash equivalents and financial derivative instruments used for hedging and efficient portfolio management purposes) invested at any time in selected Investment Strategies which promote environmental (E) and/or social (S) characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or selected Investment Strategies with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

Investment strategy

A minimum of 90% of the sub-fund's assets (excluding investments in cash, cash equivalents and financial derivative instruments used for hedging and efficient portfolio management purposes) shall be invested at any time in selected Investment Strategies which promote environmental (E) and/or social (S) characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation, or selected Investment Strategies with sustainable investment or a reduction in carbon emissions as their objective in accordance with Article 9 of the Sustainable Finance Disclosure Regulation.

The sub-fund has indirect exposure to investee companies via its investments in target funds. As part of the due diligence and selection process, the Portfolio Manager conducts an assessment of the ESG intentionality of the target funds, which includes a check if the target fund has policies in place to assess the good governance practices of the investee companies.

Proportion of investments

The minimum proportion of the investments used to meet the environmental and/or social characteristics promoted by the financial product is 90%. The minimum proportion of sustainable investments of the financial product is 10%.

Derivatives are not used for the attainment of the characteristics promoted by this financial product. Derivatives are primarily used for hedging and liquidity management purposes.

Monitoring of environmental or social characteristics

The portfolio manager has data indicators and a systemic pre-trade guideline control in place to monitor the stated environmental or social characteristics promoted by the financial product, specifically the binding targets stated in the investment strategy.

Methodologies

The performance of the indicators used to measure the environmental or social characteristics promoted by the financial product are monitored daily, measured monthly and reported annually.

Data sources and processing

The data sources used to attain the stated environmental or social characteristics are as follows:

Data is consumed from leading providers, processed in accordance with defined guidelines and supplemented with analyst recommendation

Limitations to methodologies and data

A minimum coverage threshold is applied for the data sources used to attain the stated environmental or social characteristics of the financial product, these thresholds ensure that the binding targets can be monitored and measured. Accuracy of data is dependent on 3rd party data providers. Coverage of data sources can be less than 100% due to uncovered asset types, incomplete or inconsistent data and gaps in the coverage of these 3rd party providers.

Due diligence

UBS conducts in-depth due diligence that is performed on the final candidates of external fund providers before on-boarding the funds to the UBS product universe (all funds, not only SI/ESG focused funds). Based on the collected information UBS develops a view on the quality of that investment process, and ESG intentionality, including its approach to ESG integration. The view is documented in the formal due diligence report. The due diligence process includes questionnaires and interviews where investment managers are asked to provide fund-specific information on ESG factors, e.g., how ESG factors are integrated within their investment process or what the company-wide ESG efforts are.

Engagement policies

The sub-fund makes indirect investments by investing in underlying target funds and investment strategies managed by third party fund providers. As such, the sub-fund does not hold any voting rights.

Designated reference benchmark

Not applicable.