

Annual Report 2021/2022

Investment Company under Luxembourg Law (SICAV)

R.C.S. Luxembourg N° B 109 504

Annual report and audited financial statements as of 31 October 2022

UBS (Lux) SICAV 2

UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)

UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)

UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*

UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)**

UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)



Annual report and audited financial statements as of 31 October 2022

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* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)
** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Sales restrictions

Shares of this Company may not be offered, sold or distributed within the United States of America.

Management and Administration

Registered Office

33A, avenue John F. Kennedy
L-1855 Luxembourg

Board of Directors

Robert Süttinger, Chairman
Managing Director, UBS Asset Management
Switzerland AG, Zurich, Switzerland

Thomas Rose, Member
(until 31 March 2022)
Managing Director, UBS Asset Management
Switzerland AG, Zurich, Switzerland

Ioana Naum, Member (since 1 April 2022)
Executive Director, UBS Asset Management
Switzerland AG, Zurich, Switzerland

Francesca Guagnini, Member
Managing Director, UBS Asset Management (UK) Ltd.
London, Great Britain

Raphael Schmidt-Richter, Member
Executive Director, UBS Asset Management
(Germany) GmbH
Frankfurt am Main, Germany

Josée Lynda Denis, Member
Independent Director
Luxembourg

Management Company and Domiciliation Agent

UBS Fund Management (Luxembourg) S.A.
33A, avenue John F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg N° B 154 210

Portfolio Manager

UBS (Lux) SICAV 2
– CHF Bond Sustainable (CHF)
– EUR Corporates Active Climate Aware (EUR)
– Low Duration EUR Bond Sustainable (EUR)*
– Low Duration USD Bond Sustainable (USD)**
UBS Asset Management Switzerland AG, Zurich

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)
** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

UBS (Lux) SICAV 2
– USD Corporates Active Climate Aware (USD)
UBS Asset Management (Americas) Inc., Chicago

Depository and main Paying Agent

UBS Europe SE, Luxembourg Branch
33A, avenue John F. Kennedy
L-1855 Luxembourg

Administrative Agent

Northern Trust Global Services SE
10, rue Château d'Eau
L-3364 Leudelange

Sales agency

UBS Asset Management Switzerland AG, Zurich

Auditors of the Company

PricewaterhouseCoopers, Société coopérative
2, rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg

Sale in Switzerland

Representative
UBS Fund Management (Switzerland) AG
P.O. Box
Aeschenvorstadt 1
CH-4002 Basel

Paying agents
UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich
and its offices in Switzerland

The sales prospectus, the KIID, the articles of association of the Company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge from UBS Switzerland AG, Postfach, CH-8001 Zurich and from UBS Fund Management (Switzerland) AG, P.O. Box, CH-4002 Basel.

**Sale in Austria, in Belgium, in Denmark,
in Germany, in Greece, in Finland, in France,
in Italy, in Liechtenstein, in the Netherlands,
in Singapore*, in Spain, in Sweden and
in the United Kingdom**

* Restricted foreign scheme

Shares of this Company may be sold in these countries.

The sales prospectus, the KIID, the articles of association of the company, the annual and semi-annual reports as well as the portfolio movements of the Company mentioned in this publication are available free of charge at the sales agencies and at the registered office of the Company.

Features of the Company

The Company offers investors various subfunds (“**umbrella structure**”) that invest in accordance with the investment policy described in the Sales Prospectus. The specific features of each subfund are defined in the Sales Prospectus, which will be updated each time a new subfund is launched.

The consolidated version of the Company’s Articles of Incorporation may be consulted at the R.C.S. in Luxembourg. Any amendments thereto shall be notified by way of a notice of deposit in the Recueil Electronique des Sociétés et Associations (“**RESA**”), as well as by any other means described below in the section entitled “Regular reports and publications” of the sales prospectus. Amendments become legally binding following their approval by the general meeting of shareholders.

The combined net assets of the individual subfunds form the total net assets of the Company, which at all times constitute the Company’s share capital and consist of fully-paid up, no-par value shares (the “**shares**”).

The Company asks investors to note that they only benefit from shareholder rights – particularly the right to participate in general meetings – if they are entered in their own name in the register of shareholders following their investment in the Company. However, if investors buy Company shares indirectly through an intermediary that makes the investment in its own name on behalf of the investor, and as a result, said intermediary is entered into the shareholders’ register instead of the investor, the aforementioned shareholder rights may be granted to the intermediary and not the investor. Investors are therefore advised to enquire as to their investor rights before making an investment decision.

At general meetings, shareholders are entitled to one vote per share held, irrespective of any differences in value between the shares in the individual subfunds. Shares of a particular subfund carry the right of one vote per share held when voting at meetings affecting this subfund, notwithstanding the Board of Directors’ right to issue shares without voting rights, in line with the provisions of the Articles of Incorporation.

The Company forms a legal unit. As regards the association between shareholders, each subfund is considered to be independent of the others. The assets of a subfund are only liable for liabilities incurred by that subfund. As no division of liabilities is made between share classes, there is a risk that, under certain conditions, currency hedging transactions for share classes with “hedged” in

their name may result in liabilities that affect the net asset value of other unit classes of the same subfund.

The Board of Directors of the Company may decide to liquidate existing subfunds and/or launch new subfunds and/or create different share classes with specific characteristics within these subfunds at any time. The Sales Prospectus will be updated each time a new subfund or additional share class is launched.

The Company’s duration and total assets are unlimited.

The Company was initially established on 15 July 2005 as an open-ended investment fund in the form of a SICAV pursuant to Part II of the Law of 20 December 2002 relating to undertakings for collective investment. As at 12 July 2018, the Company became an open-ended investment fund in the form of a SICAV pursuant to Part I. With effect from 15 June 2011, the Company has appointed UBS Fund Management (Luxembourg) S.A. as its Management Company.

As at 31 October 2022, the following subfunds are active:

UBS (Lux) SICAV 2	Currency of account
– CHF Bond Sustainable (CHF)	CHF
– EUR Corporates Active Climate Aware (EUR)	EUR
– Low Duration EUR Bond Sustainable (EUR)*	EUR
– Low Duration USD Bond Sustainable (USD)**	USD
– USD Corporates Active Climate Aware (USD)	USD

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)
** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Various share classes can be offered for the subfunds. Information on which share classes are available for which subfund can be obtained from the Administrative Agent or at www.ubs.com/funds.

Shares are issued as registered shares only.

“P”

Shares in classes with “P” in their name are available to all investors. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“N”

Shares in classes with “N” in their name (shares with restrictions on distribution partners or countries) are issued exclusively through distributors authorised by UBS Asset Management Switzerland AG and domiciled in Spain, Italy, Portugal and Germany, or in other distribution countries insofar as this has been decided by the Company. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“K-1”

Shares in classes with “K-1” in their name are available to all investors. Their smallest tradable unit is 0.1. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 5 million, BRL 20 million, CAD 5 million, CHF 5 million, CZK 100 million, DKK 35 million, EUR 3 million, GBP 2.5 million, HKD 40 million, JPY 500 million, NZD 5 million, NOK 45 million, PLN 25 million, RMB 35 million, RUB 175 million, SEK 35 million, SGD 5 million, USD 5 million or ZAR 40 million.

“K-B”

Shares in classes with “K-B” in their name are exclusively reserved for institutional investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorised distribution partners on investing in one or more subfunds of this umbrella fund. The costs for asset management are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“K-X”

Shares in classes with “K-X” in their name are exclusively reserved for investors who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorised contractual partners on investing in one or more subfunds of this umbrella fund. The costs for asset management, fund administration (comprising the costs incurred by the Company, administrative agent and the Depositary) and distribution are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“F”

Shares in classes with “F” in their name are exclusively reserved for UBS Group AG affiliates. The maximum flat fee for this class does not include distribution costs. These shares may only be acquired by UBS Group AG affiliates, either for their own account or as part of discretionary asset management mandates concluded with UBS Group AG companies. In the latter case, the shares will be returned to the Company upon termination of the mandate at the prevailing net asset value and without being subject to charges. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“Q”

Shares in classes with “Q” in their name are exclusively reserved for financial intermediaries that (i) make investments for their own account, and/or (ii) receive no distribution fees in accordance with regulatory requirements, and/or (iii) can only offer their clients classes with no retrocessions, where these are available in the investment fund in question, in accordance with written agreements concluded with their clients. Investments that no longer meet the above conditions may be forcibly redeemed at the prevailing net asset value or exchanged for another class of the subfund. The Company and the Management Company are not liable for any tax consequences that may result from a forcible redemption or exchange. The smallest tradable unit of these shares is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100, NZD 100 or ZAR 1,000.

“I-A1”

Shares in classes with “I-A1” in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) c) of the amended Law of 2010. The maximum flat fee for this class does not include distribution costs. The smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

“I-A2”

Shares in classes with “I-A2” in their name are exclusively reserved for institutional investors within the meaning of Article 174 (2) c) of the amended Law of 2010. The maximum flat fee for this class does not include distribution

costs. The smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000. The minimum subscription amount for these shares is CHF 10 million (or foreign currency equivalent).

Upon subscription

- (i) a minimum subscription must be made in accordance with the list above;
- (ii) based on a written agreement between the institutional investor and UBS Asset Management Switzerland AG (or one its authorised contractual partners), or on the written approval of UBS Asset Management Switzerland AG (or one its authorised contractual partners), the investor's total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 30 million (or foreign currency equivalent); or
- (iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.

"I-A3"

Shares in classes with "I-A3" in their name are exclusively reserved for institutional investors within the meaning of Article 174(2) c) of the amended Law of 2010. The maximum flat fee for this class does not include distribution costs. The smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000. The minimum subscription amount for these shares is CHF 30 million (or foreign currency equivalent).

Upon subscription

- (i) a minimum subscription must be made in accordance with the list above;
- (ii) based on a written agreement between the institutional investor and UBS Asset Management Switzerland AG (or one its authorised contractual partners) or on the written approval of UBS Asset Management Switzerland AG (or one its authorised contractual partners), the investor's total assets managed by UBS or its holdings in UBS collective investment schemes must be more than CHF 100 million (or foreign currency equivalent); or
- (iii) the institutional investor must be an institution for occupational retirement provision that is part of UBS Group AG or must be one of its wholly-owned group companies.

"I-B"

Shares in classes with "I-B" in their name are exclusively reserved for institutional investors within the meaning of Article 174(2)(c) of the amended Law of 2010 who have

signed a written agreement with UBS Asset Management Switzerland AG or one of its authorised contractual partners on investing in one or more subfunds of this umbrella fund. A fee covering the costs for fund administration (comprising the costs of the Company, the administrative agent and the Depositary) is charged directly to the subfund. The costs for asset management and distribution are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

"I-X"

Shares in classes with "I-X" in their name are exclusively reserved for institutional investors within the meaning of Article 174(2)(c) of the amended Law of 2010 who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorised contractual partners on investing in one or more subfunds of this umbrella fund. The costs for asset management, fund administration (comprising the costs incurred by the Company, administrative agent and the Depositary) and distribution are charged to investors under the aforementioned agreements. Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 100, BRL 400, CAD 100, CHF 100, CZK 2,000, DKK 700, EUR 100, GBP 100, HKD 1,000, JPY 10,000, NOK 900, NZD 100, PLN 500, RMB 1,000, RUB 3,500, SEK 700, SGD 100, USD 100 or ZAR 1,000.

"U-X"

Shares in classes with "U-X" in their name are exclusively reserved for institutional investors within the meaning of Article 174(2)(c) of the amended Law of 2010 who have signed a written agreement with UBS Asset Management Switzerland AG or one of its authorised contractual partners on investing in one or more subfunds of this umbrella fund. The costs for asset management, fund administration (comprising the costs of the Company, the administrative agent and the Depositary) and distribution are charged to investors under the aforementioned agreements. This share class is exclusively geared towards financial products (i.e. funds of funds or other pooled structures under various legislative frameworks). Their smallest tradable unit is 0.001. Unless the Company decides otherwise, the initial issue price of these shares amounts to AUD 10,000, BRL 40,000, CAD 10,000, CHF 10,000, CZK 200,000, DKK 70,000, EUR 10,000, GBP 10,000, HKD 100,000, JPY 1 million, NZD 10,000, NOK 90,000, PLN 50,000, RMB 100,000, RUB 350,000, SEK 70,000, SGD 10,000, USD 10,000 or ZAR 100,000.

Additional characteristics:

Currencies

The share classes may be denominated in AUD, BRL, CAD, CHF, CZK, DKK, EUR, GBP, HKD, JPY, NOK, NZD, PLN, RMB, RUB, SEK, SGD, USD or ZAR. For share classes issued in the currency of account of the subfund, this currency will not be included in the share class name. The currency of account features in the name of the relevant subfund.

«hedged»

For share classes with “hedged” in their name and with reference currencies different to the subfund’s currency of account (“**share classes in foreign currencies**”), the risk of fluctuations in the value of the reference currency is hedged against the subfund’s currency of account. This hedging shall be between 95% and 105% of the total net assets of the share class in foreign currency. Changes in the market value of the portfolio, as well as subscriptions and redemptions of share classes in foreign currencies, can result in the hedging temporarily surpassing the aforementioned range. The Company and the Portfolio Manager will take all necessary steps to bring the hedging back within the aforementioned limits.

The hedging described has no effect on possible currency risks resulting from investments denominated in a currency other than the subfund’s currency of account.

