Doing well by doing good

UBS Portfolio Management Sustainable Investing

Investment Objective
The UBS Portfolio Management Sustainable Investing (UBS-PM SI) is a managed discretionary program which provides exposure to sustainable investment opportunities by investing in equites, bonds and liquidity mainly through mutual funds and exchange traded funds (ETFs). Flexible adherence to the principles of environmental, social and governance (ESG) investing is fundamental.

The UBS commitment
UBS is committed to creating long-term positive impact for our clients, employees, investors and society. We aim to be:
- a leader in sustainable investing (SI) for private and institutional clients
- a recognized innovator and thought leader in philanthropy
- an industry leader in sustainability.

What portfolios are available with UBS-SFA?
Portfolios are available in different ranges of investment risk categories, which will be the foundation for your strategic asset allocation plan (see page 2). Each available portfolio is designed to approximate a specific range of risk and return expectations, while allowing the portfolio managers flexibility to pursue investment opportunities through tactical shifts.

Key facts

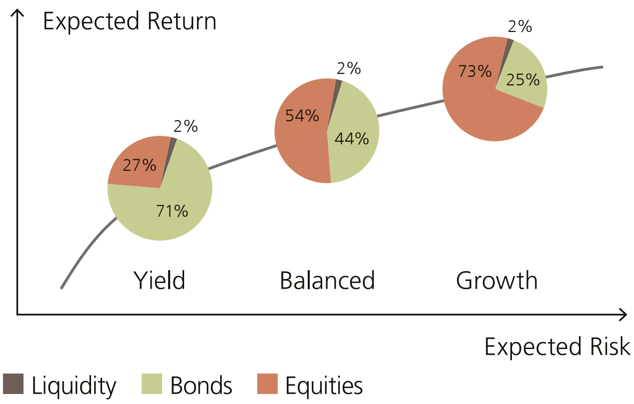
Launch date	September 1, 2020
Reference currency	USD
Focus	Environmental, social, and governance investing
Geographical diversification	Investment Worldwide
Portfolio risk tolerance	Modest, Average, Above Average
Minimum investment	CHF 500,000

What's in it for you?
- Make a positive impact on the environment and society while achieving similar returns to traditional investments.
- Benefit from UBS insights and investment expertise including over 15 years of experience in Sustainable Investing. UBS has more than 200 investment analysts, including the team of dedicated sustainable investing practitioners.
- Alignment with integrated ESG practices. A dedicated 100% sustainable investing approach that makes the best of our global expertise, and works with leading institutions and ESG investment managers.
- UBS-SFA Investment Management professionals are responsible for evaluating and actively managing your portfolio to align with your asset allocation strategy.
- Your investments will be regularly (no less than monthly) monitored and your asset allocation may be adjusted to respond to market conditions.
- Instrument selection: A combination of mutual funds, ETFs and other instruments will be skillfully chosen to work well together to pursue your financial goals.

Which investment strategies are available?
You can choose from a range of strategies depending on your personal investment preferences and appetite for risk.

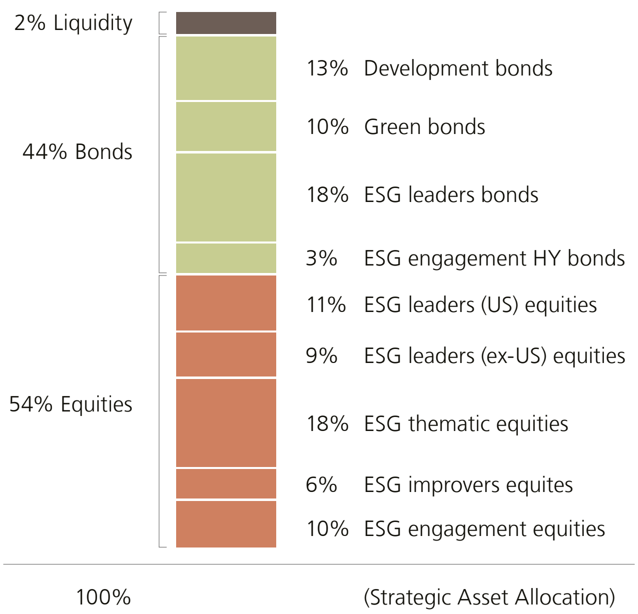
- **Yield:** To seek income generation and long-term capital appreciation with modest volatility
- **Balanced:** To seek a balance of income and long-term capital appreciation generated by a broad mix of interest, dividends and capital gains, with average volatility
- **Growth:** To seek significant long-term capital appreciation, with only modest interest income and dividend yield with above average volatility

