

UBS (Irl) ETF plc – MSCI USA Small Cap ESG Leaders UCITS ETF

(A sub-fund of UBS (Irl) ETF plc, an open-ended investment company constituted as an umbrella fund with segregated liability between sub-funds authorised by the Central Bank of Ireland pursuant to the UCITS Regulations).

Supplement No. 54 10 June 2024

This Supplement (the "Supplement") forms part of the Prospectus dated 10 June 2024 (the "Prospectus") in relation to UBS (Irl) ETF plc (the "Company") and should be read in the context of, and together with, the Prospectus and contains information relating to the UBS (Irl) ETF plc – MSCI USA Small Cap ESG Leaders UCITS ETF (the "Fund"), which is a separate sub-fund of the Company, represented by a separate series of shares in the Company (the "Shares").

Prospective investors should review this Supplement and the Prospectus carefully and in their entirety. If you are in any doubt about the contents of this Supplement, you should consult your stockbroker, bank manager, solicitor, accountant and/or financial adviser.

Potential investors should consider the risk factors set out in the Prospectus and in this Supplement before investing in this Fund.

The Company and the Directors of UBS (Irl) ETF plc (the "**Directors**") listed in the "*Management*" section of the Prospectus, accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Company and the Directors accept responsibility accordingly.

DEFINITIONS

Unless otherwise defined herein or unless the context otherwise requires, all defined terms used in this Supplement shall bear the same meaning as in the Prospectus.

| | |
|-----------------------------|---|
| Base Currency | US Dollars. |
| Business Day | Each normal bank business day in Ireland, inclusive of all public and/or bank holidays other than the following – New Year’s Day, Good Friday, Easter Monday, Christmas Day and St. Stephen’s Day – and days on which the Primary Stock Exchange, on which the constituents of the Index are traded, is open for trading, except individual, non-statutory rest days and days on which the Primary Stock Exchange in the main countries in which the Fund invests are closed, or on which 50% or more of the investments of the Fund cannot be adequately valued and/or such other day or days as the Directors and/or the Manager may determine and notify in advance to Shareholders. |
| Closing Date | 10 December 2024 or such earlier or later date as the Directors and/or the Manager may determine. |
| Dealing Day | Every Business Day (excluding (i) any day on which a market on which securities included in the Index are listed or traded is closed and (ii) any day where the Index is not calculated) and/or such other day or days as the Directors and/or the Manager may determine and notify to the Administrator and to Shareholders in advance, provided there shall be at least two Dealing Days at regular intervals in each month. A list of such closed market days will be published for the Fund in advance on the Website. |
| Dealing Deadline | For subscriptions: 4.30 pm (Dublin time) on the relevant Dealing Day. For redemptions: 4.30 pm (Dublin time) on the relevant Dealing Day. |
| Dealing NAV | The Net Asset Value per Share calculated as at the Valuation Point on the relevant Dealing Day. |
| Index | MSCI USA Small Cap ESG Leaders Index (Net Return). |
| Index Provider | MSCI. |
| Initial Offer Period | Save for (USD) A-acc shares 9.00 am (Irish time) on 11 June 2024 to 4.30pm (Irish time) on the Closing Date. |
| Investment Manager | UBS Asset Management (UK) Ltd. |
| IOP | Initial Offer Period. |
| IOP Settlement Date | The third Business Day after the Closing Date. |
| ISIN | (USD) A-dis IE0000YZQDA5 (USD) A-acc IE000XFXBGR0 (hedged to EUR) A-dis IE00085DBED9 (hedged to EUR) A-acc IE000WUK4XN0 |

| | | |
|------------------------------------|--|------------------------------|
| | (hedged to CHF) A-dis (hedged to CHF) A-acc | IE00005PP999 IE000BWKWHX0 |
| Minimum Holding | There is no minimum holding requirement for the Fund as at the date of this Supplement. | |
| Minimum Subscription Amount | There is no minimum subscription amount in respect of the Fund as at the date of this Supplement. | |
| Minimum Redemption Amount | There is currently no minimum redemption amount in respect of the Fund as at the date of this Supplement. | |
| Settlement Date | At the latest, on the third Business Day after the relevant Dealing Day. | |
| Share | Any share of any Class of the Fund. | |
| Valuation | The Net Asset Value per Share is calculated in accordance with the " <i>Determination of Net Asset Value</i> " section of the Prospectus, using last traded prices for securities. Details of the Index can be found on www.msci.com . | |
| Valuation Point | 10.30 pm (Dublin time) on each Business Day. | |
| Website | www.ubs.com/etf . | |

THE FUND AND SHARE CLASSES

The Fund

UBS (Irl) ETF plc – MSCI USA Small Cap ESG Leaders UCITS ETF is a sub-fund of the Company.

The Fund may be suitable for investors seeking to integrate environmental, social and governance ("**ESG**") factors into their investment process. The Fund seeks to achieve such ESG exposure by investment in US companies that demonstrate a robust ESG profile via a diversified portfolio of securities as described below in the "*Investment Objective and Strategy*" section.

Share Classes

To date, the following Classes of Shares are available:

- (USD) A-dis;
- (USD) A-acc;
- (hedged to EUR) A-dis;
- (hedged to EUR) A-acc;
- (hedged to CHF) A-dis;
- (hedged to CHF) A-acc.

Description of Share Classes:

- Shares in Classes with an "A" in their name may be acquired and sold on the secondary market by all investors.

The Company will only accept subscriptions from Authorised Participants. An investor who is not an Authorised Participant may purchase Shares on the secondary market. Shares may be issued and

redeemed in exchange for cash, securities or a combination of cash and securities. To the extent required by applicable law of a country where the Shares are registered for public sale, cash redemptions may be accepted from Shareholders not qualifying as Authorised Participants, subject to the procedures and charges described below and in the Prospectus. Please see the sections entitled "*Primary Market*" and "*Secondary Market*" under the "*Purchase and Sale Information*" section of the Prospectus for further information.

The Company and/or the Manager may also, in accordance with the requirements of the Central Bank, without notice to Shareholders, create additional Share Classes, including Share Classes that are subject to fee arrangements and/or other terms that are different from those of any Share Class being offered hereby or then outstanding, including, without limitation offering Share Classes to certain entities affiliated with the Investment Manager. Such other Share Classes may be subject to higher, lower or no investment management or performance fees.

A separate pool of assets will not be maintained for each of the Share Classes.