“BRL hedged”

The Brazilian real (ISO 4217 currency code: BRL) may be subject to exchange control regulations and repatriation limits set by the Brazilian government. Prior to investing in BRL classes, investors should also bear in mind that the availability and tradability of BRL classes, and the conditions under which they may be available or traded, depend to a large extent on the political and regulatory developments in Brazil. The risk of fluctuations is hedged as described above under “hedged”. Potential investors should be aware of the risks of reinvestment, which could arise if the BRL class has to be liquidated early due to political and/or regulatory circumstances. This does not apply to the risk associated with reinvestment due to liquidation of a share class and/or the subfund in accordance with the section “Liquidation of the Company and its subfunds; merger of subfunds” of the sales prospectus.

“RMB hedged”

Investors should note that the renminbi (ISO 4217 currency code: CNY), the official currency of the People’s Republic of China (the “**PRC**”), is traded on two markets, namely as onshore RMB (CNY) in mainland China and offshore RMB (CNH) outside mainland China.

Shares in classes with “RMB hedged” in their name are shares whose net asset value is calculated in offshore RMB (CNH).

Onshore RMB (CNY) is not a freely convertible currency and is subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government. Offshore RMB (CNH), on the other hand, may be traded freely against other currencies, particularly EUR, CHF and USD. This means the exchange rate between offshore RMB (CNH) and other currencies is determined on the basis of supply and demand relating to the respective currency pair.

Convertibility between offshore RMB (CNH) and onshore RMB (CNY) is a regulated currency process subject to foreign exchange control policies and repatriation restrictions imposed by the PRC government in coordination with offshore supervisory and governmental agencies (e.g. the Hong Kong Monetary Authority).

Prior to investing in RMB classes, investors should bear in mind that the requirements relating to regulatory reporting and fund accounting of offshore RMB (CNH) are not clearly regulated. Furthermore, investors should be aware that offshore RMB (CNH) and onshore RMB (CNY) have different exchange rates against other currencies. The value of offshore RMB (CNH) can potentially differ significantly from that of onshore RMB (CNY) due to a number of factors including, without limitation, foreign exchange control policies and repatriation restrictions imposed by the PRC government at certain times, as well as other external market forces. Any devaluation of offshore RMB (CNH) could adversely affect the value of investors’ investments in the RMB classes. Investors should therefore take these factors into account when calculating the conversion of their investments and the ensuing returns from offshore RMB (CNH) into their target currency.

Prior to investing in RMB classes, investors should also bear in mind that the availability and tradability of RMB classes, and the conditions under which they may be available or traded, depend to a large extent on the political and regulatory developments in the PRC. Thus, no guarantee can be given that offshore RMB (CNH) or the RMB classes will be offered and/or traded in future, nor can there be any guarantee as to the conditions under which offshore RMB (CNH) and/or RMB classes may be made available or traded. In particular, since the currency of account of the relevant subfunds offering the RMB classes would be in a currency other than offshore RMB (CNH), the ability of the relevant subfund to make redemption payments in offshore RMB (CNH) would be subject to the subfund’s ability to convert its currency of account into offshore RMB (CNH), which may be restricted by the availability of offshore RMB (CNH) or other circumstances beyond the control of the Company.

The risk of fluctuations is hedged as described above under “hedged”.

Potential investors should be aware of the risks of reinvestment, which could arise if the RMB class has to be liquidated early due to political and/or regulatory circumstances. This does not apply to the risk associated with reinvestment due to liquidation of a share class and/or the subfund in accordance with the section “Liquidation of the Company and its subfunds; merger of subfunds” of the sales prospectus.

“acc”

The income of share classes with “-acc” in their name is not distributed unless the Company decides otherwise.

“dist”

For share classes with “-dist” in their name, income is distributed unless the Company decides otherwise.

“qdist”

Shares in classes with “-qdist” in their name may make quarterly distributions, gross of fees and expenses. Distributions may also be made out of the capital (this may include, inter alia, realised and unrealised net gains in net asset value) (“**capital**”). Distributions out of capital result in the reduction of an investor’s original capital invested in the subfund. Furthermore, any distributions from the income and/or involving the capital result in an immediate reduction of the net asset value per share of the subfund. Investors in certain countries may be subject to higher tax rates on distributed capital than on any capital gains from the sale of shares. Some investors may therefore prefer to subscribe to accumulating (-acc) rather than distributing (-dist, -qdist) share classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) share classes compared with distributing (-dist) share classes. Investors should consult qualified experts for tax advice regarding their individual situation.

“mdist”

Shares in classes with “-mdist” in their name may make monthly distributions, gross of fees and expenses. Distributions may also be made out of capital. Distributions out of capital result in the reduction of an investor’s original capital invested in the subfund. Furthermore, any distributions from the income and/or involving the capital result in an immediate reduction of the net asset value per share of the subfund. Investors in certain countries may be subject to higher tax rates on distributed capital than on any capital gains from the sale of shares. Some investors may therefore prefer to invest in accumulating (-acc) rather than distributing (-dist, -mdist) share classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) share classes compared with distributing (-dist) share classes. Investors should consult qualified experts for tax advice regarding their individual situation. The maximum entry costs for shares in classes with “-mdist” in their name are 6%.

“UKdist”

The aforementioned share classes can be issued as those with “UKdist” in their name. In these cases, the Company intends to distribute a sum which corresponds to 100% of the reportable income within the meaning of the **UK reporting fund** rules when the share classes are subject to these **reporting fund rules**. The Company does not intend to make taxable values for these share classes available in other countries, as they are intended for investors whose investment in the share class is liable to tax in the UK.

“2%”, “4%”, “6%”, “8%”

Shares in classes with “2%” / “4%” / “6%” / “8%” in their name may make monthly (-mdist), quarterly (-qdist) or annual (-dist) distributions at the respective aforementioned annual percentage rates, gross of fees and expenses. The distribution amount is calculated based on the net asset value of the respective share class at the end of the month (in the case of monthly distributions), financial quarter (in the case of quarterly distributions) or financial year (in the case of annual distributions). These share classes are suitable for investors who wish for more stable distributions, unrelated to past or expected returns or income of the relevant subfund.

Distributions may thus also be made from the capital. Distributions out of capital result in the reduction of an investor’s original capital invested in the subfund. Furthermore, any distributions from the income and/or involving the capital result in an immediate reduction of the net asset value per share of the subfund. Investors in certain countries may be subject to higher tax rates on distributed capital than on any capital gains from the sale of fund units. Some investors may therefore choose to invest in the accumulating (-acc) instead of the distributing (-dist, -qdist, -mdist) share classes. Investors may be taxed at a later point in time on income and capital arising on accumulating (-acc) share classes compared with distributing (-dist, -qdist, -mdist) share classes. Investors should consult qualified experts for tax advice regarding their individual situation.

“seeding”

Shares with “seeding” in their name are only offered for a limited period of time. At the end of this period, no further subscriptions are permitted unless the Company decides otherwise. However, these shares may still be redeemed in accordance with the conditions for the redemption of shares. Unless the Company decides otherwise, the smallest tradable unit, the initial issue price and the minimum subscription amount are those of the aforementioned asset classes.

The financial year of the Company ends on 31 October.

The ordinary general meeting takes place annually once a year within six (6) months of the end of the financial

year in the Grand Duchy of Luxembourg at the registered office of the Company or at another location in the Grand Duchy of Luxembourg, as specified in the invitation to the meeting.

Only the information contained in the sales prospectus and in one of the documents referred to therein shall be deemed to be valid.

No application has been made for admission to listing of shares of the subfunds of the Company on the Luxembourg Stock Exchange.

The national laws of the countries concerned shall apply to the issue and redemption of shares of the Company.

The annual and semi-annual reports are available free of charge to shareholders at the registered office of the Company and the Depositary.

No subscription may be accepted on the basis of the financial reports. Subscriptions are accepted only on the basis of the current prospectus accompanied by the latest annual report and the latest semi-annual report if available.

The figures stated in this report are historical and not necessarily indicative of future performance.



Audit report

To the Shareholders of
UBS (Lux) SICAV 2

Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of UBS (Lux) SICAV 2 (the “Fund”) and of each of its sub-funds as at 31 October 2022, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

What we have audited

The Fund’s financial statements comprise:

- the combined statement of net assets for the Fund and the statement of net assets for each of the sub-funds as at 31 October 2022;
- the statement of investments in securities and other net assets for each of the subfunds as at 31 October 2022;
- the combined statement of operations for the Fund and the statement of operations for each of the sub-funds for the year then ended;
- the combined statement of changes in net assets for the Fund and the statement of changes in net assets for each of the sub-funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

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R.C.S. Luxembourg B 65 477 - TVA LU25482518*



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or close any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;



- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;
- conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 15 February 2023

Patrick Ries

UBS (Lux) SICAV 2

Combined Statement of Net Assets

	EUR
Assets	31.10.2022
Investments in securities, cost	234 219 460.02
Investments in securities, unrealized appreciation (depreciation)	-17 618 299.30
Total investments in securities (Note 1)	216 601 160.72
Cash at banks, deposits on demand and deposit accounts	5 469 552.36
Receivable on securities sales (Note 1)	463 127.94
Receivable on subscriptions	344.42
Interest receivable on securities	1 702 473.36
Prepaid expenses	739 584.62
Unrealized gain on financial futures (Note 1)	313 454.32
Unrealized gain on forward foreign exchange contracts (Note 1)	47 326.87
Total Assets	225 337 024.61
Liabilities	
Other short-term liabilities (Margins)	-132 524.96
Payable on securities purchases (Note 1)	-319 708.05
Payable on redemptions	-499 122.55
Provisions for flat fee (Note 2)	-139 493.65
Provisions for taxe d'abonnement (Note 3)	-50 713.40
Provisions for other commissions and fees (Note 2)	-97 087.67
Total provisions	-287 294.72
Total Liabilities	-1 238 650.28
Net assets at the end of the financial year	224 098 374.33

Combined Statement of Operations

EUR

	1.11.2021-31.10.2022
Income	
Interest on liquid assets	25 138.42
Interest on securities	6 384 959.86
Interest received on swaps (Note 1)	14 063.78
Net income on securities lending (Note 14)	64 619.20
Other income (Note 4)	84 230.51
Total income	6 573 011.77
Expenses	
Interest paid on swaps (Note 1)	-20 440.39
Flat fee (Note 2)	-1 444 680.12
Taxe d'abonnement (Note 3)	-131 415.39
Other commissions and fees (Note 2)	-99 739.14
Interest on cash and bank overdraft	-33 616.56
Total expenses	-1 729 891.60
Net income (loss) on investments	4 843 120.17
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-8 824 166.11
Realized gain (loss) on yield-evaluated securities and money market instruments	-29 478.76
Realized gain (loss) on financial futures	1 387 978.54
Realized gain (loss) on forward foreign exchange contracts	-430 035.11
Realized gain (loss) on swaps	25 496.23
Realized gain (loss) on foreign exchange	-85 941.68
Total realized gain (loss)	-7 956 146.89
Net realized gain (loss) of the financial year	-3 113 026.72
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-16 299 769.67
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	9 928.15
Unrealized appreciation (depreciation) on financial futures	109 254.04
Unrealized appreciation (depreciation) on forward foreign exchange contracts	-121 599.75
Unrealized appreciation (depreciation) on swaps	46 935.42
Total changes in unrealized appreciation (depreciation)	-16 255 251.81
Net increase (decrease) in net assets as a result of operations	-19 368 278.53

Combined Statement of Changes in Net Assets

EUR

	1.11.2021-31.10.2022
Net assets at the beginning of the financial year	389 449 414.85*
Subscriptions	48 658 100.95
Redemptions	-194 640 862.94
Total net subscriptions (redemptions)	-145 982 761.99
Net income (loss) on investments	4 843 120.17
Total realized gain (loss)	-7 956 146.89
Total changes in unrealized appreciation (depreciation)	-16 255 251.81
Net increase (decrease) in net assets as a result of operations	-19 368 278.53
Net assets at the end of the financial year	224 098 374.33

* Calculated using 31 October 2022 exchange rates. Using 31 October 2021 exchange rates, the combined net asset at the beginning of the year was EUR 374 044 080.08.

UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)

Three-year comparison

	ISIN	31.10.2022	31.10.2021	31.10.2020
Net assets in CHF		24 879 060.35	30 780 311.91	33 416 364.49
Class P-acc	LU0224520295			
Shares outstanding		242 450.7750	272 885.7030	293 604.8060
Net asset value per share in CHF		102.39	112.58	113.54
Issue and redemption price per share in CHF ¹		102.39	112.58	113.54
Class Q-acc	LU0417374765			
Shares outstanding		585.7910	585.7910	800.5110
Net asset value per share in CHF		91.80	100.53	100.99
Issue and redemption price per share in CHF ¹		91.80	100.53	100.99

¹ See note 1

Performance

	Currency	2021/2022	2020/2021	2019/2020
Class P-acc	CHF	-9.1%	-0.8%	-1.1%
Class Q-acc	CHF	-8.7%	-0.4%	-0.7%
Benchmark: ¹				
SBI Foreign AAA-BBB TR CHF Index	CHF	-9.1%	-0.7%	-0.3%

¹ The subfund is actively managed. The index is a point of reference against which the performance of the subfund may be measured.

Historical performance is no indicator of current or future performance.
The performance data does not take account of any commissions and costs charged when subscribing and redeeming shares.
The performance data were not audited.

Report of the Portfolio Manager

In the financial year, from 1 November 2021 to 31 October 2022, the CHF Swap Curve experienced a significant shift upwards with 5y rates increasing by 175bp to 1.64% and 10y rates moving up by 178bp to 1.97%. On the basis of the swap spreads of all foreign issuers, credit spreads widened from 11bp to 34bp at the end of October 2022. The Swiss National Bank (SNB) ended the negative rate environment and moved the SNB Policy Rate from -0.75% to 0.50%.

