

UBS China Opportunity Equity Fund USD P-acc

Fund Fact Sheet

UBS Equity Funds > UBS Opportunity Equity Funds > UBS (Lux) Equity Fund - China Opportunity (USD)

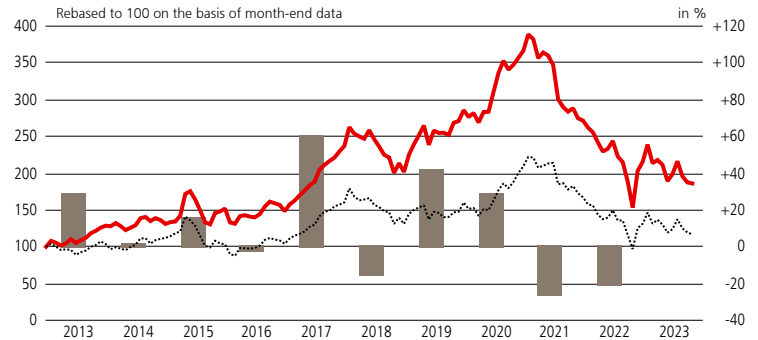
Fund description

- Very actively managed equity fund based on a concentrated equity portfolio investing in selected Chinese companies
- The manager is given great flexibility to take focused views on the most attractive stocks and exploit the best opportunities, unconstrained by the reference index.
- Diversified across sectors offering broad coverage of the Chinese market
- The portfolio manager is not tied to the benchmark in terms of investment selection or weight.

Name of fund	UBS (Lux) Equity Fund - China Opportunity (USD)
Share class	UBS (Lux) Equity Fund - China Opportunity (USD) P-acc
ISIN	LU0067412154
Bloomberg	SBCEHKLX
Currency of fund / share class	USD/USD
Launch date	15.11.1996
Issue/redemption	daily
Swing pricing	yes
Accounting year end	30 November
Benchmark ¹	MSCI China 10/40 (net div. reinv.)
Distribution	Reinvestment
Management fee p.a.	1.87%
Flat fee p.a.	2.34%
Name of the Management Company	UBS Fund Management (Luxembourg) S.A., Luxembourg
Fund domicile	Luxembourg
SFDR Classification	Art.8
Overall Morningstar Rating	★★★★
Morningstar Sustainability rating ²	

¹ Reference index change on 01.01.2018 - old: MSCI China (net div re), new: MSCI China 10/40 (net div. re).
² As of 30.09.2023

Performance (basis USD, net of fees)¹



— Fund performance net of fees (left-hand scale)
■ Fund performance per year in % net of fees (right-hand scale)
..... Index performance (left-hand scale)

Past performance is not a reliable indicator of future results.

in %	1 year	3 years	5 years	Ø p.a. 3 years	Ø p.a. 5 years
Fund (USD)	21.42	-46.43	-7.17	-18.78	-1.48
Ref. Index ²	20.55	-37.90	-10.96	-14.69	-2.30

The performance shown does not take account of any commissions, entry or exit charges.

¹ These figures refer to the past. **If the currency of a financial product, financial service or its costs is different from your reference currency, the return and/or costs can increase or decrease as a result of currency fluctuations.** Source for all data and chart (if not indicated otherwise): UBS Asset Management.

² Reference Index in currency of share class (without costs)

Fund statistics

Net asset value (USD, 31.10.2023)	1 067.93
Last 12 months (USD) – high	1 400.90
– low	879.52
Total fund assets (USD m)	3 762.65
Share class assets (USD m)	1 637.36

	3 years	5 years
Beta	0.97	0.96
Volatility ¹		
– Fund	29.13%	26.10%
– Benchmark	29.07%	26.18%
Sharpe ratio	-0.72	-0.13
Risk free rate	2.10%	1.91%

¹ Annualised standard deviation

For more information

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Morningstar Sustainability Rating™



As of 30.09.2023

UBS China Opportunity Equity Fund USD P-acc

Sector exposure (%)

	Fund		Deviation from index
Financial Services	23.50		+6.6
Communication Services	21.38		+6.5
Consumer Staples	14.58		+8.9
Consumer Discretionary	14.00	-17.6	
Health Care	11.00		+4.4
Real estate	9.11		+6.2
Industrials	2.47	-3.1	
Information Technology	2.06	-4.4	
Materials	0.94	-2.7	
Energy	0.00	-3.3	
Utility	0.00	-2.5	
Others	0.96		+1.0

10 largest equity positions (%)

	Fund
NETEASE INC	10.04
TENCENT HOLDINGS LTD	9.65
KWEICHOW MOUTAI 'A' CNY1	9.50
ALIBABA GROUP HOLDING LTD	7.56
CSPC PHARMACEUTICAL GROUP LT	5.22

Benefits

Easy access to investment opportunities provided by a rapidly growing Chinese economy. Investors gain access to all classes of shares providing China equity exposure: A, B and H shares as well as Red Chips

Due to the significant deviation from the reference index, the fund offers the potential to outperform the reference index.