Risk Return Profile
(Strategic Asset Allocation)



Source: UBS-SFA
Note: Allocation for each strategy are subject to change without notice

Illustration: Sustainable Investing asset classes for a 'Balanced' portfolio



ESG – What does it cover?
- Environmental. Climate change, pollution and waste, environmental opportunities.
- Social. Workplace safety, discrimination and diversity, supply chain, community controversies, human rights.
- Governance. Corruption, tax gaps, anti-competitive behavior, business ethics, board and structure.

Description of Sustainable asset classes
- **Development bonds.** Bonds issued by multilateral development banks like the World Bank to finance development programs in low resource countries.
- **Green bonds.** Bonds that finance environmental projects. Issuers include corporations, municipalities, development banks and governments.
- **ESG leaders bonds.** Bonds issued by companies that manage a range of critical ESG issues and seize opportunities better than their competitors.
- **ESG engagement high yield (HY) bonds.** Bonds of issuers which are expected to be Sustainable Development Goals (SDG) leaders in future.
- **ESG leaders equities.** Equity shares in companies that manage a range of critical ESG issues and seize ESG opportunities better than their competitors.
- **ESG thematic equities.** Equity shares in companies that stand to benefit from specific themes related to environmental, social or governance (ESG) factors.
- **ESG improvers equities.** Equity shares in companies that are getting better at managing a range of critical ESG issues and opportunities.
- **ESG engagement equities.** An approach where fund managers take active equity stakes in order to engage company management to improve their performance on ESG issues and opportunities.

Important points to consider

- Thoroughly assess your investment objectives and risk tolerance before selecting an investment strategy.
- UBS-PM SI offers access to sustainable investments (SI) and helps to diversify investments. However, the diversification benefit may be reduced by special market conditions.
- UBS-PM SI aims at investing mainly in funds and similar instruments with such SI attributes.
- UBS-PM SI can have investments denominated in US dollar but such investments may still have foreign currency exposure.
- UBS-PM SI invests partially outside the US dollar and therefore involves foreign currency risk.
- For a personal fee quote, please contact a Wealth Management Consultant or refer to our Wrap Fee Program Brochure – Form ADV Part 2A.

Disclosure

UBS-PM Sustainable Investing (Program) is a fee-based discretionary advisory program managed by Investment Management of UBS Swiss Financial Advisers AG **(UBS-SFA).** The Program is designed for clients (i) who want to delegate portfolio management discretion to UBS-SFA, (ii) are looking to implement a medium to long-term investment plan; and (iii) prefer the consistency of fee- based pricing.

The fees charged by us for the program are negotiable and may differ from client to client based on a number of factors. These factors include, but are not limited to, the type and size of the account, and the number of client related services to be provided.

It is important that you understand the ways in which we conduct business and the applicable laws and regulations that govern us. As a firm providing investment advisory services to clients, we are registered with the U.S. Securities and Exchange Commission (SEC) as an investment adviser, and in Switzerland licensed by the Swiss Financial Market Supervisory Authority (FINMA) as a Wertpapierhaus (which roughly translates in English to "Securities Firm"). Although we are licensed to provide investment advisory services in the US as an SEC registered investment adviser, we are not licensed to provide securities broker-dealer services, banking services or CFTC-regulated derivatives services in the US. If you would like more information about the Program or have questions about your account, please ask your Wealth Management Consultant or refer to our Wrap Fee Program (Form ADV Part 2A).

UBS-SFA does not provide tax or legal advice. Please consult with your tax and legal advisors regarding your circumstances.

This fact sheet is for your information only and is not intended as an offer, or a solicitation of an offer, to buy or sell any investment instrument. Be aware that past performance of an investment instrument or an investment strategy is not an indication of its future performance.