The value of the subfund decreased in the financial year, due to negative effects from higher interest rates. Active duration management, issue selection, and trading somewhat tempered the overall negative performance. Total duration stood at 3.85 years.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

Switzerland	17.03
France	13.52
United Kingdom	11.40
Germany	10.74
Australia	8.93
Canada	7.84
United States	4.10
The Netherlands	3.69
Cayman Islands	3.01
Spain	2.75
Jersey	1.89
United Arab Emirates	1.88
Austria	1.69
Ireland	1.53
South Korea	1.28
Luxembourg	1.18
Chile	1.12
Guernsey	0.79
Finland	0.78
Bolivia	0.68
Supranationals	0.59
Sweden	0.30
Bermuda	0.19
Greece	0.19
New Zealand	0.05
Total	97.15

Economic Breakdown as a % of net assets

Banks & credit institutions	63.15
Finance & holding companies	19.16
Telecommunications	5.57
Aerospace industry	1.89
Supranational organisations	1.46
Public, non-profit institutions	1.16
Mechanical engineering & industrial equipment	1.09
Insurance	0.90
Real Estate	0.77
Pharmaceuticals, cosmetics & medical products	0.72
Petroleum	0.41
Cantons, federal states	0.35
Miscellaneous services	0.29
Traffic & transportation	0.18
Electrical devices & components	0.05
Total	97.15

Statement of Net Assets

	CHF
Assets	31.10.2022
Investments in securities, cost	26 309 271.84
Investments in securities, unrealized appreciation (depreciation)	-2 138 581.46
Total investments in securities (Note 1)	24 170 690.38
Cash at banks, deposits on demand and deposit accounts	719 991.83
Interest receivable on securities	84 769.84
Prepaid expenses	85 893.82
Total Assets	25 061 345.87
Liabilities	
Payable on securities purchases (Note 1)	-149 962.50
Payable on redemptions	-1 100.00
Provisions for flat fee (Note 2)	-18 929.90
Provisions for taxe d'abonnement (Note 3)	-4 156.00
Provisions for other commissions and fees (Note 2)	-8 137.12
Total provisions	-31 223.02
Total Liabilities	-182 285.52
Net assets at the end of the financial year	24 879 060.35

Statement of Operations

	CHF
Income	1.11.2021-31.10.2022
Interest on securities	176 117.03
Net income on securities lending (Note 14)	1 397.92
Other income (Note 4)	1 561.44
Total income	179 076.39
Expenses	
Flat fee (Note 2)	-252 168.56
Taxe d'abonnement (Note 3)	-13 544.56
Other commissions and fees (Note 2)	-8 413.02
Total expenses	-274 126.14
Net income (loss) on investments	-95 049.75
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-364 887.92
Realized gain (loss) on foreign exchange	-4 942.37
Total realized gain (loss)	-369 830.29
Net realized gain (loss) of the financial year	-464 880.04
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-2 209 467.18
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	-465.68
Total changes in unrealized appreciation (depreciation)	-2 209 932.86
Net increase (decrease) in net assets as a result of operations	-2 674 812.90

Statement of Changes in Net Assets

	CHF
	1.11.2021-31.10.2022
Net assets at the beginning of the financial year	30 780 311.91
Subscriptions	45 706.79
Redemptions	-3 272 145.45
Total net subscriptions (redemptions)	-3 226 438.66
Net income (loss) on investments	-95 049.75
Total realized gain (loss)	-369 830.29
Total changes in unrealized appreciation (depreciation)	-2 209 932.86
Net increase (decrease) in net assets as a result of operations	-2 674 812.90
Net assets at the end of the financial year	24 879 060.35

Changes in the Number of Shares outstanding

	1.11.2021-31.10.2022
Class	P-acc
Number of shares outstanding at the beginning of the financial year	272 885.7030
Number of shares issued	417.1850
Number of shares redeemed	-30 852.1130
Number of shares outstanding at the end of the financial year	242 450.7750
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	585.7910
Number of shares issued	0.0000
Number of shares redeemed	0.0000
Number of shares outstanding at the end of the financial year	585.7910

Statement of Investments in Securities and other Net Assets as of 31 October 2022

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

CHF

CHF	BERNER KANTONALBANK AG-REG-S-SUB 0.85000% 22-21.01.32	55 000.00	44 660.00	0.18
CHF	CANADIAN IMPERIAL BANK OF COMMERCE 0.18000% 21-20.04.29	150 000.00	126 675.00	0.51
CHF	ITAU BBA INTERNATIONAL PLC-REG-S 0.56000% 22-17.02.25	80 000.00	76 480.00	0.31
CHF	SONOVA HOLDING AG-REG-S 0.50000% 20-06.10.25	35 000.00	33 827.50	0.13
Total CHF			281 642.50	1.13

Total Notes, fixed rate

281 642.50 1.13

Notes, zero coupon

CHF

CHF	CREDIT SUISSE SCHWEIZ AG-REG-S 0.00000% 20-31.10.30	50 000.00	39 625.00	0.16
CHF	OC OERLIKON CORP AG-REG-S 0.00000% 21-25.11.22	175 000.00	174 842.50	0.70
Total CHF			214 467.50	0.86

Total Notes, zero coupon

214 467.50 0.86

Notes, floating rate

CHF

CHF	LUZERNER KANTONALBANK-REG-S-SUB 2.000%/VAR 21-PRP	100 000.00	80 650.00	0.32
CHF	RAIFFEISEN SCHWEIZ GENOSSENSCHAFT-REG-S-SUB 2.250%/VAR 21-PRP	100 000.00	88 500.00	0.36
CHF	SWISS LIFE AG-REG-S-SUB 1.750%/VAR 21-PRP	200 000.00	179 700.00	0.72
CHF	UBS GROUP AG-REG-S-SUB 3.000%/VAR 19-PRP	200 000.00	170 000.00	0.68
CHF	UBS GROUP AG-REG-S-SUB 3.375%/VAR 22-PRP	200 000.00	159 000.00	0.64
CHF	ZUERCHER KANTONALBANK-REG-S-SUB 1.750%/VAR 20-PRP	100 000.00	86 100.00	0.35
Total CHF			763 950.00	3.07

Total Notes, floating rate

763 950.00 3.07

Medium term notes, fixed rate

CHF

CHF	ADCB FINANCE CAYMAN LTD 0.72500% 18-15.02.24	300 000.00	294 600.00	1.18
CHF	ADCB FINANCE CAYMAN LTD-REG-S 0.50000% 19-29.11.24	100 000.00	96 050.00	0.39
CHF	AKADEMISKA HUS AB-REG-S 0.65000% 18-08.02.44	100 000.00	73 900.00	0.30
CHF	ASB FINANCE LTD/LONDON-REG-S 0.45000% 19-30.01.25	300 000.00	289 200.00	1.16
CHF	BANCO DE CREDITO E INVERSIONES-REG-S 0.40000% 19-22.11.24	150 000.00	143 550.00	0.58
CHF	BANCO DE CREDITO E INVERSIONES-REG-S 0.25000% 19-24.09.29	50 000.00	40 250.00	0.16
CHF	BANCO SANTANDER SA 0.75000% 17-12.06.23	200 000.00	198 680.00	0.80
CHF	BANCO SANTANDER SA-REG-S 1.00000% 18-10.12.24	50 000.00	48 525.00	0.20
CHF	BANK OF NOVA SCOTIA-REG-S 0.20000% 18-19.11.25	400 000.00	383 400.00	1.54
CHF	BANK OF NOVA SCOTIA-REG-S 0.30250% 21-30.07.31	100 000.00	78 550.00	0.32
CHF	BANK OF NOVA SCOTIA/THE 0.27800% 22-01.04.27	100 000.00	93 900.00	0.38
CHF	BANQUE FEDER DU CREDIT MUTUEL-REG-S 0.20000% 20-03.11.28	70 000.00	60 445.00	0.24
CHF	BARCLAYS PLC 0.31500% 21-04.06.27	200 000.00	176 400.00	0.71
CHF	BARCLAYS PLC-REG-S 1.12500% 18-12.07.23	200 000.00	198 700.00	0.80
CHF	BERLIN HYP AG 0.25000% 20-11.09.28	300 000.00	262 950.00	1.06
CHF	BERLIN HYP AG 0.25000% 21-04.10.29	150 000.00	127 200.00	0.51
CHF	BERLIN HYP AG-REG-S 0.96750% 22-04.08.26	150 000.00	146 250.00	0.59
CHF	BERLIN-HANNOVERSCHER HYPOTHKNBNK-REG-S 0.25000% 21-10.03.31	200 000.00	163 500.00	0.66
CHF	BNP PARIBAS SA-REG-S 0.30000% 19-15.10.27	200 000.00	174 800.00	0.70
CHF	BNP PARIBAS SA-REG-S 0.15000% 20-10.03.28	200 000.00	174 700.00	0.70
CHF	BNP PARIBAS SA-REG-S 0.14750% 21-13.07.27	200 000.00	179 900.00	0.72
CHF	BNP PARIBAS-REG-S 1.00000% 18-06.06.25	125 000.00	119 937.50	0.48
CHF	BNZ INTERNATIONAL FUND LTD/LONDON-REG-S 0.11100% 20-24.07.28	90 000.00	77 400.00	0.31
CHF	CAIXABANK SA-REG-S 0.47700% 21-01.07.27	200 000.00	175 600.00	0.71
CHF	CANADIAN IMPERIAL BANK-REG-S 0.05000% 19-15.10.26	200 000.00	181 900.00	0.73
CHF	CANADIAN IMPERIAL BK OF COM-REG-S 0.10000% 18-30.04.25	300 000.00	289 650.00	1.16
CHF	CANADIAN IMPERIAL BK OF COM-REG-S 0.60000% 19-30.01.25	150 000.00	144 825.00	0.58
CHF	CANADIAN IMPERIAL BK OF COM-REG-S 0.96750% 22-26.04.29	50 000.00	47 075.00	0.19
CHF	CBQ FINANCE LTD-REG-S 0.73500% 20-27.11.24	50 000.00	48 125.00	0.19
CHF	CELLNEX TELECOM SA 1.11750% 20-17.07.25	85 000.00	79 432.50	0.32
CHF	CIE DE FINANCEMENT FONCIER SA-REG-S 0.89000% 22-27.04.29	100 000.00	93 800.00	0.38
CHF	CITIGROUP INC-REG-S 0.75000% 19-02.04.26	100 000.00	94 850.00	0.38
CHF	COMMERZBANK AG-REG-S 1.10000% 18-11.07.25	400 000.00	377 600.00	1.52
CHF	COMMERZBANK AG-REG-S 3.37500% 22-29.09.26	100 000.00	99 200.00	0.40
CHF	COMMONWEALTH BANK OF AUSTRALIA-REG-S 0.11300% 19-10.12.29	50 000.00	42 375.00	0.17
CHF	COMMONWEALTH BANK OF AUSTRALIA-REG-S 1.24000% 22-02.09.29	75 000.00	71 550.00	0.29
CHF	CPI PROPERTY GROUP SA-REG-S 1.63000% 18-25.10.23	200 000.00	191 700.00	0.77
CHF	CREDIT AGRICOLE HOME LOAN SFH SA 0.25000% 15-18.06.26	400 000.00	380 200.00	1.53
CHF	CREDIT AGRICOLE HOME LOAN SFH SA-REG-S 0.45000% 19-24.01.29	300 000.00	274 500.00	1.10
CHF	CREDIT AGRICOLE SA 0.41000% 22-18.01.30	100 000.00	84 550.00	0.34
CHF	CREDIT AGRICOLE SA LONDON-REG-S 0.12750% 20-27.07.28	80 000.00	69 800.00	0.28
CHF	CREDIT AGRICOLE SA LONDON-REG-S 0.50000% 20-01.10.26	200 000.00	183 200.00	0.74
CHF	CREDIT AGRICOLE SA-REG-S 0.25000% 21-10.03.31	150 000.00	120 300.00	0.48
CHF	CREDIT AGRICOLE SALONDON-SUB 2.12500% 15-29.09.25	100 000.00	98 150.00	0.39
CHF	CREDIT AGRICOLE SALONDON-REG-S-SUB 0.25000% 19-10.10.29	40 000.00	33 860.00	0.14
CHF	CREDIT SUISSE GROUP AG 1.00000% 15-14.04.23	200 000.00	196 000.00	0.79
CHF	DEUTSCHE BAHN FINANCE GMBH-REG-S 0.50000% 19-19.06.34	100 000.00	82 450.00	0.33
CHF	DEUTSCHE BAHN FINANCE GMBH-REG-S 0.10000% 21-28.01.36	100 000.00	75 250.00	0.30
CHF	DEUTSCHE BANK AG 0.31500% 21-14.09.27	200 000.00	172 000.00	0.69
CHF	DEUTSCHE TELEKOM AG-REG-S 0.43500% 20-06.02.32	200 000.00	165 200.00	0.66
CHF	DZ BANK AG DUTSE ZENTRAL-REG-S-SUB 3.84500% 22-17.08.32	200 000.00	195 700.00	0.79
CHF	ELI LILLY & CO-REG-S 0.45000% 16-24.05.28	100 000.00	90 800.00	0.37
CHF	ENEL FINANCE INTERNATIONAL NV-REG-S 0.55000% 17-03.09.24	500 000.00	489 000.00	1.97
CHF	ERSTE GROUP BANK AG-REG-S 0.25000% 21-02.10.28	100 000.00	85 550.00	0.34

UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)
Annual report and audited financial statements as of 31 October 2022