Investors benefit from UBS being one of the few asset managers with a truly global investment platform

The experienced portfolio management team can leverage local investment expertise in the Chinese market via our joint venture UBS SDIC in China

Largest over- / underweights (%)

	Deviation from index
KWEICHOW MOUTAI 'A' CNY1	8.5
NETEASE INC	7.7
CSPC PHARMACEUTICAL GROUP LT	4.8
AIA GROUP LTD	4.5
PING AN BANK CO LTD A	3.6
BAIDU INC CLASS A	-1.7
JD.COM INC CL A	-1.7
BYD CO 'H' SHS CNY1	-2.0
PINDUODUO INC ADR	-2.6
CHINA CONSTR BANK 'H' SHS CNY1	-3.2

	Fund
CHINA MERCHANTS BANK CNY1	4.55
AIA GROUP LTD	4.52
PING AN INSURANCE 'H' CNY1	4.52
PING AN BANK CO LTD A	3.73
MEITUAN-CLASS B	3.71

Risks

UBS Opportunity Equity Funds invest in equities and may therefore be subject to high fluctuations in value. As these UBS Funds pursue an active management style, each Fund's performance can deviate substantially from that of its reference index. All investments are subject to market fluctuations. Every Fund has specific risks, which can significantly increase under unusual market conditions. The fund can use derivatives, which may result in additional risks (particularly counterparty risk).

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Glossary of key terms

Benchmark

Index against which an investment fund's performance is measured. Also called a reference index.

Beta

A measure of risk which indicates the sensitivity of an investment, such as an investment fund, to fluctuations in the market, as represented by the relevant benchmark. For example, a beta of 1.2 tells us that the value of an investment fund can be expected to change by 12% if the market is forecast to move by 10%. The relation is based on historical data and is only an approximation. However, the closer the correlation between the benchmark and the investment fund, the better this approximation.

Correlation

A measure of the degree to which the price trends of various investment categories or instruments move in the same direction. The correlation quantifies the strength of the relationship as a figure between -1 and +1. The closer the coefficient is to 1, the stronger the correlation. If the coefficient is -1, the investments and the benchmark move in opposite directions. If the value is 0, there is no correlation.

Duration

The duration represents the length of time for which capital is "tied up" in a bond investment. In contrast to residual maturity calculations, the concept of duration takes account of the time structure of returning cash flows (such as coupon repayments). The average duration of the portfolio is derived from the weighted average duration of the individual securities. The "modified duration" is derived from the duration and provides a measure of the risk with which the

sensitivity of bonds or bond portfolios to interest-rate changes can be estimated. A 1% increase (decrease) in the interest level accordingly produces a percentage fall (rise) in the price in proportion to the modified duration. For example: the modified duration of a bond fund is 4.5, the theoretical yield to maturity is 5.3%. If the theoretical yield to maturity drops in the example by 1% to 4.3% due to the decline in interest rates, the fund price increases by around 4.5%. For bond and asset allocation funds, the duration is given for all fixed-income instruments.

Investment grade

Term used to denote securities with ratings of between BBB and AAA, indicating that their credit quality is satisfactory or good.

Sharpe ratio

The Sharpe ratio expresses how much higher (or lower) a return an investor can expect compared to the risk-free rate of interest (e.g. interest rates on savings accounts) per unit of risk (volatility). The risk-free rate of interest varies from currency to currency.

Tracking error

Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

Volatility

In portfolio theory the risk of an investment is measured by the amount of volatility. Risk and return are directly related: Markowitz's portfolio theory posits that a higher return can only be obtained with a higher risk.

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Please note that additional fees (e.g. entry or exit fees) may be charged. Please refer to your financial adviser for more details. Investors should read the Key Information Document, Prospectus and any applicable local offering document prior to investing and to get complete information of the risks. Investors are acquiring units or shares in a fund, and not in a given underlying asset such as building or shares of a company. For a definition of financial terms refer to the glossary available at www.ubs.com/am-glossary.

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UBS China Opportunity Equity Fund USD – ESG Report

ESG Performance

The following illustrations show the fund’s performance against sustainability criteria that are either explicitly part of the fund’s ESG objectives or are included in the investment process.