Fund investing. The Program involves investments in mutual funds, exchange traded funds, and other pooled investment vehicles which carry internal management and administrative expenses borne by shareholders. Those fees are in addition to the advisory fee clients pay for the Program. Program fees will not be reduced or offset by these fees. These additional fees will reduce the overall return of an account. Clients may be able to purchase those securities directly in the open market without incurring the Program fee. Please review the applicable prospectus and offering documents carefully for a detailed description of the additional fees associated with these securities.

Mutual funds and exchange traded funds are sold by prospectus. Clients should consider the investment objectives, risks, charges, and expenses of a fund carefully before investing. A fund's prospectus contains this and other information about the fund, and should be read carefully before investing.

Investors should be aware that the value of mutual funds and exchange traded funds changes from day to day. Therefore, an investment's return and principal value will fluctuate so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. ETFs seek investment results that, before expenses, generally correspond to the price and yield of a particular index. There is no assurance that the price and yield performance of the index can be fully matched.

Fixed income. The Program may involve investments in fixed income. Fixed income investing involves two main risks: interest rate risk and credit risk. Typically, when interest rates rise, there is a corresponding decline in the market value of bonds. Credit risk refers to the possibility that the issuer of the bond will not be able to make principal and interest payments. Furthermore, high yield bonds are considered to be speculative with respect to the payment of interest and the return of principal and involve greater risks than higher grade issues.

Sector and currency allocations. Sector and currency allocations should be viewed as a general guideline only. In the context of an actual client's investment, the actual sector and currency allocations would need to be customized to adequately meet the needs of the client. The Strategy Model allocation overviews should not be considered a substitute for an individualized suitability analysis which should be made on a client-specific basis taking into consideration the client's own tax, legal or other advice to determine suitability for their specific circumstances. The strategy is actively managed in a Program and holdings may be replaced at any time. The actual allocation within the individual portfolios may be different due to portfolio changes, market conditions or the imposition if investment restrictions.

Risk Profile. The risk level is determined by the combination of risky assets and foreign currencies. We consider asset classes to be of high risk if their underlying performance is more volatile. UBS-SFA uses following risk levels: Minimal (expected volatility range is 0.0% to 6.5%), Low (expected volatility range is 1.0% to 7.0%), Modest (expected volatility range is 2.5% to 8.5%), Average (expected volatility range is 5.0% to 13.0%), Above Average (expected volatility range is 7.0% to 17.0%), High (expected volatility range is 10.5% to 27.5%).

International investments. The value of investments in equity securities will fluctuate in response to general economic conditions and to changes in the prospects of particular companies and/or sectors in the economy. Fixed income securities are subject to market risk and interest rate risk. If sold in the secondary market prior to maturity, investors may experience a gain or loss depending on interest rates, market conditions and issuer credit quality.

The investors in securities of issuers located outside of the US should be aware that even for securities denominated in US dollars, changes in the exchange rate between the US dollar and the issuer's "home" currency can have unexpected effects on the market value and liquidity of those securities. Those securities may also be affected by other risks (such as political, economic, or regulatory changes) that may not be readily known to a US investor.

Changes in Currency Values; Differences Between "Reference" and "Home" Currencies. An account that invests in securities or other investments denominated in, and/or receiving revenues in, foreign currencies, will be subject to currency risk. Currency risk is the risk that foreign currencies will decline in value relative to the U.S. dollar or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the international currency allocated hedged. In either event, the dollar value of an investment would be adversely affected. Currency exchange rates may fluctuate in response to, among other things, changes in interest rates, intervention (or failure to intervene) by U.S. or foreign governments, central banks or supranational entities, or by the imposition of currency controls or other political developments in the United States or abroad.

In addition, you may have the option of selecting a reference currency that is different from your home currency. As a result your account values will be reflected in your monthly and quarterly statements in your selected reference currency. When you select a reference currency other than your home currency, all of the assets in your UBS-SFA account are converted to the selected reference currency for purposes of calculating your account's performance. If you select a reference currency other than your home currency, the performance shown in your account statements may not reflect the actual performance of your account due to changing currency rates. For example, if the relative value of your home currency decreases while the relative value of the reference currency you select increases, the performance shown in your online account statement will likely be higher than the actual performance of your account.

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