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
CHF FIRST ABU DHABI BANK PJSC-REG-S 0.40100% 19-02.10.24	150 000.00	145 500.00	0.58
CHF FIRST ABU DHABI BANK PJSC-REG-S 0.20500% 19-04.12.25	150 000.00	140 850.00	0.57
CHF FIRST ABU DHABI BANK PJSC-REG-S 0.06800% 21-31.03.27	100 000.00	89 950.00	0.36
CHF FIRST ABU DHABI BANK PJSC 0.14750% 21-17.11.26	100 000.00	91 500.00	0.37
CHF GOLDMAN SACHS GROUP INC-REG-S 1.00000% 18-24.11.25	500 000.00	481 750.00	1.94
CHF GOLDMAN SACHS GROUP INC-REG-S 0.40000% 21-11.05.28	100 000.00	86 950.00	0.35
CHF HEATHROW FUNDING LTD 0.50000% 16-17.05.24	200 000.00	194 900.00	0.78
CHF HEATHROW FUNDING LTD-REG-S 0.45000% 19-15.10.26	300 000.00	274 500.00	1.10
CHF HSBC HOLDINGS PLC-REG-S 0.32000% 21-03.11.27	200 000.00	175 300.00	0.70
CHF HSBC HOLDINGS PLC-REG-S 0.81250% 21-03.11.31	200 000.00	153 900.00	0.62
CHF HYPO VORARLBERG BANK AG-REG-S-SUB 1.62500% 19-29.11.29	160 000.00	136 240.00	0.55
CHF HYPO VORARLBERG BANK AG-REG-S 0.12500% 19-03.09.29	120 000.00	98 460.00	0.40
CHF INTESA SANPAOLO BANK IRELAND PLC-REG-S 0.25000% 19-30.09.24	400 000.00	381 400.00	1.53
CHF JPMORGAN CHASE & CO-REG-S 0.80000% 22-03.02.32	200 000.00	166 151.05	0.67
CHF KOREA LAND & HOUSING CORP-REG-S 0.19250% 20-15.06.25	55 000.00	52 552.50	0.21
CHF KOREA NATIONAL OIL CORP-REG-S 0.26250% 20-30.07.27	60 000.00	54 600.00	0.22
CHF LLOYDS BANKING GROUP PLC-REG-S 1.00000% 18-04.03.25	200 000.00	192 600.00	0.77
CHF MACQUARIE BANK 0.75000% 16-05.02.24	400 000.00	394 720.00	1.59
CHF MACQUARIE GROUP LTD-REG-S 0.39500% 21-20.07.28	180 000.00	153 270.00	0.62
CHF MACQUARIE GROUP LTD-REG-S 1.28500% 22-11.09.29	200 000.00	174 400.00	0.70
CHF MANITOBA, PROVINCE OF-REG-S 0.25000% 19-15.03.29	50 000.00	45 650.00	0.18
CHF METROPOLITAN LIFE GLOBAL FUNDING-REG-S 2.15000% 22-07.12.26	100 000.00	99 300.00	0.40
CHF MFINANCE FRANCE SA 1.00500% 17-28.03.23	400 000.00	396 240.00	1.59
CHF MUENCHENER HYPOTHEKENBANK EG 0.30000% 17-20.12.24	250 000.00	239 875.00	0.96
CHF MUENCHENER HYPOTHEKENBANK EG-REG-S 0.35000% 18-12.12.23	250 000.00	245 700.00	0.99
CHF MUENCHENER HYPOTHEKENBANK EG-REG-S 0.50000% 18-14.06.28	100 000.00	92 900.00	0.37
CHF MUENCHENER HYPOTHEKENBANK EG 1.25000% 22-30.06.27	250 000.00	244 375.00	0.98
CHF MUENCHENER HYPOTHEKENBANK EG 0.25000% 19-31.10.44	200 000.00	129 214.73	0.52
CHF NATIONAL BANK OF CANADA-REG-S 1.95750% 22-03.11.27	150 000.00	150 825.00	0.61
CHF NATIONWIDE BUILDING SOCIETY-REG-S 1.91500% 22-08.09.28	150 000.00	139 425.00	0.56
CHF NATWEST MARKETS PLC-REG-S 0.89750% 22-04.04.25	200 000.00	192 500.00	0.77
CHF NORDEA BANK ABP-REG-S 1.81000% 22-15.06.27	200 000.00	193 700.00	0.78
CHF ONTARIO, PROVINCE OF-REG-S 0.05000% 21-12.05.33	50 000.00	40 875.00	0.16
CHF ORANGE SA-REG-S 0.20000% 19-24.11.25	200 000.00	189 300.00	0.76
CHF ORANGE SA-REG-S 0.62500% 19-22.06.29	200 000.00	177 800.00	0.71
CHF QNB FINANCE LTD-REG-S 0.02500% 21-03.06.24	200 000.00	192 928.00	0.78
CHF ROYAL BANK OF CANADA-REG-S 0.20000% 21-22.09.31	100 000.00	77 950.00	0.31
CHF ROYAL BANK OF CANADA-REG-S 0.40000% 22-05.10.26	50 000.00	47 625.00	0.19
CHF ROYAL BANK OF CANADA-REG-S 1.49500% 22-08.07.25	150 000.00	150 075.00	0.60
CHF SOCIETE GENERALE 0.37500% 21-26.07.28	200 000.00	172 200.00	0.69
CHF SOCIETE GENERALE SA-REG-S 0.25000% 20-25.02.27	200 000.00	173 600.00	0.70
CHF SOCIETE GENERALE SA-REG-S 2.62500% 22-14.10.26	100 000.00	100 800.00	0.41
CHF SOCIETE GENERALE-REG-S 0.87500% 19-28.02.24	200 000.00	196 240.00	0.79
CHF TRANSURBAN QUEENSLAND FINANCE PTY LTD 0.62500% 16-23.06.23	500 000.00	495 100.00	1.99
CHF TRANSURBAN QUEENSLAND FINANCE PTY LTD 0.65000% 16-02.11.26	100 000.00	92 050.00	0.37
CHF TRANSURBAN QUEENSLAND FINANCE PTY-REG-S 1.00000% 18-08.12.25	400 000.00	382 200.00	1.54
CHF TRANSURBAN QUEENSLAND FINANCE PTY-REG-S 0.87500% 21-19.11.31	150 000.00	121 500.00	0.49
CHF UBS GROUP AG-REG-S 0.87500% 19-30.01.25	200 000.00	194 100.00	0.78
CHF VODAFONE GROUP PLC 0.62500% 17-15.03.27	250 000.00	234 750.00	0.94
CHF WOODSIDE FINANCE LTD 1.00000% 16-11.12.23	300 000.00	295 650.00	1.19
Total CHF		17 480 921.28	70.26

Total Medium term notes, fixed rate

17 480 921.28

70.26

Medium term notes, zero coupon

CHF

CHF KOREA RAILROAD CORP 0.00000% 19-19.11.24	50 000.00	48 275.00	0.19
CHF NATIONWIDE BUILDING SOCIETY-REG-S 0.00000% 19-11.07.25	70 000.00	67 130.00	0.27
Total CHF		115 405.00	0.46

Total Medium term notes, zero coupon

115 405.00

0.46

Bonds, fixed rate

CHF

CHF ANZ NEW ZEALAND INT'L LTD/LDN 0.25000% 17-22.09.25	350 000.00	332 850.00	1.34
CHF BANCO BILBAO VIZCAYA ARGENTARIA-REG-S 0.12500% 20-27.08.26	200 000.00	180 900.00	0.73
CHF BANCO MER DEL NORTE SA/GRAND CY-REG-S 0.50000% 20-06.12.24	75 000.00	69 900.00	0.28
CHF BANCO MERCANTIL DEL NORTE SA-REG-S 0.45000% 19-18.12.23	100 000.00	96 510.00	0.39
CHF BANK FUER ARBEIT UND WIRTSCHAFT AG 2.87000% 22-03.10.25	100 000.00	101 500.00	0.41
CHF BANK OF NOVA SCOTIA 0.73250% 22-25.04.29	100 000.00	92 950.00	0.37
CHF BLACK SEA TRADE & DEVELOPMT BK-REG-S 0.45000% 19-13.06.23	50 000.00	46 250.00	0.19
CHF CORPORACION ANDINA DE FOMENTO-REG-S 2.08000% 22-31.08.28	150 000.00	146 400.00	0.59
CHF DEUTSCHE PFANDBRIEFBANK AG-REG-S 0.12500% 19-05.06.23	50 000.00	49 160.00	0.20
CHF DIGITAL INTREPID HOLDING BV-REG-S 0.20000% 21-15.12.26	200 000.00	173 500.00	0.70
CHF DIGITAL INTREPID HOLDING BV-REG-S 0.55000% 21-16.04.29	100 000.00	79 850.00	0.32
CHF DIGITAL INTREPID HOLDING BV-REG-S 1.70000% 22-30.03.27	50 000.00	45 775.00	0.18
CHF DUFREY ONE BV-REG-S 3.62500% 21-15.04.26	150 000.00	128 865.60	0.52
CHF FLUGHAFEN ZUERICH AG-REG-S 0.70000% 20-22.05.24	45 000.00	44 257.50	0.18
CHF FONDO FINANCIERO-REG-S 0.57800% 19-11.03.24	80 000.00	78 264.00	0.31
CHF FONDO FINANCIERO-REG-S 0.55600% 21-03.09.26	100 000.00	91 450.00	0.37
CHF HYPOTHEKENBANK FRANKFURT INTL 2.50000% 05-29.08.25	100 000.00	101 700.00	0.41
CHF NATIONWIDE BUILDING SOCIETY-REG-S 1.52030% 22-17.12.29	250 000.00	241 750.00	0.97
CHF RIETER HOLDING AG-REG-S 1.55000% 20-17.09.24	100 000.00	96 150.00	0.39
CHF SGS SA-REG-S 0.45000% 20-06.11.23	55 000.00	54 323.50	0.22
CHF SGS SA-REG-S 0.95000% 20-06.11.26	20 000.00	19 130.00	0.08
CHF SONOVA HOLDING AG-REG-S 0.75000% 20-06.10.28	60 000.00	55 170.00	0.22
CHF SWISSCOM AG 0.12500% 16-15.09.32	400 000.00	320 000.00	1.29
CHF SWISSCOM AG 0.37500% 16-31.03.28	200 000.00	182 800.00	0.73
CHF SWISSCOM AG-REG-S 0.25000% 21-18.05.33	45 000.00	35 842.50	0.14
CHF SYNGENTA FINANCE AG-REG-S 0.12500% 20-09.12.22	100 000.00	99 830.00	0.40
CHF SYNGENTA FINANCE AG-REG-S 0.70000% 20-09.12.26	50 000.00	45 000.00	0.18
CHF SYNGENTA FINANCE AG-REG-S 1.25000% 20-16.10.23	50 000.00	49 350.00	0.20
CHF TANNER SERVICIOS FINANCIEROS SA-REG-S 0.60000% 20-07.11.22	95 000.00	94 933.50	0.38
CHF TRANSPOWER NEW ZEALAND LTD 0.02000% 19-16.12.27	15 000.00	13 522.50	0.05

Description	Quantity/ Nominal	Valuation in CHF Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
CHF UBS GROUP AG 0.37500% 21-24.08.29	200 000.00	165 900.00	0.67
CHF ZUERCHER KANTONALBANK 0.12500% 16-13.05.26	400 000.00	379 000.00	1.52
CHF ZUERCHER KANTONALBANK 0.02000% 16-16.08.27	400 000.00	368 800.00	1.48
CHF ZUERCHER KANTONALBANK 0.05000% 16-23.11.26	150 000.00	140 625.00	0.56
CHF ZUERCHER KANTONALBANK-REG-S 0.25000% 18-08.05.25	500 000.00	484 500.00	1.95
CHF ZUERCHER KANTONALBANK-REG-S 0.05000% 20-05.02.31	100 000.00	84 700.00	0.34
Total CHF		4 791 409.10	19.26
Total Bonds, fixed rate		4 791 409.10	19.26
Bonds, zero coupon			
CHF			
CHF CREDIT SUISSE SCHWEIZ AG-REG-S 0.00000% 19-16.07.29	60 000.00	49 770.00	0.20
CHF KOREA NATIONAL OIL CORP-REG-S 0.00000% 19-04.10.24	50 000.00	48 250.00	0.19
CHF KOREA RAILROAD CORP-REG-S 0.00000% 19-13.06.25	120 000.00	114 600.00	0.46
CHF ZUERCHER KANTONALBANK 0.00000% 21-21.01.33	150 000.00	120 600.00	0.49
Total CHF		333 220.00	1.34
Total Bonds, zero coupon		333 220.00	1.34
Bonds, floating rate			
CHF			
CHF HELVETIA SCHWEIZ VERSICHERUNGSGES-SUB 1.500%/VAR 20-PRP	50 000.00	44 075.00	0.18
CHF LUZERNER KANTONALBANK-REG-S-SUB 1.500%/VAR 20-PRP	175 000.00	145 600.00	0.59
Total CHF		189 675.00	0.77
Total Bonds, floating rate		189 675.00	0.77
Total Transferable securities and money market instruments listed on an official stock exchange		24 170 690.38	97.15
Total investments in securities		24 170 690.38	97.15
Cash at banks, deposits on demand and deposit accounts and other liquid assets		719 991.83	2.89
Other assets and liabilities		-11 621.86	-0.04
Total net assets		24 879 060.35	100.00

UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)

Three-year comparison

	ISIN	31.10.2022	31.10.2021	31.10.2020
Net assets in EUR		18 617 999.20	25 536 348.03	33 189 118.02
Class P-acc	LU0224519792			
Shares outstanding		160 366.3940	186 191.7030	242 627.6530
Net asset value per share in EUR		114.02	134.69	135.03
Issue and redemption price per share in EUR ¹		114.02	134.69	135.03
Class Q-acc	LU0417377784			
Shares outstanding		3 546.2960	4 153.7940	3 899.0640
Net asset value per share in EUR		93.73	110.12	109.80
Issue and redemption price per share in EUR ¹		93.73	110.12	109.80

¹ See note 1

Performance

	Currency	2021/2022	2020/2021	2019/2020
Class P-acc	EUR	-15.3%	-0.3%	-
Class Q-acc	EUR	-14.9%	0.3%	-
Benchmark: ¹				
BB Barclays Euro Aggregate 500mio+ Corporate Index	EUR	-14.4%	0.1%	1.3%

¹ The subfund is actively managed. The index is a point of reference against which the performance of the subfund may be measured.

