

Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

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: UBS (Lux) Bond Fund - AUD
Legal entity identifier: 549300MZNGIHBELSOR56

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.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☒ ☐ Yes

☐ It made **sustainable investments 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

☐ It made **sustainable investments with a social objective**: ____%

☒ ☐ No

☐ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments

☐ with an environmental objective in economic activities that 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 promoted E/S characteristics, but **did not make any sustainable investments**



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

A sustainability profile that is higher than its benchmark's sustainability profile or a minimum of 51% of assets invested in issuers with sustainability profiles in the top half of the UBS ESG Consensus score scale.

The extent to which the environmental and/or social characteristics promoted by this financial product is met is stated in the answer to the question "How did the sustainability indicators perform?" of this annex.

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

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The benchmark is a broad market index which does not assess or include constituents according to environmental and/or social characteristics and therefore is not intended to be consistent with the characteristics promoted by the financial product. No ESG reference benchmark has been designated for the purpose of attaining the characteristics promoted by the financial product.

The sustainability profile of the financial product is measured by its benchmark's profile and the corresponding results are calculated at least once a year from the respective monthly profiles.

● **How did the sustainability indicators perform?**

During the reference period:

- The UBS ESG consensus score of the financial product was lower than that of its benchmark.
 - UBS consensus score of the financial product: 7.22
 - UBS consensus score of the benchmark: 7.54
- 83.02% of assets were invested in issuers with a sustainability profile in the top half of the benchmark.

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

2022/2023: From 30 September 2022 onwards, the following characteristic was promoted by the financial product:

- The UBS ESG consensus score of the financial product was lower than that of its benchmark.
 - UBS consensus score of the financial product: 7.11
 - UBS consensus score of the benchmark: 7.76
- 85.56% of assets were invested in issuers with a sustainability profile in the top half of the benchmark.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not applicable.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

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

Not applicable.

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.

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

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

Not applicable.



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: 31.03.2024

Largest Investments	Sector	% Net Assets*	Country
Australia Government Bond	Countries & central governments	20,08	Australia
New South Wales Treasury Corp	Public, non-profit institutions	6,84	Australia
Treasury Corp of Victoria	Public, non-profit institutions	6,26	Australia
Suncorp-Metway Ltd	Finance & holding companies	3,40	Australia
Bendigo & Adelaide Bank Ltd	Miscellaneous unclassified companies	2,88	Australia
Tasmanian Public Finance Corp	Finance & holding companies	2,69	Australia
ING Bank Australia Ltd	Banks & credit institutions	2,64	Australia
International Bank for Reconstruction & Development	Supranational organisations	2,23	United States
CPPIB Capital Inc	Finance & holding companies	2,12	Canada
NBN Co Ltd	Telecommunications	2,03	Australia
New York Life Global Funding	Finance & holding companies	2,00	United States
Australian Capital Territory	Cantons, federal states	1,97	Australia
Commonwealth Bank of Australia	Banks & credit institutions	1,82	Australia
South Australian Government Financing Authority	Public, non-profit institutions	1,74	Australia
Inter-American Development Bank	Supranational organisations	1,48	United States

*Minor differences with “Statement of Investments in Securities” might occur due to rounding in production system

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Asset allocation describes the share of investments in specific assets.

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.

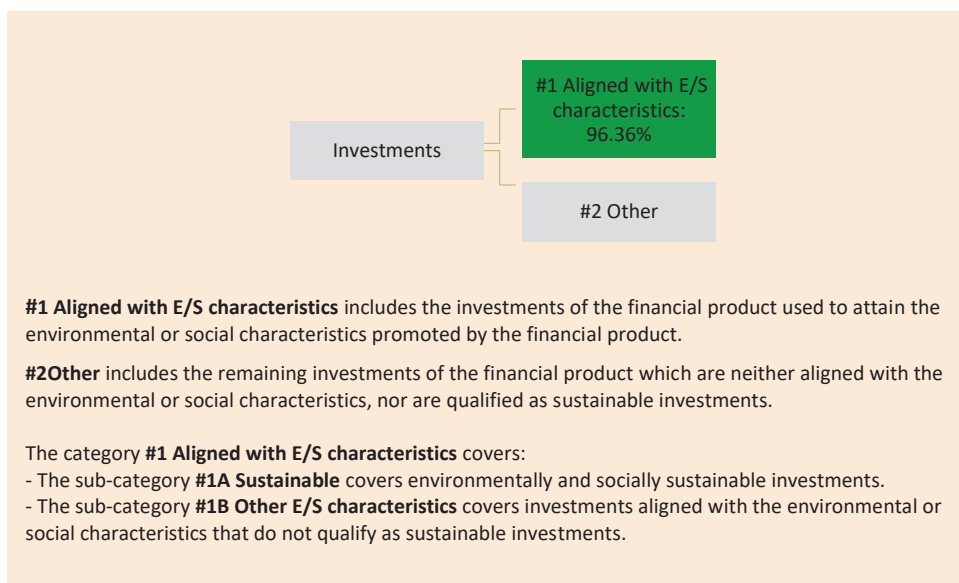
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

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.

What was the proportion of sustainability-related investments?

Not applicable.

What was the asset allocation?



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

In which economic sectors were the investments made?

Please refer to the section "Structure of the Securities Portfolio" 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?

Not applicable.

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

☒ No

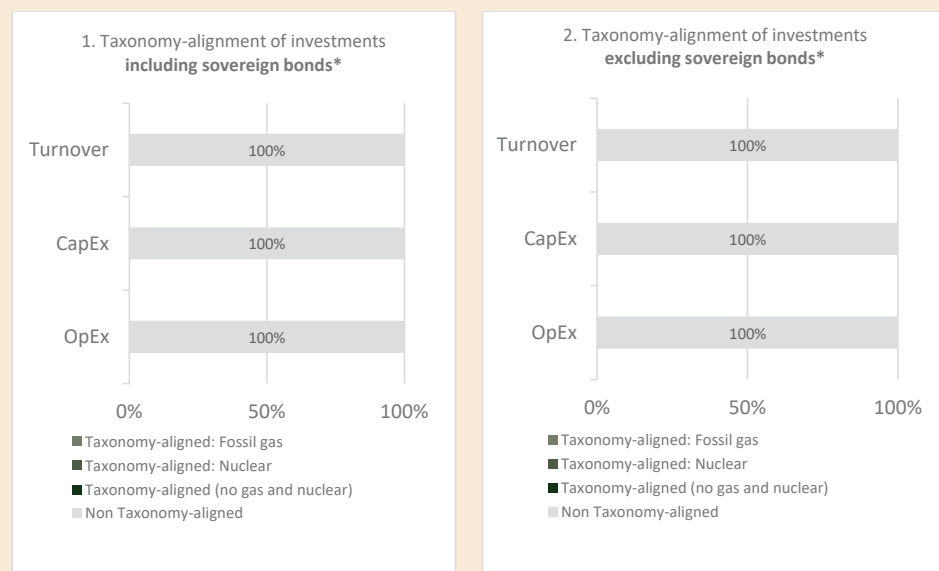
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas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

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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.

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?

Not applicable.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.



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

Not applicable.



What was the share of socially sustainable investments?

Not applicable.



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.

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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?

During the reference period, the environmental and/ or social characteristics were met by following the investment strategy and applying exclusion criteria as per the sales prospectus. The investment strategies and/ or exclusion criteria are monitored to ensure adherence.



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

No ESG reference benchmark has been designated for the purpose of determining whether the financial product is aligned with the characteristics that it promotes.

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

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

Not applicable.

● *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?*

Not applicable.

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

Not applicable.

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

Not applicable.