INVESTMENT OBJECTIVE AND POLICY

Investment Objective

The objective of the Fund is to seek to track the performance of the Index.

Investment Policy

The investment policy of the Fund is to seek to track the performance of the MSCI USA Small Cap ESG Leaders Index (Net Return) (or any other index determined by the Directors from time to time to track substantially the same market as the MSCI USA Small Cap ESG Leaders Index (Net Return) and which is considered by the Directors to be an appropriate index for the Fund to track, in accordance with the Prospectus (the "**Index**") as closely as possible, while seeking to minimise as far as possible the difference in performance between the Fund and the Index.

Any determination by the Directors that the Fund should track another index at any time shall be subject to Shareholder approval and implemented in accordance with the requirements of the Central Bank and this Supplement shall be updated accordingly.

The Fund will use replication techniques as described below in order to minimise as far as possible the difference in performance between the returns of the Index and the return of the Fund, after Fees and Expenses. For information in relation to the difficulties associated with tracking indices, please refer to "*Index Tracking Risk*" in the "*Risk Information*" section of the Prospectus.

The Fund is passively managed. The Fund complies with article 8 of SFDR. By tracking the Index, the Fund promotes achieving a higher sustainability profile (ESG Score) than the Parent Index and a lower Carbon Intensity (1,2) emissions than the Parent Benchmark.

Information related to these characteristics is available in an annex to this document (SFDR RTS Art. 14(2)).

In order to seek to achieve this investment objective, the Investment Manager, on behalf of the Fund, will invest, using the Replication Strategy, primarily in the securities of the Index in the approximate weightings of the Index subject to the Investment Restrictions set forth in the Prospectus. These securities (which may include depositary receipts) shall be listed and/or traded on the exchanges and markets set out in Schedule II of the Prospectus. This strategy seeks to hold all of the securities of the Index, with the approximate weightings as in that Index, so that essentially, the portfolio of the Fund will be a near mirror-image of the components of the Index. There are also currency versions (only developed market currencies) of the Index which are denominated in a currency other than US Dollars and hedged, including currency versions denominated in EUR, and CHF (each a "Hedged Currency Version"). The purpose of the Hedged Currency Versions is to limit the profit or loss generated from foreign exchange exposure when holding a US Dollar denominated asset in a currency other than US Dollars. This is achieved by the Hedged Currency Versions employing one month rolling forward FX contracts. In accordance with the Hedged Currency Versions methodologies the Fund may also employ rolling forward FX contracts to limit the profit or loss generated from foreign exchange exposure when holding a US Dollar denominated asset in a currency other than US Dollars. Shareholders should note that the disclosure in respect of the Hedged Currency Versions is for information purposes only and is to explain the manner in which the Fund will engage in currency hedging. Further details regarding the Replication Strategy are disclosed in the "Investment Objectives, Policy and Strategy" section of the Prospectus.

| Share Class | Index Currency Version |
|--|--|
| (hedged to EUR) A-acc; (hedged to EUR) A-dis; | MSCI USA Small Cap ESG Leaders 100% hedged to EUR Index (Net Return) |
| (hedged to CHF) A-dis; (hedged to CHF) A-acc; | MSCI USA Small Cap ESG Leaders 100% hedged to CHF Index (Net Return) |

In seeking to implement its investment objective of tracking the performance of the Index, the Fund may in exceptional circumstances also hold securities which are not comprised in its Index, including, for example, securities in respect of which there has been an announcement or it is expected that they will shortly be included in the Index or where there are considerable costs or difficulties associated with purchasing the Index constituent and the Investment Manager identifies securities whose risk and return characteristics closely resemble the risk and return characteristics of constituents of the Index or of the Index as a whole. In such case, the relevant securities shall not have received an ESG rating from the Index Provider. Solely for the purposes of assisting in replicating the Index, the Fund may also invest in securities which are not constituents of the Index where the Investment Manager considers that such securities may provide a similar return to certain securities that make up the Index. When the Fund uses the Replication Strategy, the Fund may avail of the higher investment limits allowed to certain index tracking funds, as described at paragraph 4.2 of the section of the Prospectus headed "Investment Restrictions". If the investment limits of the Fund are exceeded for reasons beyond the control of the Directors, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders. The Fund as set above utilises the Replication Strategy accordingly, investment in the Fund should be considered to provide a direct exposure to the Index. Details of the Fund's tracking error and trading difference is set out in the section of the Prospectus entitled "Tracking Accuracy". For the avoidance of doubt, where the Fund does not use a full Replication Strategy, it will not be permitted to avail of the higher investment limits as described at paragraph 4.2 of the section of the Prospectus headed "Investment Restrictions".

As the Fund does not pursue a synthetic index replication strategy, there is no corresponding counterparty risk applicable. As a result of currency hedging, hedged Share Classes may be exposed to counterparty risk as further detailed in the section of the Prospectus entitled "Counterparty Risk".

The Fund (as well as the Index) will take long positions only and the Fund will invest 100% of its net assets in long positions.

The Fund may, for the purpose of efficient portfolio management, where disclosed in the Manager's RMP Statement (if applicable) and in accordance with the conditions and limits imposed by the Central Bank, use financial derivative instruments ("FDI") including currency forwards, currency swaps, warrants, index futures and futures on stocks. Efficient portfolio management means investment decisions involving transactions that are entered into for one or more of the following specific aims: the reduction of risk; the reduction of cost; or the generation of additional capital or income for the Fund with an appropriate level of risk, taking into account the risk profile of the Fund and the risk diversification rules set out in the Central Bank Rules. In particular, FDI may be used for the purpose of minimising differences in performance between the Fund and the relevant Index, i.e., the risk that the Fund return varies from the Index's return. Although FDI will be inherently leveraged, the primary purpose of the use of FDI is to minimise as far as possible the difference in performance between the Fund and the Index and, while the Fund will be leveraged (calculated under the commitment approach as set out in the "Risk Management" section below) as a result of its investments in FDI, such leverage will not exceed 100% of the Fund's total Net Asset Value at any time.

The Fund, subject to the restrictions imposed on the use of FDI described in the Prospectus and by the UCITS Regulations, may buy and sell futures contracts to either create exposure or reduce exposure to various securities included in the Index or to reduce certain aspects of risk inherent in specific trades. Futures contracts are agreements to buy or sell a fixed amount of an equity, bond or currency at a fixed date in the future. Futures contracts are exchange-traded instruments and their dealing is subject to the rules of the exchanges on which they are dealt.