Historical performance is no indicator of current or future performance.
The performance data does not take account of any commissions and costs charged when subscribing and redeeming shares.
The performance data were not audited.

Report of the Portfolio Manager

During the financial year, from 1 November 2021 to 31 October 2022, the EUR corporate market produced a significantly negative performance. While the period still started in a positive mood, supported by solid growth based on pent-up demand and a more stable outlook, the picture changed at the beginning of 2022 and deteriorated further with the Russia-Ukraine invasion. Price indicators started to move to elevated levels already in December/January given the shortages in the manufacturing industry, while they were pushed higher again as energy and food prices jumped due to a declining supply from Russia and Ukraine.

Later in the year, the ECB – as well as most central banks globally – started a rate hike cycle not seen in decades. This led to a massive loss for bonds. As coupons were far too low to cancel out this negative impact at least partially, bond investments posted a negative performance over this period.

Spreads for corporate bonds were relatively stable during the first couple of weeks, but came more and more under pressure the higher the yields went. This was a reflection of rising concerns of an economic slowdown in the Eurozone, driven by the increasing burden for corporates: higher energy prices and wage costs, higher commodity prices and higher refinancing costs. While there are efforts from the governments to at least reduce the burden for corporates and private households, it remains to be seen how timely and successful such measures will be.

The financial year was characterized by increasing yields based on higher policy rates as well as wider spreads. Based on this, the subfund produced an absolute negative performance. Higher trading activity and higher trading costs took away from performance. A shorter duration position as well as issuer selection – for example a higher exposure to Financials, which profited from increasing yields – were rewarded in terms of performance.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

France	23.75
United States	16.44
The Netherlands	11.18
Germany	7.70
United Kingdom	6.71
Switzerland	5.99
Luxembourg	5.18
Spain	4.80
Australia	4.07
Italy	2.39
Liechtenstein	1.88
Denmark	1.45
Sweden	1.44
Finland	0.97
Ireland	0.88
Belgium	0.86
Poland	0.81
Austria	0.36
Total	96.86

Economic Breakdown as a % of net assets

Banks & credit institutions	33.20
Finance & holding companies	16.80
Telecommunications	11.22
Real Estate	6.49
Insurance	5.64
Electrical devices & components	3.43
Traffic & transportation	2.36
Vehicles	2.29
Food & soft drinks	2.01
Tobacco & alcohol	1.96
Supranational organisations	1.92
Internet, software & IT services	1.87
Energy & water supply	1.77
Petroleum	1.51
Building industry & materials	1.49
Computer hardware & network equipment providers	0.82
Miscellaneous trading companies	0.56
Textiles, garments & leather goods	0.52
Miscellaneous services	0.52
Electronics & semiconductors	0.48
Total	96.86

Statement of Net Assets

EUR

Assets	31.10.2022
Investments in securities, cost	20 859 430.06
Investments in securities, unrealized appreciation (depreciation)	-2 826 477.04
Total investments in securities (Note 1)	18 032 953.02
Cash at banks, deposits on demand and deposit accounts	346 994.25
Interest receivable on securities	175 978.09
Prepaid expenses	89 757.10
Total Assets	18 645 682.46
Liabilities	
Provisions for flat fee (Note 2)	-17 881.77
Provisions for taxe d'abonnement (Note 3)	-3 134.05
Provisions for other commissions and fees (Note 2)	-6 667.44
Total provisions	-27 683.26
Total Liabilities	-27 683.26
Net assets at the end of the financial year	18 617 999.20

Statement of Operations

EUR

Income	1.11.2021-31.10.2022
Interest on liquid assets	30.34
Interest on securities	400 581.69
Interest received on swaps (Note 1)	14 063.78
Net income on securities lending (Note 14)	11 618.31
Other income (Note 4)	2 408.14
Total income	428 702.26
Expenses	
Interest paid on swaps (Note 1)	-20 440.39
Flat fee (Note 2)	-251 000.00
Taxe d'abonnement (Note 3)	-10 554.52
Other commissions and fees (Note 2)	-6 661.93
Interest on cash and bank overdraft	-673.71
Total expenses	-289 330.55
Net income (loss) on investments	139 371.71
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-475 525.29
Realized gain (loss) on financial futures	18 486.11
Realized gain (loss) on swaps	25 496.23
Total realized gain (loss)	-431 542.95
Net realized gain (loss) of the financial year	-292 171.24
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-3 393 087.92
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	205.68
Unrealized appreciation (depreciation) on swaps	46 935.42
Total changes in unrealized appreciation (depreciation)	-3 345 946.82
Net increase (decrease) in net assets as a result of operations	-3 638 118.06

Statement of Changes in Net Assets

	EUR
	1.11.2021-31.10.2022
Net assets at the beginning of the financial year	25 536 348.03
Subscriptions	19 051.82
Redemptions	-3 299 282.59
Total net subscriptions (redemptions)	-3 280 230.77
Net income (loss) on investments	139 371.71
Total realized gain (loss)	-431 542.95
Total changes in unrealized appreciation (depreciation)	-3 345 946.82
Net increase (decrease) in net assets as a result of operations	-3 638 118.06
Net assets at the end of the financial year	18 617 999.20

Changes in the Number of Shares outstanding

	1.11.2021-31.10.2022
Class	P-acc
Number of shares outstanding at the beginning of the financial year	186 191.7030
Number of shares issued	128.1680
Number of shares redeemed	-25 953.4770
Number of shares outstanding at the end of the financial year	160 366.3940
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	4 153.7940
Number of shares issued	29.3740
Number of shares redeemed	-636.8720
Number of shares outstanding at the end of the financial year	3 546.2960

Statement of Investments in Securities and other Net Assets as of 31 October 2022

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Transferable securities and money market instruments listed on an official stock exchange			
Notes, fixed rate			
EUR			
EUR CAP GEMINI SA-REG-S 2.00000% 20-15.04.29	200 000.00	182 033.60	0.98
EUR CAPGEMINI SE-REG-S 1.12500% 20-23.06.30	100 000.00	83 006.20	0.44
EUR CIE DE SAINT-GOBAIN-REG-S 2.37500% 20-04.10.27	100 000.00	94 289.20	0.51
EUR COVIVIO-REG-S 1.12500% 19-17.09.31	500 000.00	365 629.59	1.96
EUR EQUINIX INC 1.00000% 21-15.03.33	150 000.00	104 285.20	0.56
EUR INTERNATIONAL BUSINESS MACHINES CORP 0.65000% 20-11.02.32	200 000.00	152 731.20	0.82
EUR SWISS LIFE FINANCE I LTD-REG-S 0.50000% 21-15.09.31	500 000.00	350 120.00	1.88
EUR THERMO FISHER SCIENTIFIC FINANCE I BV 0.80000% 21-18.10.30	100 000.00	81 168.20	0.44
Total EUR		1 413 263.19	7.59
Total Notes, fixed rate		1 413 263.19	7.59
Notes, floating rate			
EUR			
EUR AUSTRALIA & NZ BANKING GRP-REG-S-SUB 1.125%/VAR 19-21.11.29	300 000.00	275 997.60	1.48
EUR ELM BV FOR FIRMENICH INTL SA-REG-S 3.750%/VAR 20-PRP	100 000.00	91 345.00	0.49
EUR ENGIE SA-REG-S-SUB 1.500%/VAR 20-PRP	100 000.00	78 458.90	0.42
EUR EUROCLEAR INVESTMENTS SA-REG-S-SUB 2.625%/VAR 18-11.04.48	100 000.00	88 064.80	0.47
EUR HSBC HOLDINGS PLC-REG-S 3.019%/VAR 22-15.06.27	100 000.00	93 839.60	0.51
EUR IBERDROLA FINANZAS SA-REG-S-SUB 1.575%/VAR 21-PRP	100 000.00	78 000.00	0.42
EUR OP CORPORATE BANK PLC-REG-S SUB 1.625%/VAR 20-09.06.30	200 000.00	181 054.70	0.97
EUR RAIFFEISEN BANK INTL AG-REG-S-SUB 1.375%/VAR 21-17.06.33	100 000.00	66 729.60	0.36
EUR VODAFONE GROUP PLC-REG-S-SUB 2.625%/VAR 20-27.08.80	100 000.00	87 209.60	0.47
EUR WESTPAC BANKING CORP-REG-SUB 0.766%/VAR 21-13.05.31	250 000.00	210 494.58	1.13
Total EUR		1 251 194.38	6.72
Total Notes, floating rate		1 251 194.38	6.72
Medium term notes, fixed rate			
EUR			
EUR ABERTIS INFRASTRUCTURAS SA-REG-S 2.37500% 19-27.09.27	200 000.00	182 350.00	0.98
EUR ABERTIS INFRASTRUCTURAS SA-REG-S 3.00000% 19-27.03.31	200 000.00	173 388.40	0.93
EUR ALSTOM SA-REG-S 0.25000% 19-14.10.26	400 000.00	350 531.20	1.88
EUR APRR SA-REG-S 1.62500% 17-13.01.32	100 000.00	83 687.40	0.45
EUR ASSICURAZIONI GENERALI SPA-REG-S-SUB 4.12500% 14-04.05.26	200 000.00	200 719.32	1.08
EUR BANCA INTESA SPA-REG-S 0.75000% 21-16.03.28	300 000.00	245 006.40	1.32
EUR BANCO BILBAO VIZCAYA ARGENT-REG-S-SUB 3.50000% 17-10.02.27	100 000.00	96 021.00	0.52
EUR BANK OF AMERICA CORP-REG-S 1.37500% 15-26.03.25	200 000.00	190 478.00	1.02
EUR BANQUE FEDER DU CREDIT MUTUEL-REG-S-SUB 2.37500% 16-24.03.26	500 000.00	470 770.00	2.53
EUR BNP PARIBAS SA-REG-S 1.37500% 19-28.05.29	100 000.00	81 549.00	0.44
EUR BNP PARIBAS SA-REG-S-SUB 1.62500% 19-02.07.31	100 000.00	75 478.60	0.41
EUR BNP PARIBAS SA-REG-S 1.50000% 17-17.11.25	100 000.00	93 175.60	0.50
EUR BNP PARIBAS-REG-S 1.50000% 16-25.05.28	100 000.00	90 127.00	0.48
EUR CARLSBERG BREWERIES A/S-REG-S 0.62500% 20-09.03.30	100 000.00	79 292.60	0.43
EUR CITIGROUP INC-REG-S 1.50000% 16-26.10.28	100 000.00	85 532.60	0.46
EUR CREDIT AGRICOLE SA LONDON-REG-S 1.87500% 16-20.12.26	300 000.00	274 470.00	1.47
EUR CREDIT SUISSE AG/LONDON-REG-S 0.25000% 21-01.09.28	100 000.00	76 717.00	0.41
EUR CREDIT SUISSE GROUP AG-REG-S 0.65000% 19-10.09.29	200 000.00	140 252.80	0.75
EUR DAIMLER AG-REG-S 0.37500% 19-08.11.26	100 000.00	90 223.40	0.48
EUR DAIMLER AG-REG-S 1.12500% 19-06.11.31	300 000.00	242 527.80	1.30
EUR DAIMLER AG-REG-S 2.37500% 20-22.05.30	100 000.00	92 694.84	0.50
EUR DEUTSCHE BAHN FINANCE GMBH-REG-S 0.75000% 20-16.07.35	100 000.00	70 072.80	0.38
EUR DEUTSCHE TELEKOM AG-REG-S 2.25000% 19-29.03.39	100 000.00	78 172.80	0.42
EUR DEUTSCHE TELEKOM INTL FINANCE BV-REG-S 1.50000% 16-03.04.28	300 000.00	273 710.40	1.47
EUR ELIA TRANSMISSION BELGIUM SA-REG-S 0.87500% 20-28.04.30	200 000.00	160 405.20	0.86
EUR ESB FINANCE DAC-REG-S 1.12500% 19-11.06.30	200 000.00	163 468.00	0.88
EUR EUROPEAN INVESTMENT BANK 0.01000% 21-15.11.30	300 000.00	239 329.99	1.29
EUR FORD MOTOR CREDIT CO LLC 3.02100% 19-06.03.24	100 000.00	97 494.40	0.52
EUR GECINA SA-REG-S 1.37500% 17-26.01.28	400 000.00	350 859.20	1.88
EUR GENERAL MOTORS FINANCIAL CO INC-REG-S 0.95500% 16-07.09.23	100 000.00	97 487.40	0.52
EUR GENERAL MOTORS FINANCIAL CO INC-REG-S 1.69400% 18-26.03.25	100 000.00	93 345.00	0.50
EUR GLOBAL SWITCH FINANCE BV-REG-S 1.37500% 20-07.10.30	100 000.00	81 820.74	0.44
EUR GOLDMAN SACHS GROUP INC-REG-S 1.62500% 16-27.07.26	100 000.00	91 763.00	0.49
EUR ISS GLOBAL A/S-REG-S 2.12500% 14-02.12.24	100 000.00	97 430.60	0.52
EUR JPMORGAN CHASE & CO-REG-S 1.50000% 15-27.01.25	100 000.00	95 467.00	0.51
EUR KONINKLIJKE KPN NV-REG-S 0.87500% 20-14.12.32	100 000.00	72 855.60	0.39
EUR KONINKLIJKE KPN NV-REG-S 0.87500% 21-15.11.33	200 000.00	141 232.58	0.76
EUR LOGICOR FINANCING SARL-REG-S 3.25000% 18-13.11.28	200 000.00	161 292.80	0.87
EUR LOGICOR FINANCING SARL-REG-S 1.62500% 19-15.07.27	150 000.00	116 805.00	0.63
EUR MORGAN STANLEY 1.75000% 15-30.01.25	250 000.00	239 327.00	1.29
EUR MORGAN STANLEY 1.87500% 17-27.04.27	200 000.00	180 716.00	0.97
EUR ORANGE SA-REG-S 1.37500% 18-20.03.28	300 000.00	271 502.40	1.46
EUR P3 GROUP SARL-REG-S 0.87500% 22-26.01.26	100 000.00	78 433.00	0.42
EUR SOCIETE GENERALE-REG-S 2.12500% 18-27.09.28	100 000.00	86 520.60	0.46
EUR TDC NET A/S-REG-S 5.05600% 22-31.05.28	100 000.00	93 200.00	0.50
EUR TELEFONICA EMISIONES SA-REG-S 1.46000% 16-13.04.26	200 000.00	187 194.00	1.01
EUR TELEFONICA EMISIONES SA-REG-S 0.66400% 20-03.02.30	100 000.00	80 192.00	0.43
EUR UBS AG LONDON BRANCH-REG-S 0.01000% 21-29.06.26	400 000.00	349 449.40	1.88
EUR UNIBAIL-RODAMCO SE-REG-S 1.50000% 17-22.02.28	100 000.00	81 850.40	0.44
EUR VERIZON COMMUNICATIONS INC 3.25000% 14-17.02.26	200 000.00	197 683.20	1.06
EUR VINCI SA-REG-S 1.62500% 19-18.01.29	200 000.00	182 271.60	0.98
EUR VODAFONE GROUP PLC-REG-S 1.60000% 16-29.07.31	400 000.00	334 196.00	1.80
EUR VONOVIA SE-REG-S 0.62500% 21-24.03.31	200 000.00	135 482.63	0.73
Total EUR		8 396 023.70	45.10
Total Medium term notes, fixed rate		8 396 023.70	45.10