UBS AM sustainability approaches applied

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Exclusion | <input checked="" type="checkbox"/> ESG Integration | <input type="checkbox"/> SI Focus |
| <input type="checkbox"/> Impact | <input checked="" type="checkbox"/> Voting | <input checked="" type="checkbox"/> Engagement |

ESG details of the top 10 equity positions

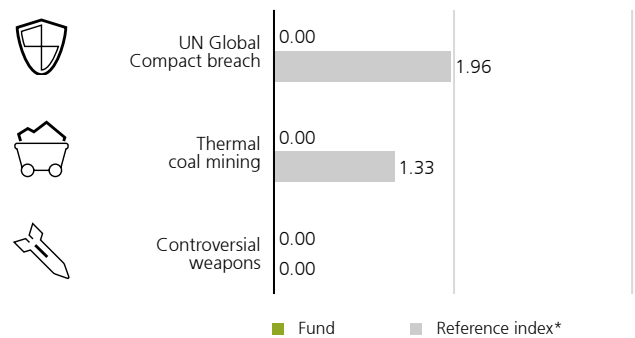
(in % of fund AuM)^{1,2}

Holding	Weight	ESG Score
NetEase Inc	10.0	6.2
Tencent Holdings Ltd	9.6	5.8
Kweichow Moutai Co Ltd	9.5	2.6
Alibaba Group Holding Ltd	7.5	4.2
CSPC Pharmaceutical Group Ltd	5.2	5.8
China Merchants Bank Co Ltd	4.5	5.2
AIA Group Ltd	4.5	7.2
Ping An Insurance Group Co of China Ltd	4.5	6.1
Ping An Bank Co Ltd	3.7	5.1
Meituan	3.7	4.5

¹ This is not a recommendation to buy or sell any security
² AuM = Assets under Management

Controversy check

(in % of fund AuM)^{1,2}



¹ The fund excludes issuers identified as violating the UN Global Compact principles without credible corrective action
² AuM = Assets under Management

Sources: Fund holding data: UBS Asset Management; MSCI ESG Research
 *MSCI China 10/40 (net div. reinv.)

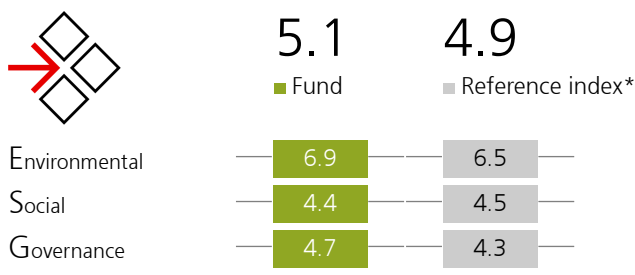
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ESG Transparency

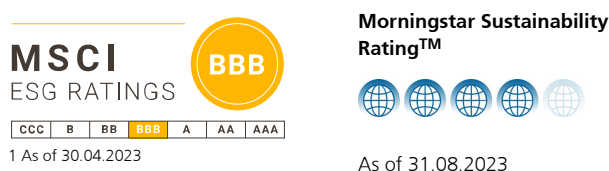
This page provides transparency on key sustainability metrics that may be of interest to investors but are not part of the fund's investment process. The following metrics inform investors more broadly on their exposure to selected ESG topics.

MSCI ESG Scores

Holding-weighted average (0-10)

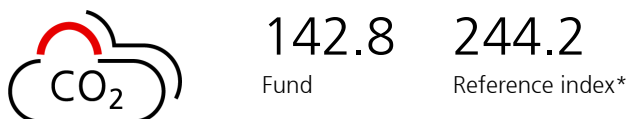


External fund ratings¹



Weighted average carbon intensity

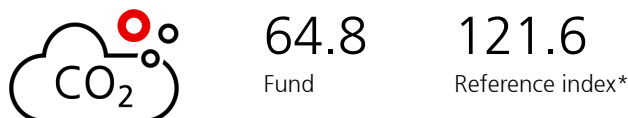
(tCO₂ equivalents per USD million in sales)¹



¹ The fund maintains a lower weighted average carbon intensity profile than the benchmark and/or a low absolute profile (defined as below 100Mt of CO₂ emissions per million dollars of revenue)

Carbon footprint

(tCO₂ per USD million invested)



Glossary

ESG is an abbreviation for Environmental, Social and Governance (factors). These factors are used to evaluate companies and countries on how advanced they are with respect to sustainability. Once sufficient data on these factors are available, they can be used to assess and compare assets and also to inform the investment process when deciding what assets to buy, hold or sell.

UBS AM sustainability approaches applied

Exclusion: Strategies that exclude securities from funds where they are not aligned to an investor's values. Includes customized screening criteria.

ESG Integration: Strategies that integrate environmental, social and governance (ESG) factors into fundamental financial analysis to improve risk/return profile.