The Manager has adopted a statement of its risk management processes ("**RMP**") in respect of the use of FDI which enables it to accurately measure, monitor and manage the various risks associated with FDI and the Fund will employ only FDIs which are described in the RMP. The Manager will only adopt an RMP which has been provided to the Central Bank.

INVESTMENT RESTRICTIONS

It is the intention of the Company to seek German tax reporting status for all Classes of the Fund. On this basis, in addition to the investment restrictions set out in the Prospectus, the Fund will also adhere

to the restriction that at least 80% of the Net Asset Value of the Fund shall be invested in equity participations (the "Equity Participation Ratio"). More details on the Equity Participation Ratio can be found in the Prospectus.

As the Fund will continuously invest more than 50% of their respective assets in equity investments (as defined in Section 2(8) of the German Investment Tax Act and related guidelines), it will qualify as an "Equity fund" within the meaning of Section 2(6) of the German Investment Tax Act for the partial exemption pursuant to Section 20(1) of the German Investment Tax Act.

Investors should refer to their tax advisors in relation to the implications of German tax reporting status being obtained.

AMF DISCLOSURE

For the purposes of complying with AMF ESG Rules AMF Position/Recommendation DOC-2020-03 ("**AMF Rules**"), the Fund will adopt a binding and significant approach to sustainable investing. The investment strategy of the Fund is to track the Index's return and its characteristics, including ESG characteristics, as closely as reasonably possible.

The Fund invests at least 90% of its total net assets in securities that are constituents of the Index (MSCI USA Small Cap ESG Leaders Index (Net Return)) and the Index Provider applies ESG Ratings on all of the index constituents. At least 90% of the securities in the Fund, excluding cash, money market funds and derivatives have an ESG rating.

The Index is eliminating at least 20% of the least well-rated securities as against the standard index universe. It is, therefore, expected that the sub-fund's resulting ESG rating will be higher than the ESG rating of a sub-fund tracking a standard index.

USE OF FDI

As detailed in the investment policy above the Fund may use the following FDI:

Futures, Index Futures & Futures on Stocks

A futures contract is a standardised contract to exchange a specified asset of standardised quantity and quality for a price agreed today (the futures price or the strike price) with delivery occurring at a specified future date, the delivery date.

Index futures may be used to manage a Fund's market exposure in a cost effective and efficient manner as futures are often more liquid and cost effective to trade for example, entering into an index future contract in place of immediate purchase of underlying securities, in certain circumstances may be deemed more cost effective and expedient.

A single stock future may be used to provide the Fund with exposure to a single security.

Currency swaps

Swap contracts are two-party contracts entered into for periods ranging from a few weeks to more than one year. In a standard swap transaction, two parties agree to exchange returns (or differentials in rates of return) calculated with respect to a "notional amount," e.g., the return on or increase in value of a particular amount invested at a particular interest rate, in a particular foreign currency, or in a "basket" of securities representing a particular index. Swaps offer the possibility to hedge existing long positions.

Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency.

Currency forwards

A currency forward is a non-standardised contract between two parties to exchange two currencies at an agreed exchange rate at a specified future date and time. They are negotiated as Over the Counter transactions with approved counterparties; there is a potentially unlimited loss if the currency for which a short position has been taken rises in value versus the long currency so that the long currency becomes worthless.

Warrants

Warrants are certificates entitling the holder to buy a specific amount of security at a specified price. In the case that the price of the security rises to above that of the warrant's exercise price, then the security can be bought at the warrant's exercise price and resell it for a profit. Otherwise, the warrant will simply expire or remain unused. Warrants are listed on options exchanges and trade independently of the security with which it was issued.

HEDGING

In accordance with the terms of the Prospectus, the Fund may (but shall not be obliged to) engage in currency hedging transactions in respect of Classes not denominated in the Base Currency to seek to hedge against declines in the values of one or more Classes of the Fund as a result of changes in currency exchange rates. All hedging transactions will be clearly attributable to a specific Class and therefore currency exposures of different Classes shall not be combined or offset and currency exposures of assets of the Fund shall not be allocated to separate Classes. Therefore, the costs, gains/losses of such hedging transactions will accrue solely to the relevant Class.

SECURITIES LENDING, REPURCHASE AND REVERSE REPURCHASE AGREEMENTS

The Company will not enter into any securities lending, repurchase or reverse repurchase agreements in respect of the Fund.

DESCRIPTION OF THE INDEX

This section is a summary of the principal features of the MSCI USA Small Cap ESG Leaders Index (Net Return) and is not a complete description of the Index.

General

The Index is an equity index calculated, maintained and published by international index supplier MSCI® and is denominated in USD. It tracks the total return net dividend performance of small capitalization US companies as further describe in the Index factsheet.

The Index is a benchmark for investors seeking exposure to best-in-class ESG US companies while avoiding products whose social or environmental impact is considered to be negative by investors.

The Index is part of the MSCI ESG Leaders Index series. The constituent selection is made from the principal index, being the MSCI USA Small Cap Index (the "**Parent Index**").

The underlying universe of the Index includes all of the constituents of the Parent Index. Taking this underlying universe, the Index Provider constructs the Index in the following process.

First, the Index Provider excludes companies which have business involvement in certain activities (controversial weapons, nuclear weapons, civilian firearms, tobacco, alcohol, conventional weapons, nuclear power, fossil fuel extraction, thermal coal power and gambling), and also applies climate change-based exclusions (including securities of companies involved in thermal coal mining and unconventional oil and gas extraction (e.g., oil sands, shale gas, shale oil, coal bed methane or oil and gas production in the Arctic region), and thermal coal-based power generation), as well as the top 5% companies by number based on carbon emission intensity levels (being scope 1 and 2 emissions as categorised by the Greenhouse Gas Protocol) up to a cumulative weight of less than 30% of the weight of that sector in the Parent Index. The Index also selects companies with low exposure to fossil fuel reserves by ranking the Parent Index constituents in descending order of the potential carbon emissions

per dollar of the market capitalization of the company. Securities are then excluded until the cumulative potential carbon emission of the excluded securities reaches 50% of the sum of the potential carbon emission of the constituents of the Parent Index.

Then, MSCI's best-in-class selection process is applied to the remaining universe of securities in the Parent Index to target the top 50% companies in each sector according to their ESG ratings (thus eliminating 50% of the least well-rated securities). These ESG ratings are provided by the MSCI (the "**MSCI ESG Score**"). To be considered a high ESG rated company, a company must have the following: i) an MSCI ESG Rating (as defined in the Index Methodology) of 'BB' or above and ii) the MSCI ESG Controversies Score (as defined in the Index Methodology) of 3 or above.