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Medium term notes, floating rate			
EUR			
EUR ALLIANZ SE-REG-S-SUB 4.750%/3M EURIBOR+360BP 13-PRP	300 000.00	299 250.00	1.61
EUR AUSTRALIA & NEW ZEALAND BK-REG-S-SUB 0.669%/VAR 21-05.05.31	100 000.00	83 830.60	0.45
EUR AVIVA PLC-REG-S-SUB 3.375%/VAR 15-04.12.45	200 000.00	187 681.60	1.01
EUR AXA SA-REG-S-SUB 3.375%/VAR 16-06.07.47	100 000.00	91 400.00	0.49
EUR AXA SA-REG-S-SUB 3.941%/VAR 14-PRP	200 000.00	194 500.00	1.04
EUR BANK OF AMERICA CORP 1.102%/VAR 21-24.05.32	200 000.00	150 656.00	0.81
EUR BNP PARIBAS SA-REG-S 2.125%/VAR 20-17.04.29	100 000.00	82 831.60	0.44
EUR BNP PARIBAS SA-REG-S 2.125%/VAR 19-23.01.27	200 000.00	185 653.20	1.00
EUR CAIXABANK SA-REG-S-SUB 3.750%/VAR 19-15.02.29	100 000.00	97 301.70	0.52
EUR CITIGROUP INC-SUB 4.250%/FLR 05-25.02.30	100 000.00	95 980.00	0.51
EUR COMMONWEALTH BK OF AUSTRALIA-REG-S-SUB 1.936%/VAR 17-03.10.29	200 000.00	187 530.00	1.01
EUR CREDIT SUISSE GROUP AG-REG-S 3.250%/VAR 20-02.04.26	100 000.00	93 781.20	0.50
EUR DANONE SA-REG-S-SUB 1.750%/VAR 17-PRP	200 000.00	195 088.00	1.05
EUR DEUTSCHE BANK AG-REG-S- 0.75000%/VAR 21-17.02.27	100 000.00	84 994.00	0.46
EUR IBERDROLA INTERNATIONAL BV-REG-S-SUB 2.625%/VAR 18-PRP	300 000.00	287 307.00	1.54
EUR ING GROEP NV-SUB 3.000%/VAR 17-11.04.28	200 000.00	198 231.20	1.06
EUR JPMORGAN CHASE & CO-REG-S 1.047%/VAR 19-04.11.32	100 000.00	74 448.00	0.40
EUR JPMORGAN CHASE & CO-REG-S 0.389%/3M EURIBOR+65BP 20-24.02.28	200 000.00	168 864.00	0.91
EUR LLOYDS BANKING GROUP PLC-REG-S 0.500%/VAR 19-12.11.25	100 000.00	92 556.00	0.50
EUR MBANK SA-REG-S 0.966%/VAR 21-21.09.27	200 000.00	150 350.00	0.81
EUR SVENSKA HANDELSBANKEN AB-REG-S-SUB 1.625%/VAR 18-05.03.29	200 000.00	191 569.20	1.03
EUR TOTAL SE-REG-S-SUB 2.625%/VAR 15-PRP	100 000.00	93 562.80	0.50
EUR TOTAL SE-REG-S-SUB 3.369%/VAR 16-PRP	200 000.00	187 500.00	1.01
EUR UBS GROUP AG-REG-S-SUB 0.250%/VAR 20-05.11.28	228 000.00	183 781.68	0.99
Total EUR		3 658 647.78	19.65
Total Medium term notes, floating rate		3 658 647.78	19.65
Bonds, fixed rate			
EUR			
EUR ARGENTUM NETHERLANDS BV FOR GIV-REG-S 2.00000% 18-17.09.30	100 000.00	88 163.20	0.47
EUR AT&T INC 2.60000% 14-17.12.29	200 000.00	182 922.00	0.98
EUR AT&T INC 3.50000% 13-17.12.25	200 000.00	199 579.60	1.07
EUR COCA-COLA EUROPEAN PARTNERS PLC-REG-S 1.75000% 16-26.05.28	200 000.00	179 197.60	0.96
EUR CREDIT AGRICOLE SA-REG-S-SUB 2.62500% 15-17.03.27	100 000.00	92 747.00	0.50
EUR EUROPEAN INVESTMENT BANK-REG-S 0.25000% 22-20.01.32	150 000.00	118 258.20	0.63
EUR GIE PSA TRESORERIE 6.00000% 03-19.09.33	100 000.00	104 449.72	0.56
EUR LANDESBANK BADEN-WUERTTEMBERG-REG-S-SUB 2.87500% 16-28.09.26	100 000.00	90 759.00	0.49
EUR MOLSON COORS BREWING CO 1.25000% 16-15.07.24	300 000.00	286 314.97	1.54
EUR NOVARTIS FINANCE SA-REG-S 1.37500% 18-14.08.30	100 000.00	86 974.00	0.47
EUR PVH CORP-REG-S 3.62500% 16-15.07.24	100 000.00	97 662.08	0.52
EUR SAP SE-REG-S 0.37500% 20-18.05.29	100 000.00	83 748.40	0.45
EUR SOCIETE GENERALE-REG-S 0.75000% 20-25.01.27	100 000.00	85 318.40	0.46
EUR SVENSKA HANDELSBANKEN AB-REG-S 0.50000% 20-18.02.30	100 000.00	76 439.60	0.41
EUR THERMO FISHER SCIENTIFIC INC 1.37500% 16-12.09.28	100 000.00	88 825.60	0.48
EUR VERIZON COMMUNICATIONS INC 0.87500% 19-08.04.27	100 000.00	88 797.00	0.48
EUR VONOVIA FINANCE BV-REG-S 1.50000% 18-14.01.28	100 000.00	83 014.20	0.45
EUR WINTERSHALL DEA FINANCE BV-REG-S 1.33200% 19-25.09.28	100 000.00	81 933.80	0.44
EUR WINTERSHALL DEA FINANCE-REG-S 1.82300% 19-25.09.31	100 000.00	74 076.00	0.40
Total EUR		2 189 180.37	11.76
Total Bonds, fixed rate		2 189 180.37	11.76
Bonds, zero coupon			
EUR			
EUR THERMO FISHER SCIENTIFIC FINANCE 0.00000% 21-18.11.25	100 000.00	90 729.40	0.49
EUR ZUERCHER KANTONALBANK-REG-S 0.00000% 21-15.05.26	100 000.00	89 645.00	0.48
Total EUR		180 374.40	0.97
Total Bonds, zero coupon		180 374.40	0.97
Bonds, floating rate			
EUR			
EUR ALLIANDER NV-REG-S-SUB 1.625%/VAR 18-PRP	100 000.00	89 875.00	0.48
EUR ALLIANZ SE-REG-S-SUB 1.301%/3M EURIBOR+235BP 19-25.09.49	100 000.00	76 028.40	0.41
EUR DEUTSCHE BAHN FINANCE GMBH-REG-S-SUB 0.950%/VAR 19-PRP	200 000.00	180 000.00	0.97
EUR ING GROEP NV-REG-S-SUB 2.000%/VAR 18-22.03.30	100 000.00	91 822.80	0.49
EUR RABOBANK NEDERLAND NV-REG-S-SUB 3.250%/VAR 19-PRP	200 000.00	164 178.00	0.88
EUR SES SA-REG-S-SUB 2.875%/VAR 21-PRP	100 000.00	75 125.00	0.40
EUR UNIBAIL-RODAMCO SE-REG-S-SUB 2.125%/VAR 18-PRP	100 000.00	86 500.00	0.47
EUR ZUERCHER KANTONALBANK-REG-S-SUB 2.020%/VAR 22-13.04.28	200 000.00	180 740.00	0.97
Total EUR		944 269.20	5.07
Total Bonds, floating rate		944 269.20	5.07
Total Transferable securities and money market instruments listed on an official stock exchange		18 032 953.02	96.86
Total investments in securities		18 032 953.02	96.86
Cash at banks, deposits on demand and deposit accounts and other liquid assets		346 994.25	1.86
Other assets and liabilities		238 051.93	1.28
Total net assets		18 617 999.20	100.00

UBS (Lux) SICAV 2

– Low Duration EUR Bond Sustainable (EUR)*

Three-year comparison

	ISIN	31.10.2022	31.10.2021	31.10.2020
Net assets in EUR		105 479 583.18	241 022 104.37	167 302 420.50
Class F-acc	LU0417386850			
Shares outstanding		1 000.0030	60 900.9900	65 850.0000
Net asset value per share in EUR		98.95	100.88	101.12
Issue and redemption price per share in EUR ¹		98.90	100.88	101.12
Class I-A1-acc	LU1940070516			
Shares outstanding		13 291.5680	80 092.0000	80 092.0000
Net asset value per share in EUR		97.77	99.70	99.93
Issue and redemption price per share in EUR ¹		97.72	99.70	99.93
Class I-A2-acc²	LU1940070607			
Shares outstanding		156 840.0000	-	-
Net asset value per share in EUR		98.59	-	-
Issue and redemption price per share in EUR ¹		98.54	-	-
Class I-X-acc³	LU2275275282			
Shares outstanding		-	771 975.0000	-
Net asset value per share in EUR		-	99.73	-
Issue and redemption price per share in EUR ¹		-	99.73	-
Class P-acc	LU0224521939			
Shares outstanding		689 439.1860	1 030 892.1930	1 090 788.4100
Net asset value per share in EUR		108.41	110.65	110.95
Issue and redemption price per share in EUR ¹		108.36	110.65	110.95
Class (SEK hedged) P-acc	LU2008307097			
Shares outstanding		92 365.2810	84 420.3800	99 396.7030
Net asset value per share in SEK		692.92	703.11	702.70
Issue and redemption price per share in SEK ¹		692.57	703.11	702.70
Class Q-acc	LU0417387072			
Shares outstanding		83 084.0210	303 347.8970	252 032.8820
Net asset value per share in EUR		96.50	98.45	98.72
Issue and redemption price per share in EUR ¹		96.45	98.45	98.72

¹ See note 1

² First NAV: 20.4.2022

³ For the period from 13.1.2021 to 30.6.2022 the share Class I-X-acc was in circulation

Performance

	Currency	2021/2022	2020/2021	2019/2020
Class F-acc	EUR	-2.0%	-0.2%	-0.1%
Class I-A1-acc	EUR	-1.9%	-0.2%	-
Class I-A2-acc ¹	EUR	-	-	-
Class I-X-acc ²	EUR	-	-	-
Class P-acc	EUR	-2.1%	-0.3%	-0.1%
Class (SEK hedged) P-acc	SEK	-1.5%	0.1%	0.3%
Class Q-acc	EUR	-2.0%	-0.3%	-0.1%
Benchmark: ³				
ESTR 3 Months Compounded	EUR	-0.5%	-0.6%	-0.4%
ESTR 3 Months Compounded	SEK	0.2%	-0.2%	-

¹ Due to the recent launch, there is no data for the calculation of the performance available.

² For the period from 13.1.2021 to 30.6.2022 the share Class I-X-acc was in circulation. Due to this fact, there is no data for the calculation of the performance available.

³ The subfund is actively managed. The index is a point of reference against which the performance of the subfund may be measured.

Historical performance is no indicator of current or future performance.

The performance data does not take account of any commissions and costs charged when subscribing and redeeming shares.

The performance data were not audited.

Report of the Portfolio Manager

In the financial year, from 1 November 2021 to 31 October 2022, EUR fixed income markets delivered a negative performance due to rising risk-free rates as well as spreads.

The ECB began its monetary tightening cycle. In July 2022, the first hike came with 50bp bringing the deposit rate out of negative territory to 0%, followed up with another hike of 75bp in September 2022. In October, in a third step, the ECB increased rates again by 75bp. The rate hikes by the ECB have been carried out to counter the renewed high inflation numbers in the Eurozone. EUR investment grade corporate credit spreads widened over the financial year and ended the reporting year near the highs.