SI Focus: Strategies where sustainability is an explicit part of the investment guidelines, universe, selection and/or investment process

Impact: Strategies where the intention is to generate measurable environmental and/or social benefits ("impact") alongside the financial return.

Voting: Exercising shareholder rights by proxy voting on resolutions.

Engagement: (Pro-) actively entering in a dialogue with companies to influence material ESG topics.

ESG Score (UBS ESG Consensus Score): The UBS ESG Consensus Score is based on UBS-internal and independent external ESG data sources. The UBS ESG Consensus Score is industry-adjusted and is measured on a scale from 0 (lowest/worst score) to 10 (highest/best score).

Controversy check: Controversial Business Involvement exposure is the exposure to companies with a revenue share exceeding a certain threshold of the respective field (production). Link to our exclusion policy for more details: -> www.ubs.com/si-exclusion-policy

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 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. ESG scores are also shown 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 ESG Score measures the most financially significant environmental, social and governance risks and opportunities of companies. In addition, sectoral differences are taken into account through key industry specific ESG issues. This makes the ESG score a rather static

UBS China Opportunity Equity Fund USD – ESG Report

measure, as the relative valuation of a sector remains constant over a longer period of time.

MSCI ESG Fund Ratings** are designed to measure the Environmental, Social and Governance (ESG) characteristics of a fund's underlying holdings, making it possible to rank or screen mutual funds and ETFs on a AAA to CCC ratings scale. MSCI leverage MSCI ESG Ratings for over 10,500 companies (19,500 total issuers including subsidiaries) and more than 760,000 equity and fixed-income securities globally to create ESG scores and metrics for approximately 56,000 multi-asset class Mutual funds and ETFs globally (as of January 17, 2022).

**MSCI ESG Research LLC's ("MSCI ESG") fund metrics and ratings (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 56,000 multi-asset class Mutual funds and ETFs globally (as of January 17, 2022). MSCI ESG is a Registered Investment Adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

Weighted Average Carbon Intensity (tons CO₂e /USDm sales): The Weighted Average Carbon Intensity (WACI) measures a fund'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. This metric is applicable across asset classes, including fixed income, as it's not based on equity ownership basis. It's the sum product of the fund weights and individual carbon intensities (carbon emissions scope 1+2 / USDm sales).
Data provider: MSCI ESG Research

Sources: Fund holding data: UBS Asset Management; MSCI ESG Research
*MSCI China 10/40 (net div. reinv.)

Important information about sustainable investing strategies

Sustainable investing strategies aim to consider and incorporate environmental, social and governance (ESG) factors into investment process and fund construction. Strategies across geographies and styles approach ESG analysis and incorporate the findings in a variety of ways. Incorporating ESG factors or sustainable investing considerations may inhibit UBS's ability to participate in or to advise on certain investment opportunities that otherwise would be consistent with the Client's investment objectives. The returns on a fund consisting primarily of sustainable investments may be lower or higher than funds where ESG factors, exclusions, or other sustainability issues are not considered by UBS, and the investment instruments available to such funds may differ. Companies, product issuers and/or manufacturers may not necessarily meet high performance standards on all aspects of ESG or sustainable investing issues.

Reconciliation of Assets under Management (AuM)

This report does not contain reconciled AuM positions, it only takes in consideration positions with settlement date as of report date. This means that traded but not settled positions are not included. Therefore, AuM figures in this report may differ from other UBS reports produced on the same date.

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Carbon Footprint (tons CO₂e / USDm invested): Expresses the greenhouse gas footprint of an investment sum. The carbon emissions scope 1 and 2 are allocated to investors based on an enterprise value ownership (with inclusion of cash) approach and normalized by the current fund value. The Carbon Footprint is a normalized measure of a fund's contribution to climate change that enables comparison with a benchmark, between funds and between individual investments. Metric is Total Carbon Emissions expressed as per currency invested.

Data provider: MSCI ESG Research

Use of derivatives / fund of fund investments

Derivatives and fund of fund investments used in the fund are treated on a lookthrough basis, whereby the economic exposures to the underlying basket of securities is treated as an actual investment in the individual securities that make up this basket. This might in the case of broad market derivatives or fund of fund investments lead to minimal exposures to securities that are excluded from direct investments.

Aggregation of ESG/Carbon data

ESG scores of holdings in the fund and the reference index are aggregated using their respective individual weights and ESG scores (sum product).

Active ESG

Benchmark selection is driven by portfolio implementation considerations, in particular to closely reflect the financial objectives of the fund. For actively managed strategies, generally a traditional benchmark is selected to provide a broad investment universe to which active management is applied. This enables an assessment of the magnitude of ESG improvements against the traditional benchmark, and allows the costs and benefits of investing sustainably to be assessed.