The MSCI ESG Score calculates a weighted average key issue score for each company based on the risks, opportunities and controversies identified for the company. The weights of selected key issues are determined by the industry's impact on environmental and social factors and the expected timeframe for risks and opportunities to materialise. Each company's final industry-adjusted score corresponds to a rating between best (AAA) and worst (CCC). The factors used to rate a company are, amongst others, carbon emissions, water stress, biodiversity and land use, labour management, human capital development, board diversity, etc. (non-exhaustive list).

The Index rebalances on a quarterly basis. The rebalancing frequency will have minimal impact on the transaction costs associated with the Fund as any rebalancing is not anticipated to require any higher frequency of position turnover in the Fund than would otherwise be the case were the Index to be static. It is not anticipated that the composition of the Index will be adjusted to the extent that tracking is not possible within the scope of standard UCITS investment restrictions.

Further details of the Index composition and its calculation methodology (including information on the procedure to be adopted by the index sponsor should the weighting of any particular stock exceed the permitted investment restrictions) can be found at the website set out below. The Investment Manager monitors the investment restrictions applicable to the Fund. As soon as the Investment Manager becomes aware that the weighting of any particular stock in the Index exceeds the permitted investment restrictions, the Investment Manager will seek to either unwind that particular position or reduce the Fund's exposure to that stock to ensure that the Fund at all times operates within the permitted investment restrictions and complies with the requirements of the UCITS Regulations.

Index Methodology

The methodology of the construction of the Index is available on the MSCI internet website:

<http://www.msci.com/products/indexes/esg/methodology.html>

Additional information about the Index can be found under:

<http://www.msci.com/products/indexes>

Index Factsheet

The Index Factsheet is available on the MSCI internet website:

<https://www.msci.com/equity-fact-sheet-search>

Publication of the Index Value

The closing price and the composition of the Index is available on the MSCI internet website by selecting the underlying index:

https://app2.msci.com/eqb/custom_indexes/custom_performance.html

Publication of the Index Composition

The composition of the Index is available on the MSCI internet website by selecting the underlying index:

<https://www.msci.com/constituents>

RISK MANAGEMENT

As disclosed above, the Fund may use FDI for the purposes of efficient portfolio management. The Investment Manager has adopted a commitment approach in the calculation of global exposure arising from the use of FDI. The Fund's global exposure relating to the use of FDI may not exceed its total net assets.

The commitment approach is calculated by converting the FDI position into an equivalent position based on the market value of the underlying asset. Where FDI are used for hedging purposes the exposure of the FDI is calculated and then netted against the instrument being hedged.

INVESTMENT RISKS

Investment in the Fund carries with it a degree of risk including the risks described in the "*Risk Information*" section of the Prospectus and in this Supplement. These risks are not intended to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before purchasing Shares.

In the event that the Fund uses FDI, the risk profile of the Fund may increase. For information in relation to the risks associated with the use of FDI, please note the following specific risks listed below. Please also refer to "*Derivatives Risk*" in the "*Risk Information*" section of the Prospectus.

Concentration Risk

The Fund may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region. In these cases, the Fund's performance will be closely tied to the market, currency, economic, political, or regulatory conditions and developments in that country or region or those countries, and could be more volatile than the performance of more geographically-diversified funds.

In addition, the Fund may concentrate its investments in companies in a particular industry, market or economic sector. When the Fund concentrates its investments in a particular industry, market or economic sector, financial, economic, business, and other developments affecting issuers in that industry, market or sector will have a greater effect on the Fund than if it had not concentrated its assets in that industry, market or sector.

Further, investors may buy or sell substantial amounts of the Shares in response to factors affecting or expected to affect a particular country, industry, market or sector in which the Fund concentrates its investments, resulting in abnormal inflows or outflows of cash into or out of the Fund. These abnormal inflows or outflows may cause the Fund's cash position or cash requirements to exceed normal levels, and consequently, adversely affect the management of the Fund and the Fund's performance.

Currency Risk

The Fund may invest in securities that are denominated in currencies that differ from the Base Currency. Changes in the values of those currencies relative to the Base Currency may have a positive or negative effect on the values of the Fund's investments denominated in those currencies. The Fund may, but will not necessarily, invest in currency exchange contracts to help reduce exposure to different currencies, however there is no guarantee that these contracts will successfully do so. Also, these contracts may reduce or eliminate some or all of the benefit that a Fund may experience from favourable currency fluctuations.

Index Risk

The ability of the Fund to achieve significant correlation between the performance of the Fund and the Index may be affected by changes in securities markets, changes in the composition of the Index, cash flows into and out of the Fund and the fees and expenses of the Fund. The Fund will seek to track Index returns regardless of the current or projected performance of the Index or of securities comprising the Index. As a result, the Fund's performance may be less favourable than that of a portfolio managed using an active investment strategy. The structure and composition of the Index will affect the performance, volatility and risk of the Index (in absolute terms and by comparison with other indices), and consequently, the performance, volatility and risk of the Fund.

Index Tracking Risk

There is no guarantee that the investment objective of the Fund will be achieved. In particular, no financial instrument enables the returns of the Index to be reproduced or tracked exactly. Changes in the investments of the Fund and re-weightings of the relevant Index may give rise to various transaction costs (including in relation to the settlement of foreign currency transactions), operating expenses or inefficiencies which may adversely impact the Fund's tracking of the performance of an Index. Furthermore, the total return on investment in the Shares will be reduced by certain costs and expenses which are not taken into account in the calculation of the applicable Index. Moreover, in the event of the temporary suspension or interruption of trading in the investments comprising the Index, or of market disruptions, rebalancing the Fund's investment portfolio may not be possible and may result in deviations from the return of the Index.

Investment Risk

A Shareholder may lose the entire principal amount invested in the Fund. The value of the securities held in the Fund may increase or decrease, at times rapidly and unexpectedly. An investment in the Fund may at any point in the future be worth less than the original amount invested.

The total return on investment in the Shares may be reduced by taxes arising in the Fund including taxes in the jurisdictions in which the Fund invests. The Fund may benefit from reduced dividend withholding taxes under the terms of relevant double taxation treaties or conventions although there is no guarantee that it will do so. Please refer to the "Tax Information" section of the Prospectus for further information on the applicable tax treatment for the Company and the Fund.