The subfund produced an absolute negative performance. The rising risk-free rates as well as the widening of credit spreads in the 1-3 year segment had a negative impact on performance. The portfolio interest rate duration was kept mainly between 0.65 and 0.75 years throughout most of the reporting year.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

The Netherlands	22.79
France	22.64
United States	15.02
United Kingdom	11.70
Australia	6.68
Germany	5.52
Sweden	3.25
Spain	3.14
Norway	1.83
Canada	1.77
Italy	1.63
Japan	0.95
Finland	0.93
Total	97.85

Economic Breakdown as a % of net assets

Banks & credit institutions	43.00
Finance & holding companies	21.98
Telecommunications	5.13
Energy & water supply	4.13
Computer hardware & network equipment providers	3.68
Pharmaceuticals, cosmetics & medical products	3.62
Food & soft drinks	2.63
Insurance	2.57
Tobacco & alcohol	1.90
Building industry & materials	1.89
Vehicles	1.89
Internet, software & IT services	1.85
Electronics & semiconductors	1.82
Petroleum	1.03
Electrical devices & components	0.73
Total	97.85

Statement of Net Assets

EUR

Assets	31.10.2022
Investments in securities, cost	108 164 529.91
Investments in securities, unrealized appreciation (depreciation)	-4 950 353.44
Total investments in securities (Note 1)	103 214 176.47
Cash at banks, deposits on demand and deposit accounts	1 224 047.96
Receivable on securities sales (Note 1)	303 361.85
Interest receivable on securities	801 763.35
Prepaid expenses	360 874.50
Unrealized gain on financial futures (Note 1)	122 100.00
Unrealized gain on forward foreign exchange contracts (Note 1)	47 326.87
Total Assets	106 073 651.00

Liabilities

Other short-term liabilities (Margins)	-7 686.21
Payable on securities purchases (Note 1)	-17 258.40
Payable on redemptions	-435 897.94
Provisions for flat fee (Note 2)	-49 046.68
Provisions for taxe d'abonnement (Note 3)	-24 917.03
Provisions for other commissions and fees (Note 2)	-59 261.56
Total provisions	-133 225.27
Total Liabilities	-594 067.82

Net assets at the end of the financial year

105 479 583.18

Statement of Operations

EUR

Income	1.11.2021-31.10.2022
Interest on liquid assets	4 667.53
Interest on securities	3 226 198.88
Net income on securities lending (Note 14)	44 128.72
Other income (Note 4)	75 157.38
Total income	3 350 152.51

Expenses

Flat fee (Note 2)	-229 990.51
Taxe d'abonnement (Note 3)	-67 003.11
Other commissions and fees (Note 2)	-59 657.76
Interest on cash and bank overdraft	-31 907.84
Total expenses	-388 559.22

Net income (loss) on investments

2 961 593.29

Realized gain (loss) (Note 1)

Realized gain (loss) on market-priced securities without options	-6 681 221.35
Realized gain (loss) on yield-evaluated securities and money market instruments	-29 478.76
Realized gain (loss) on financial futures	774 416.80
Realized gain (loss) on forward foreign exchange contracts	-430 035.11
Realized gain (loss) on foreign exchange	-52 315.44
Total realized gain (loss)	-6 418 633.86

Net realized gain (loss) of the financial year

-3 457 040.57

Changes in unrealized appreciation (depreciation) (Note 1)

Unrealized appreciation (depreciation) on market-priced securities without options	-1 121 476.90
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	8 479.31
Unrealized appreciation (depreciation) on financial futures	-5 900.00
Unrealized appreciation (depreciation) on forward foreign exchange contracts	-121 599.75
Total changes in unrealized appreciation (depreciation)	-1 240 497.34

Net increase (decrease) in net assets as a result of operations

-4 697 537.91

Statement of Changes in Net Assets

EUR

	1.11.2021-31.10.2022
Net assets at the beginning of the financial year	241 022 104.37
Subscriptions	47 055 544.35
Redemptions	-177 900 527.63
Total net subscriptions (redemptions)	-130 844 983.28
Net income (loss) on investments	2 961 593.29
Total realized gain (loss)	-6 418 633.86
Total changes in unrealized appreciation (depreciation)	-1 240 497.34
Net increase (decrease) in net assets as a result of operations	-4 697 537.91
Net assets at the end of the financial year	105 479 583.18

Changes in the Number of Shares outstanding

	1.11.2021-31.10.2022
Class	F-acc
Number of shares outstanding at the beginning of the financial year	60 900.9900
Number of shares issued	42 612.7540
Number of shares redeemed	-102 513.7410
Number of shares outstanding at the end of the financial year	1 000.0030
Class	I-A1-acc
Number of shares outstanding at the beginning of the financial year	80 092.0000
Number of shares issued	0.0000
Number of shares redeemed	-66 800.4320
Number of shares outstanding at the end of the financial year	13 291.5680
Class	I-A2-acc
Number of shares outstanding at the beginning of the financial year	0.0000
Number of shares issued	173 315.0000
Number of shares redeemed	-16 475.0000
Number of shares outstanding at the end of the financial year	156 840.0000
Class	I-X-acc
Number of shares outstanding at the beginning of the financial year	771 975.0000
Number of shares issued	0.0000
Number of shares redeemed	-771 975.0000
Number of shares outstanding at the end of the financial year	0.0000
Class	P-acc
Number of shares outstanding at the beginning of the financial year	1 030 892.1930
Number of shares issued	195 044.5870
Number of shares redeemed	-536 497.5940
Number of shares outstanding at the end of the financial year	689 439.1860
Class	(SEK-hedged) P-acc
Number of shares outstanding at the beginning of the financial year	84 420.3800
Number of shares issued	46 840.2480
Number of shares redeemed	-38 895.3470
Number of shares outstanding at the end of the financial year	92 365.2810
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	303 347.8970
Number of shares issued	8 593.7330
Number of shares redeemed	-228 857.6090
Number of shares outstanding at the end of the financial year	83 084.0210

UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

Annual report and audited financial statements as of 31 October 2022

Statement of Investments in Securities and other Net Assets as of 31 October 2022

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

EUR				
EUR	BP CAPITAL MARKETS PLC-REG-S 1.87600% 20-07.04.24	2 000 000.00	1 965 352.00	1.86
Total EUR			1 965 352.00	1.86

Total Notes, fixed rate			1 965 352.00	1.86
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Notes, zero coupon

EUR				
EUR	SAP SE-REG-S 0.00000% 20-17.05.23	1 000 000.00	987 538.00	0.94
Total EUR			987 538.00	0.94

Total Notes, zero coupon			987 538.00	0.94
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Medium term notes, fixed rate

EUR				
EUR	ABN AMRO BANK NV-REG-S 0.50000% 18-17.07.23	1 700 000.00	1 675 350.00	1.59
EUR	ALLIANDER NV-REG-S 2.25000% 12-14.11.22	1 000 000.00	1 000 120.00	0.95
EUR	ANGLO AMERICAN CAPITAL PLC-REG-S 3.25000% 14-03.04.23	1 600 000.00	1 601 299.99	1.52
EUR	APPLE INC 1.00000% 14-10.11.22	1 900 000.00	1 899 620.00	1.80
EUR	AUSTRALIA & NEW ZEALAND BANKING GROUP-REG-S 0.62500% 18-21.02.23	2 000 000.00	1 991 512.00	1.89
EUR	BANCO BILBAO VIZCAYA ARGENTARIA-REG-S 0.37500% 19-02.10.24	1 600 000.00	1 510 198.40	1.43
EUR	BANCO SANTANDER SA-REG-S 1.37500% 15-14.12.22	1 800 000.00	1 800 014.40	1.71
EUR	BANK OF AMERICA CORP-REG-S 0.75000% 16-26.07.23	1 200 000.00	1 181 325.60	1.12
EUR	BANQUE FEDER DU CREDIT MUTUEL-REG-S 0.75000% 19-15.06.23	700 000.00	691 901.00	0.66
EUR	BANQUE FEDER DU CREDIT MUTUEL-REG-S-SUB 3.00000% 14-21.05.24	400 000.00	395 624.00	0.37
EUR	BARCLAYS BANK PLC-REG-S 2.25000% 14-10.06.24	1 700 000.00	1 685 346.00	1.60
EUR	BAXTER INTERNATIONAL INC 0.40000% 19-15.05.24	1 700 000.00	1 629 076.00	1.54
EUR	BMW FINANCE NV-REG-S 0.75000% 17-12.07.24	500 000.00	482 960.00	0.46
EUR	BMW FINANCE NV-REG-S 1.00000% 18-14.11.24	1 000 000.00	965 190.00	0.91
EUR	BNP PARIBAS-REG-S 0.75000% 16-11.11.22	1 100 000.00	1 099 802.00	1.04
EUR	BNP PARIBAS-REG-S 1.12500% 16-15.01.23	1 000 000.00	998 668.00	0.95
EUR	BPCE SA-REG-S 0.62500% 18-26.09.23	1 000 000.00	978 658.00	0.93
EUR	CIE DE SAINT-GOBAIN-REG-S 1.75000% 20-03.04.23	2 000 000.00	1 993 020.00	1.89
EUR	CITIGROUP INC-REG-S 2.37500% 14-22.05.24	1 300 000.00	1 276 437.21	1.21
EUR	CREDIT AGRICOLE SA LONDON 2.37500% 14-20.05.24	1 500 000.00	1 476 741.00	1.40
EUR	CREDIT AGRICOLE SA LONDON-REG-S 0.75000% 18-05.12.23	500 000.00	486 818.00	0.46
EUR	DAIMLER AG-REG-S 2.37500% 13-08.03.23	600 000.00	600 818.40	0.57
EUR	DAIMLER INTERNATIONAL FINANCE BV-REG-S 0.75000% 16-11.05.23	1 400 000.00	1 390 102.00	1.32
EUR	DANONE-REG-S 2.60000% 13-28.06.23	2 000 000.00	1 999 260.00	1.90
EUR	DEUTSCHE BANK AG-REG-S 1.12500% 18-30.08.23	2 000 000.00	1 968 660.00	1.87
EUR	DEUTSCHE TELEKOM INTL FINANCE BV-REG-S 0.62500% 16-03.04.23	1 200 000.00	1 192 800.00	1.13
EUR	DEUTSCHE TELEKOM INTL FINANCE-REG-S 0.87500% 17-30.01.24	500 000.00	488 111.00	0.46
EUR	DIAGEO FINANCE PLC-REG-S 0.12500% 19-12.10.23	2 100 000.00	2 043 321.00	1.94
EUR	DNB BANK ASA-REG-S 0.05000% 19-14.11.23	2 000 000.00	1 934 680.00	1.83
EUR	EDP FINANCE BV-REG-S 1.87500% 17-29.09.23	1 800 000.00	1 777 384.80	1.68
EUR	ENEL FINANCE INTERNATIONAL NV 1.96600% 15-27.01.25	1 200 000.00	1 157 764.80	1.10
EUR	ENEL FINANCE INTERNATIONAL NV-REG-S 1.00000% 17-16.09.24	500 000.00	478 359.00	0.45
EUR	ENGIE SA-REG-S 3.00000% 12-21.02.23	1 900 000.00	1 904 734.80	1.81
EUR	GOLDMAN SACHS GROUP INC-REG-S 3.25000% 13-01.02.23	700 000.00	701 787.80	0.67
EUR	GOLDMAN SACHS GROUP INC/THE-REG-S 1.37500% 17-15.05.24	1 300 000.00	1 255 272.20	1.19
EUR	HEINEKEN NV 3.50000% 12-19.03.24	2 000 000.00	2 009 184.20	1.90
EUR	ING GROEP NV-REG-S 1.12500% 18-14.02.25	700 000.00	664 676.60	0.63
EUR	ING GROEP NV-REG-S 1.00000% 18-20.09.23	1 400 000.00	1 371 818.00	1.30
EUR	INTESA SANPAOLO SPA-REG-S 1.00000% 19-04.07.24	1 800 000.00	1 719 799.20	1.63
EUR	JP MORGAN CHASE & CO 2.75000% 13-01.02.23	1 500 000.00	1 502 406.00	1.42
EUR	LLOYDS BANK PLC-REG-S 1.25000% 15-13.01.25	1 900 000.00	1 807 485.20	1.71
EUR	NATIONAL AUSTRALIA BANK LTD-REG-S 0.25000% 19-20.05.24	2 200 000.00	2 098 581.32	1.99
EUR	OP CORPORATE BANK PLC-REG-S 0.37500% 18-29.08.23	1 000 000.00	978 480.00	0.93
EUR	ORANGE 2.50000% 12-01.03.23	700 000.00	701 143.80	0.66
EUR	RABOBANK NEDERLAND NV 2.37500% 13-22.05.23	1 200 000.00	1 199 424.00	1.14
EUR	RABOBANK NEDERLAND NV 0.62500% 19-27.02.24	1 000 000.00	966 726.00	0.92
EUR	SANOFI-REG-S 0.50000% 18-21.03.23	2 200 000.00	2 187 961.60	2.07
EUR	SIEMENS FINANCIERINGSMAATSCHAPPIJ-REG-S 0.25000% 20-05.06.24	1 100 000.00	1 054 039.75	1.00
EUR	SKANDINAVISKA ENSKILDA BANKEN AB-REG-S 0.50000% 18-13.03.23	700 000.00	696 213.00	0.66
EUR	SOCIETE GENERALE SA-REG-S 0.75000% 16-26.05.23	2 000 000.00	1 980 012.00	1.88
EUR	SUMITOMO MITSUI BANKING CORP-REG-S 2.75000% 13-24.07.23	1 000 000.00	998 934.00	0.95
EUR	TELSTRA CORP LTD 2.50000% 13-15.09.23	1 000 000.00	997 182.00	0.95
EUR	TENNET HOLDING BV 4.62500% 11-21.02.23	2 000 000.00	2 011 840.00	1.91
EUR	TORONTO DOMINION BANK-REG-S 0.62500% 18-20.07.23	1 900 000.00	1 871 047.80	1.77
EUR	TOTAL CAPITAL INTERNATIONAL SA-REG-S 0.25000% 16-12.07.23	1 300 000.00	1 281 251.40	1.21
EUR	VEOLIA ENVIRONNEMENT-REG-S 0.89200% 19-14.01.24	1 500 000.00	1 457 646.00	1.38
EUR	VODAFONE GROUP PLC-REG-S 1.75000% 16-25.08.23	2 000 000.00	1 981 980.00	1.88
EUR	WESTPAC BANKING CORP-REG-S 0.37500% 17-05.03.23	1 500 000.00	1 491 555.90	1.41
Total EUR			78 742 125.17	74.65