Collateral Management Risk

The Company may post and receive collateral as set out in the "Collateral Policy" section of the Prospectus. Collateral posted may be subject to operational, liquidity, counterparty, custody and legal risks. Please see the sections entitled "Risk Information - Securities Financing Transactions", "Securities Lending Risk", "Repurchase Agreements" and "Collateral Risk" of the Prospectus, which risks apply to the movement of collateral.

INVESTOR PROFILE

Investors in the Fund are expected to be retail and professional investors or eligible counterparties (as described under MiFID II) seeking a return on their investment over a long term time horizon who want to integrate ESG factors into their investment process through exposure to the equity market performance of US companies and are prepared to accept the risks associated with an investment of this type. Based on the structure and composition of the Index, the volatility of the Fund, which may vary from time to time, is generally expected to be medium to high.

DIVIDEND POLICY

It is not the current intention of the Directors to declare a dividend in relation to the following Share Classes:

- (USD) A-acc;
- (hedged to EUR) A-acc;

- (hedged to CHF) A-acc.

The net income attributable to the above Share Classes shall be retained within the Fund and the value of these Shares shall rise accordingly.

The Directors intend to declare dividends out of:

- (i) net income; and/or
- (ii) realised and unrealised gains net of realised and unrealised losses

attributable to the following Share Classes:

- (USD) A-dis;
- (hedged to EUR) A-dis;
- (hedged to CHF) A-dis.

in respect of each six month period ending on 31 December and 30 June within 30 calendar days of the end of the relevant period end. Any such dividends will be paid within two calendar months after declaration.

The Directors and/or the Manager reserve the right to increase or decrease the frequency of dividend payments, if any, at their discretion for income distribution Shares. In the event of a change of policy full details will be disclosed in an updated Supplement and Shareholders will be notified in advance.

Dividends will be paid to Shareholders through the settlement systems through which the Shares are held. The net income and/or realised and unrealised gains net of realised and unrealised losses available for distribution in respect of the relevant Class will be determined in accordance with the relevant law and generally accepted accounting principles consistently applied.

Any dividend unclaimed after six years from the date when it first became payable shall be forfeited automatically, without the necessity for any declaration or other action by the Company.

Further information is set out in the "Distributions" section of the Prospectus.

FEES AND EXPENSES

This section should be read in conjunction with the section entitled "Fees and Expenses" in the Prospectus.

The following fees and expenses apply in respect of the Share Classes of the Fund:

| Share Class | Flat Fee |
|-----------------------|---|
| (USD) A-acc | up to 0.20% per annum of the Net Asset Value of the Class |
| (USD) A-dis | up to 0.20% per annum of the Net Asset Value of the Class |
| (hedged to EUR) A-dis | up to 0.23% per annum of the Net Asset Value of the Class |
| (hedged to EUR) A-acc | up to 0.23% per annum of the Net Asset Value of the Class |
| (hedged to CHF) A-dis | up to 0.23% per annum of the Net Asset Value of the Class |
| (hedged to CHF) A-acc | up to 0.23% per annum of the Net Asset Value of the Class |

DETERMINATION OF THE NET ASSET VALUE

The Net Asset Value of the Fund and Net Asset Value per Share is calculated by the Administrator as at the Valuation Point on each Business Day and will be published on the Website.

SUBSCRIPTIONS – PRIMARY MARKET

The Fund is offering the following Classes:

- (USD) A-dis;
- (USD) A-acc;
- (hedged to EUR) A-dis;
- (hedged to EUR) A-acc;
- (hedged to CHF) A-dis;
- (hedged to CHF) A-acc.

Applications have been made for all Classes to be listed on Listing Stock Exchanges.

It is noted that it is proposed to merge a sub-fund of another Irish UCITS (the “**Merging Fund**”), into the Fund. Accordingly, for (USD) A-acc, the initial offer period shall run from 9.00a.m. until 4.30p.m. (Irish time) on the date of merger of the Merging Fund into the Fund unless such period is shortened or extended by the Directors, who may delegate the exercise of such discretion to any one Director, in accordance with the requirements of the Central Bank. Following this, the (USD) A-acc will be issued on each Dealing Day at the Dealing NAV with an appropriate provision for Duties and Charges in accordance with the provisions set out in the Prospectus.

The Initial Offer Price for (USD) A-acc shall be equivalent to the net asset value per share of the relevant class of the Merging Fund as at the date of the merger of the Merging Fund into the Fund. Details will be available from the Administrator on request on the date of the merger and will also be published on the Website.

The Classes listed below will be initially available from the Initial Offer Period at an Initial Offer Price with an appropriate provision for Duties and Charges. The Initial Offer Price may be calculated based on the related Index variant as follows:

| Class | Initial Offer Price |
|-----------------------|---------------------|
| (USD) A-dis | Index value / 200 |
| (hedged to EUR) A-dis | Index value / 200 |
| (hedged to EUR) A-acc | Index value / 200 |
| (hedged to CHF) A-dis | Index value / 200 |
| (hedged to CHF) A-acc | Index value / 200 |

The closing Index value which will be published on the MSCI website at the web address set out in section entitled "Publication of the Index" will be used to calculate the Initial Offer Price. For example, where the Index Value was 530.7510 at 18 January, 2024, Shares in (USD) A-acc would be issued at an Initial Offer Price per Share of USD 2.6538. The Initial Offer Price will be calculated using the closing Index value taken at 10.30 pm CET on the Closing Date.

In order to receive Shares at the close of the Initial Offer Period:

- (a) a properly completed share application form which satisfies the application requirements, including, but not limited to, full anti-money laundering documentation, must be received prior

- to the Dealing Deadline (Irish time) on the Closing Date (with the original to follow in the case of an initial subscription); and
- (b) appropriate, cleared subscription monies must, in the case of cash subscriptions, be received by and delivery of the securities must, in the case of in-kind subscriptions, be effected by no later than the IOP Settlement Date.

Settlement of Shares subscribed for during the Initial Offer Period will take place on the IOP Settlement Date, provided always that settlement may take place earlier if consideration for the relevant Shares is received prior to the IOP Settlement Date.

Settlement of Shares subscribed for after the Initial Offer Period will take place on the Settlement Date, provided always that settlement may take place earlier if consideration for the relevant Shares is received prior to the Settlement Date.

Following the Initial Offer Period, Shares in each Class will be issued on each Dealing Day at the Dealing NAV with an appropriate provision for Duties and Charges in accordance with the provisions set out in the Prospectus. In order to receive Shares on a Dealing Day:

- (a) a properly completed share application form which satisfies the application requirements, including, but not limited to, full anti-money laundering documentation, must be received prior to the Dealing Deadline (Irish time) on the relevant Dealing Day (with the original to follow in the case of an initial subscription); and
- (b) appropriate, cleared subscription monies must, in the case of cash subscriptions, be received by and delivery of the securities must, in the case of in-kind subscriptions, be effected by no later than the Settlement Date.

Applications for Shares may be submitted to the Administrator either by fax or electronically in accordance with the requirements of the Central Bank, provided that the original application form and the supporting documentation required for anti-money laundering purposes is received by post promptly thereafter.

Subsequent applications for Shares may be submitted to the Administrator either by fax or electronically in accordance with the requirements of the Central Bank and provided that all on-going anti-money laundering checks are complete.

REDEMPTIONS

Shareholders in the Fund may request the redemption of Shares on any Dealing Day at the appropriate Dealing NAV, subject to an appropriate provision for Duties and Charges (subject to any applicable regulations), provided that a written redemption request is signed by the Shareholder and received by the Administrator by the Dealing Deadline on the relevant Dealing Day in accordance with the provisions of the Prospectus. Redemption requests will be processed on receipt of faxed or electronic instruction only where payment is made to the account of record of the Shareholder. Settlement will normally take place within three Business Days of the Dealing Day.

CONVERSIONS

Shareholders should refer to the "Conversions" in the "Purchase and Sale" section of the Prospectus for information on Share conversions.

VALUATION OF ASSETS

The method of valuation of the Net Asset Value is set out in detail in the "*Determination of Net Asset Value*" section of the Prospectus. Further to such provisions, each asset of the Fund will be valued at the last traded price on the relevant Recognised Market at the close of business on such Recognised Market on each Dealing Day.

RISK FACTORS

Currency Hedged Classes

Fluctuations between the currency of a currency-hedged Class and the currency of an underlying Index constituents may be reduced by the use of one-month foreign exchange forwards. The use of one-month foreign exchange forwards may not take into account the underlying Index constituents' intra-month price movements. As a result a risk of an intra-month under- or over-hedging may arise. Consequently the performance of an Index measured in its base currency may not exactly be achieved by the hedged Index measured in the hedged currency.

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ANNEX II

Pre-contractual 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 (Irl) ETF plc – MSCI USA Small Cap ESG Leaders UCITS ETF 391200K036Y1TO9Y3I79

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.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

It will make a minimum of **sustainable investments with an environmental objective:** ____ %

It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% 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 will make a minimum of **sustainable investments with a social objective:** _____ %

It promotes E/S characteristics, but **will not make any sustainable investments**

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.

| | | |
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| <p>Sustainability indicators measure how the sustainable objectives of this financial product are attained.</p> |  | <p>What environmental and/or social characteristics are promoted by this financial product?</p> |
| | | <p>This financial product is passively managed and tracks an index (“Index/Reference Benchmark”). The following characteristics are promoted by the financial product:</p> <ul style="list-style-type: none"> • tracks/tracking of a benchmark with a sustainability profile (ESG Score) that is higher than the Parent Index’s sustainability profile • a Carbon Intensity (1, 2) emissions indicator lower than the Parent Index (MSCI) <p>The Reference Benchmark designated for the purpose of attaining the characteristic promoted by the financial product is the MSCI USA Small Cap ESG Leaders Index (Net Return).</p> |
| | | <ul style="list-style-type: none"> • <i>What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?</i> |
| | | <p>The characteristics are measured using the following indicators respectively:</p> <ul style="list-style-type: none"> • The MSCI ESG Score <p>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 MSCI ESG 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. MSCI ESG Scores are also shown as 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 MSCI ESG Score measures the most financially significant environmental, social and governance risks and opportunities of companies on the basis of the Key ESG themes. In addition, sectoral differences are taken into account through identifying key industry specific ESG issues relevant to each Key ESG Theme. This assessment of risk and opportunity makes the MSCI ESG Score a rather static measure, as the relative valuation of a sector remains constant over a longer period of time. Companies with the highest ratings are those assessed as best managing their exposures to the above mentioned Key ESG Themes and the associated issues. Each company in the product’s portfolio will produce a score which will contribute to the overall MSCI ESG Score of the product’s portfolio. The product’s MSCI ESG Score will be higher than that of the Parent Benchmark.</p> <ul style="list-style-type: none"> • Weighted average carbon intensity (Scope 1+2) MSCI <p>The weighted average carbon intensity (“WACI”) measures a portfolio’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</p> |



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| | | face more exposure to carbon related market and regulatory risks. It's the sum product of the portfolio weights and individual carbon intensities (carbon emissions scope 1+2 / USDm sales). |
| | | <ul style="list-style-type: none"> • What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives? |
| | | <p>The financial product intends to invest at least 90% of its total net assets in securities that are constituents of the Index with a commitment to a minimum proportion of sustainable investments of 20%. MSCI USA Small Cap ESG Leaders Index (Net Return) aims to represent the performance of an investment strategy that by re-weighting free-float market cap weights based upon certain ESG metrics seeks to increase exposure to those companies demonstrating both a robust ESG profile as well as a positive trend in improving that profile, while excluding companies based on various ESG and climate change criteria.</p> <p>The financial product seeks to achieve a higher MSCI ESG Score than the Parent Index. MSCI ESG Ratings are designed to help investors identify the environmental, social and governance (ESG) risks and opportunities of their investments and to integrate these factors into their portfolio construction.</p> <p>The MSCI ESG Rating includes environmental and social pillars such as climate change, natural capital, pollution & waste, environmental opportunities, human capital, product liability, stakeholder opposition & social opportunities.</p> <p>The financial product also seeks to achieve a lower carbon intensity (1 and 2) emissions indicator than that of the Parent Index. MSCI Climate Change Metrics provides climate data & tools to support investors integrating climate risk & opportunities into their investment strategy and processes. It supports investors seeking to achieve a range of objectives, including measuring and reporting on climate risk exposure, implementing low carbon and fossil fuel-free strategies, align with temperature pathways and factoring climate change research into their risk management processes, in particular through climate scenario analysis for both transition and physical risks.</p> |
| <p>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.</p> | | <ul style="list-style-type: none"> • How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective? |
| | | <p>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.</p> |
| | | <p><i>How have the indicators for adverse impacts on sustainability factors been taken into account?</i></p> |

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| | | <p>Indicators for adverse impacts on sustainability factors are taken into account by the Index provider as appropriate to the Index family.</p> <p>The Index incorporates the MSCI ESG Controversies Score, screening out on a timely basis any issuers in significant breach of ESG norms.</p> <p>MSCI ESG Controversies are designed to provide timely and consistent assessments of ESG controversies involving issuers. Any issuer with a MSCI ESG Controversies Score less than 3 is excluded from sustainability indices. The MSCI ESG Controversies Score measures an issuer's involvement in major ESG controversies and how well the issuer adheres to international norms and principles.</p> <p>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.</p> |
| | | <p><i>How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:</i></p> |
| | | <p>The MSCI ESG Controversies tool monitors company involvement in notable ESG controversies related to the company's operations and/or products. The MSCI ESG Controversies provides assessments of controversies concerning the negative environmental, social, and/or governance impact of a company's operations, products and services. The evaluation framework used in MSCI ESG Controversies is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact. MSCI ESG Controversies Score falls on a 0-10 scale, with "0" being the most severe controversy. Companies must have an MSCI ESG Controversies score of 3 or above to be eligible for the Index.</p> <p>https://www.msci.com/documents/1296102/14524248/MSCI+ESG+Research+Controversies+Executive+Summary+Methodology+---+July+2020.pdf/b0a2bb88-2360-1728-b70e-2f0a889b6bd4</p> |


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 EU 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.

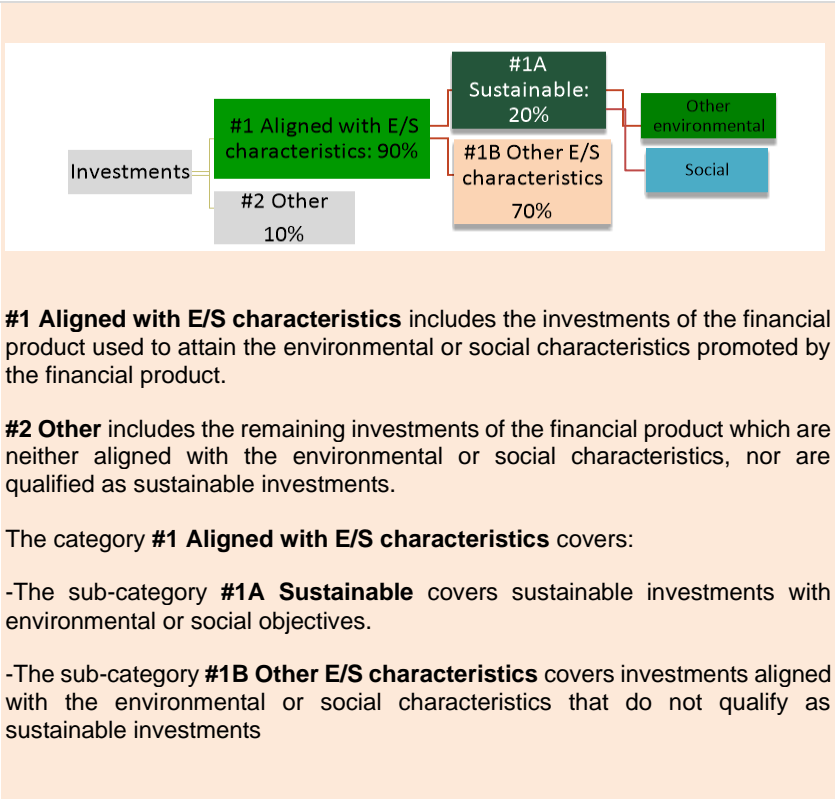
Any other sustainable investments must also not significantly harm any environmental or social objectives.

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| |  | <p>Does this financial product consider principal adverse impacts on sustainability factors?</p> |
| | | <p><input checked="" type="checkbox"/> Yes</p> |
| | | <p>This financial product is passively managed and tracks an Index and, therefore, indicators for adverse impacts on sustainability factors are taken into account by the Index Provider as appropriate to the Index family, as follows.</p> <p>The Index incorporates the MSCI ESG Controversies Score, screening out on a timely basis any issuers in significant breach of ESG norms related to a 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.</p> <p>MSCI ESG Controversies are designed to provide timely and consistent assessments of ESG controversies involving issuers. Any issuer with a MSCI ESG Controversies Score less than 3 is excluded from sustainability indices. The MSCI ESG Controversies Score measures an issuer’s involvement in major ESG controversies and how well the issuer adheres to international norms and principles.</p> <p>In addition, the Investment Manager applies the exclusions of SVVK-ASIR.</p> <p>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.</p> |
| | | <p><input type="checkbox"/> No</p> |
| |  | <p>What investment strategy does this financial product follow?</p> |

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| <p>The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.</p> | | <p>This financial product seeks to promote the characteristic(s) described in this annex through Index selection and passive asset management.</p> <p>This financial product is passively managed and seeks to track the performance and the ESG profile of the Index. Sustainability characteristics and risks are considered as part of the Index selection process. The Index which is stated by the index provider to be screened against environmental, social or governance criteria and any methodology used by the index provider to assess sustainability characteristics and risks of the constituents of the index can be found on the website of the index provider.</p> |
| | | <ul style="list-style-type: none"> • <i>What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?</i> |
| | | <p>The following binding element(s) of the investment strategy are used to select the investments to attain the characteristic(s) promoted by this financial product:</p> <p>Characteristic 1):</p> <p>A sustainability profile (MSCI ESG Score) that is higher than the parent benchmark's (MSCI USA Small Cap) sustainability profile</p> <p>Characteristic 2):</p> <p>A Carbon Intensity (1 and 2) emissions indicator that is lower than the parent benchmark's (MSCI USA Small Cap)</p> <p>The calculations do not take account of cash, derivatives and unrated investment instruments.</p> <p>The characteristic(s), the minimum proportion of sustainable investments and the minimum proportion of investments used to meet the environmental and/or social characteristics promoted by the financial product are calculated at quarter end using the average of all of business days' values in the quarter.</p> |
| | | <ul style="list-style-type: none"> • <i>What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?</i> |
| | | <p>This financial product invests at least 90% of its total net assets in securities that are constituents of the Index and the Index provider applies ESG Ratings on all of the Index constituents. The Index eliminates at least 20% of the least well-rated securities as against the standard index universe. It is, therefore, expected that this financial product's resulting ESG rating will be higher than the ESG rating of a financial product tracking a standard index.</p> |
| | | <ul style="list-style-type: none"> • <i>What is the policy to assess good governance practices of the investee companies?</i> |

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| <p>Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.</p> | | <p>Assessment of good governance practices of the investee companies is performed by the index provider. The Investment Manager applies the conduct-based exclusions of SVVK-ASIR.</p> <p>MSCI ESG Ratings analysis begins with an evaluation of each company's corporate governance, taking into consideration the company's ownership and control structures, the composition and effectiveness of its board, the effectiveness of its incentive practices and the integrity of its accounting. Corporate behavior is also monitored, including any controversies that might have a significant negative impact on the company's value.</p> |
| |  | <p>What is the asset allocation planned for this financial product?</p> |
| | | <p>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 20%.</p> |

Asset allocation describes the share of investments in specific assets.



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.


#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments

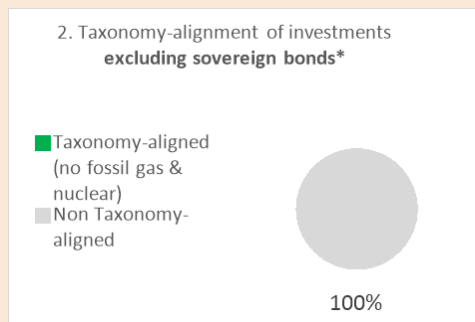
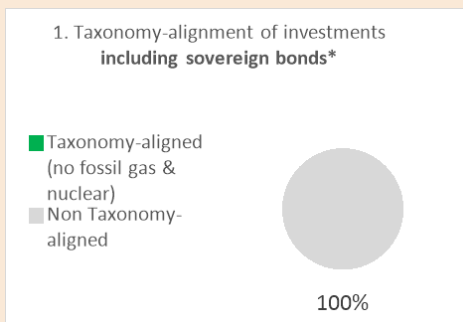
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| | | <ul style="list-style-type: none"> • How does the use of derivatives attain the environmental or social characteristics promoted by the financial product? |
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| | | <p>Derivatives will only be used in case that a) the investment objective cannot be achieved by investments index components, in particular in order to reflect the performance of a currency hedge where a sub-fund replicates a currency-hedged index, or b) to generate efficiencies in gaining exposure to the constituents of the Index, in particular where there are legal or practical obstacles to gaining direct access to a market to which the Index refers.</p> <p>The financial product may namely enter into a range of index related swaps (excluding funded swaps) and derivative instruments (futures, forwards, currency swaps, p-notes, options, warrants and foreign exchange contracts) in order to replicate the Index.</p> |
| |  | To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy? |
| | | The minimum extent that investments underlying this financial product are sustainable investments with an environmental objective aligned with the EU Taxonomy is 0%. |
| | | <ul style="list-style-type: none"> • Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹? |
| | | <input type="checkbox"/> Yes: <input type="checkbox"/> In fossil gas <input type="checkbox"/> In nuclear energy <input checked="" type="checkbox"/> No |

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to 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

The two graphs below show in green the minimum percentage of investments that are 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 investment 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

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.

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.

| | | |
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|  <p>are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.</p> | | <ul style="list-style-type: none"> What is the minimum share of investments in transitional and enabling activities? |
| | | Not applicable |
| |  | <p>What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?</p> <p>The financial product targets a minimum proportion of sustainable investments that are not aligned with the EU Taxonomy of 20%. These investments have both environmental and social objectives however there are no specific minimum proportions for each of these categories.</p> |
| |  | <p>What is the minimum share of socially sustainable investments?</p> <p>The financial product targets a minimum proportion of sustainable investments that are not aligned with the EU Taxonomy of 20%. These investments have both environmental and social objectives however there are no specific minimum proportions for each of these categories.</p> |
| |  | <p>What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?</p> |
| | | <p>Included in “#2 Other” are cash and unrated instruments for the purpose of liquidity and portfolio risk management relative to the benchmark weighting. This category may also include securities for which relevant data is not available, including securities which are expected to shortly be included in the Index or securities which the Investment manager considers may provide a similar return to securities included in the Index.</p> |

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

The Reference Benchmark designated for the purpose of attaining the characteristics promoted by the financial product is the MSCI USA Small Cap ESG Leaders Index (Net Return).

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

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 Index rebalances on a quarterly basis. More details on the Index methodology applied by the index provider can be found below.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

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 Investment Manager will track 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 Reference Benchmark's return and its characteristics, including ESG characteristics, as closely as reasonably possible.

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

- ***How does the designated index differ from a relevant broad market index?***

The MSCI USA Small Cap ESG Leaders Index draws its constituents from the MSCI USA Small Cap Index (the "Parent Index") and is designed to reflect the performance of an investment strategy that, by tilting away from free-float market cap weights, seeks to gain exposure to those companies demonstrating both a robust Environmental, Social and Governance (ESG) profile as well as a positive trend in improving that profile, using certain exclusions from the Parent Index.

The MSCI USA Small Cap ESG Leaders Index is part of the MSCI ESG Leaders Index series and is designed to represent the performance of small cap US companies that have high Environmental, Social and Governance ("ESG") ratings relative

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| | | <p>to their sector peers. The index excludes constituents based on involvement in specific business activities, as well as ESG ratings and exposure to ESG controversies. The indexes target a 50% sector representation compared to the parent index, aiming to include companies with the highest MSCI ESG Ratings in each sector. The constituent selection is made from the principal index, being the MSCI USA Small Cap Index (the "Parent Index").</p> <p>First, the indexes use MSCI ESG Controversies Scores to identify companies that are involved in very serious controversies involving the environmental, social, or governance impact of their operations and/or products and services. Companies are required to have an MSCI ESG Controversies Score of 3 or above to be eligible for inclusion in the index. Second, the index excludes based on MSCI ESG Business Involvement Screening Research and MSCI Climate Change Metrics companies that are involved in the following business activities: controversial weapons, nuclear weapons, civilian firearms, tobacco, alcohol, gambling, conventional weapons, nuclear power, fossil fuel extraction and thermal coal power generation.</p> |
| | | <ul style="list-style-type: none"> • <i>Where can the methodology used for the calculation of the designated index be found?</i> |
| | | <p>The methodology of the construction of the Index can be found in the fund supplement.</p> |
| |  | <p>Where can I find more product specific information online?</p> <p>More product-specific information can be found on the website:</p> |
| | | <p>www.ubs.com/etf by entering your domicile and role and searching for the name of the Fund in the search bar provided.</p> |