Total Medium term notes, fixed rate			78 742 125.17	74.65
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Medium term notes, zero coupon

EUR				
EUR	BMW FINANCE NV-REG-S 0.00000% 20-14.01.23	700 000.00	693 924.00	0.66
EUR	SIEMENS FINANCIERINGSMAATSCHAPPIJ-REG-S 0.00000% 20-20.02.23	900 000.00	894 700.80	0.85
Total EUR			1 588 624.80	1.51

Total Medium term notes, zero coupon			1 588 624.80	1.51
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UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*
 * formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)
 Annual report and audited financial statements as of 31 October 2022

Description	Quantity/ Nominal	Valuation in EUR Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Medium term notes, floating rate			
EUR			
EUR ALLIANZ SE-REG-S-SUB 4.750%/3M EURIBOR+360BP 13-PRP	1 300 000.00	1 296 750.00	1.23
EUR BPCE SA-REG-S-SUB 2.750%/VAR 15-30.11.27	1 200 000.00	1 199 354.40	1.14
EUR COMMONWEALTH BK OF AUSTRALIA-REG-S-SUB 1.936%/VAR 17-03.10.29	500 000.00	468 825.00	0.44
EUR IBERDROLA INTERNATIONAL BV-REG-S-SUB 2.625%/VAR 18-PRP	800 000.00	766 152.00	0.73
EUR ORANGE SA-REG-S-SUB 2.375%/VAR 19-PRP	1 100 000.00	1 030 077.40	0.98
EUR SKANDINAVISKA ENSKILDA BANK-REG-S-SUB 1.375%/VAR 16-31.10.28	1 500 000.00	1 448 346.00	1.37
EUR SVENSKA HANDELSBANKEN AB-REG-S-SUB 1.250%/VAR 18-02.03.28	1 300 000.00	1 286 162.80	1.22
EUR TOTAL SE-REG-S-SUB 2.708%/VAR 16-PRP	1 100 000.00	1 089 000.00	1.03
Total EUR		8 584 667.60	8.14
Total Medium term notes, floating rate		8 584 667.60	8.14
Bonds, fixed rate			
EUR			
EUR AT&T INC 2.50000% 13-15.03.23	700 000.00	700 252.00	0.66
EUR COCA-COLA EUROPEAN PARTNERS PLC-REG-S 1.12500% 16-26.05.24	800 000.00	774 787.70	0.73
EUR INTERNATIONAL BUSINESS MACHINES CORP 1.25000% 14-26.05.23	2 000 000.00	1 984 576.00	1.88
EUR LINDE FINANCE BV-REG-S 2.00000% 13-18.04.23	1 800 000.00	1 799 157.60	1.71
EUR MORGAN STANLEY 1.87500% 14-30.03.23	1 800 000.00	1 795 287.60	1.70
EUR SAP SE-REG-S 0.75000% 18-10.12.24	1 000 000.00	964 972.00	0.91
EUR THERMO FISHER SCIENTIFIC INC 0.75000% 16-12.09.24	2 000 000.00	1 915 860.00	1.82
Total EUR		9 934 892.90	9.41
Total Bonds, fixed rate		9 934 892.90	9.41
Bonds, floating rate			
EUR			
EUR AXA SA-REG-S-SUB 5.125%/3M EURIBOR+435BP 13-04.07.43	1 400 000.00	1 410 976.00	1.34
Total EUR		1 410 976.00	1.34
Total Bonds, floating rate		1 410 976.00	1.34
Total Transferable securities and money market instruments listed on an official stock exchange		103 214 176.47	97.85
Total investments in securities		103 214 176.47	97.85

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on bonds

EUR EURO-SCHATZ FUTURE 08.12.22	-110.00	122 100.00	0.12
Total Financial Futures on bonds		122 100.00	0.12

Total Derivative instruments listed on an official stock exchange

122 100.00 **0.12**

Total Derivative instruments

122 100.00 **0.12**

Forward Foreign Exchange contracts

Currency purchased/Amount purchased/Currency sold/Amount sold/Maturity date

SEK	64 524 100.00	EUR	5 878 526.39	1.11.2022	29 347.62	0.03
EUR	96 448.76	SEK	1 046 600.00	1.11.2022	621.29	0.00
SEK	63 477 500.00	EUR	5 793 500.52	2.12.2022	17 357.96	0.02
Total Forward Foreign Exchange contracts					47 326.87	0.05

Cash at banks, deposits on demand and deposit accounts and other liquid assets

1 224 047.96 **1.16**

Bank overdraft and other short-term liabilities

-7 686.21 **-0.01**

Other assets and liabilities

879 618.09 **0.83**

Total net assets

105 479 583.18 **100.00**

UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

Annual report and audited financial statements as of 31 October 2022

The notes are an integral part of the financial statements.

UBS (Lux) SICAV 2

– Low Duration USD Bond Sustainable (USD)*

Three-year comparison

	ISIN	31.10.2022	31.10.2021	31.10.2020
Net assets in USD		45 222 603.86	51 898 341.65	56 430 338.95
Class P-acc	LU0224522077			
Shares outstanding		373 464.6250	421 038.9520	457 613.9140
Net asset value per share in USD		120.62	122.36	122.42
Issue and redemption price per share in USD ¹		120.62	122.36	122.42
Class Q-acc	LU0417389870			
Shares outstanding		1 629.0000	3 494.6700	3 765.6700
Net asset value per share in USD		107.50	108.73	108.70
Issue and redemption price per share in USD ¹		107.50	108.73	108.70

¹ See note 1

Performance

	Currency	2021/2022	2020/2021	2019/2020
Class P-acc	USD	-1.4%	0.0%	1.5%
Class Q-acc	USD	-1.1%	0.0%	1.8%
Benchmark: ¹				
3M Compounded SOFR	USD	0.7%	0.1%	0.9%

¹ The subfund is actively managed. The index is a point of reference against which the performance of the subfund may be measured.

Historical performance is no indicator of current or future performance.
The performance data does not take account of any commissions and costs charged when subscribing and redeeming shares.
The performance data were not audited.

Report of the Portfolio Manager

During the financial year, from 1 November 2021 to 31 October 2022, the yield of the two-year US treasury bonds increased by 400bp and closed the year at 4.48%. During the financial year, the Fed began its monetary tightening cycle. In March the first hike came with 0.25%, followed by one hike of 50bp in May and then by three hikes of 75bp each. In total the Fed hiked by 3% and brought the Fed funds target range to 3.00%-3.25%. Rate hikes became necessary to counter the strongly increasing inflation which peaked at 9% in June 2022.

During the financial year, the absolute performance of the subfund was negative due to rising rates and wider credit spreads. The subfund has followed a diversified approach and invests across a range of industries and issuers. The option-adjusted duration of the subfund was kept well below one year, in line with limits.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets

United States	32.15
United Kingdom	11.29
Canada	8.54
France	8.51
Cayman Islands	5.21
Australia	3.30
Norway	2.98
The Netherlands	2.85
Sweden	2.52
Spain	2.48
Venezuela	2.17
Germany	2.16
Qatar	1.65
Japan	1.62
Switzerland	1.60
United Arab Emirates	1.07
Denmark	0.87
Finland	0.86
China	0.65
Italy	0.65
New Zealand	0.57
Ireland	0.55
Total	94.25

Economic Breakdown as a % of net assets

Banks & credit institutions	42.40
Finance & holding companies	24.74
Pharmaceuticals, cosmetics & medical products	3.29
Mortgage & funding institutions	3.28
Petroleum	2.83
Electronics & semiconductors	2.69
Food & soft drinks	2.54
Computer hardware & network equipment providers	2.50
Supranational organisations	2.17
Countries & central governments	1.65
Telecommunications	1.58
Internet, software & IT services	1.08
Cantons, federal states	1.07
Energy & water supply	1.01
Vehicles	0.87
Retail trade, department stores	0.55
Total	94.25

Statement of Net Assets

	USD
Assets	31.10.2022
Investments in securities, cost	44 789 089.62
Investments in securities, unrealized appreciation (depreciation)	-2 167 518.31
Total investments in securities (Note 1)	42 621 571.31
Cash at banks, deposits on demand and deposit accounts	2 232 309.26
Receivable on subscriptions	340.41
Interest receivable on securities	305 323.66
Prepaid expenses	119 452.42
Unrealized gain on financial futures (Note 1)	172 453.16
Total Assets	45 451 450.22
Liabilities	
Other short-term liabilities (Margins)	-115 830.00
Payable on redemptions	-61 388.87
Provisions for flat fee (Note 2)	-24 895.26
Provisions for taxe d'abonnement (Note 3)	-13 398.92
Provisions for other commissions and fees (Note 2)	-13 333.31
Total provisions	-51 627.49
Total Liabilities	-228 846.36
Net assets at the end of the financial year	45 222 603.86

Statement of Operations

	USD
Income	1.11.2021-31.10.2022
Interest on liquid assets	15 698.98
Interest on securities	1 299 016.09
Net income on securities lending (Note 14)	4 948.86
Other income (Note 4)	2 511.33
Total income	1 322 175.26
Expenses	
Flat fee (Note 2)	-315 889.42
Taxe d'abonnement (Note 3)	-23 566.70
Other commissions and fees (Note 2)	-14 502.54
Interest on cash and bank overdraft	-75.12
Total expenses	-354 033.78
Net income (loss) on investments	968 141.48
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-553 594.02
Realized gain (loss) on financial futures	594 578.60
Realized gain (loss) on foreign exchange	-16 954.31
Total realized gain (loss)	24 030.27
Net realized gain (loss) of the financial year	992 171.75
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-1 815 565.98
Unrealized appreciation (depreciation) on yield-evaluated securities and money market instruments	1 694.01
Unrealized appreciation (depreciation) on financial futures	121 695.30
Total changes in unrealized appreciation (depreciation)	-1 692 176.67
Net increase (decrease) in net assets as a result of operations	-700 004.92

Statement of Changes in Net Assets

	USD
	1.11.2021-31.10.2022
Net assets at the beginning of the financial year	51 898 341.65
Subscriptions	1 517 106.12
Redemptions	-7 492 838.99
Total net subscriptions (redemptions)	-5 975 732.87
Net income (loss) on investments	968 141.48
Total realized gain (loss)	24 030.27
Total changes in unrealized appreciation (depreciation)	-1 692 176.67
Net increase (decrease) in net assets as a result of operations	-700 004.92
Net assets at the end of the financial year	45 222 603.86

Changes in the Number of Shares outstanding

	1.11.2021-31.10.2022
Class	P-acc
Number of shares outstanding at the beginning of the financial year	421 038.9520
Number of shares issued	12 493.5260
Number of shares redeemed	-60 067.8530
Number of shares outstanding at the end of the financial year	373 464.6250
Class	Q-acc
Number of shares outstanding at the beginning of the financial year	3 494.6700
Number of shares issued	0.0000
Number of shares redeemed	-1 865.6700
Number of shares outstanding at the end of the financial year	1 629.0000

UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)*

* formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Annual report and audited financial statements as of 31 October 2022

Statement of Investments in Securities and other Net Assets as of 31 October 2022

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

USD

USD	ABBVIE INC 2.30000% 20-21.11.22	500 000.00	499 326.95	1.10
USD	ABN AMRO BANK NV-144A-SUB 4.75000% 15-28.07.25	250 000.00	235 947.00	0.52
USD	ANZ NEW ZEALAND INT'L LTD/LDN-REG-S 3.40000% 19-19.03.24	1 000 000.00	974 866.00	2.16
USD	APPLE INC 0.75000% 20-11.05.23	500 000.00	490 185.91	1.08
USD	ASTRAZENECA PLC 3.50000% 18-17.08.23	500 000.00	494 478.71	1.09
USD	BANCO BILBAO VIZCAYA ARGENTARIA 0.87500% 20-18.09.23	600 000.00	575 402.16	1.27
USD	BANCO SANTANDER SA 2.74600% 20-28.05.25	600 000.00	544 231.61	1.20
USD	BANK OF NOVA SCOTIA/THE 0.70000% 21-15.04.24	400 000.00	373 345.44	0.83
USD	BANQUE FEDERATIVE DU CREDIT MUT-REG-S 0.65000% 20-27.02.24	750 000.00	703 286.06	1.55
USD	BARCLAYS PLC 3.65000% 15-16.03.25	400 000.00	371 582.12	0.82
USD	BAYER US FINANCE II LLC-REG-S 3.87500% 18-15.12.23	300 000.00	294 178.10	0.65
USD	BMW US CAPITAL LLC-REG-S 2.25000% 16-15.09.23	750 000.00	732 457.50	1.62
USD	BNZ INTERNATIONAL FUND LTD/LONDON-144A 2.65000% 17-03.11.22	850 000.00	849 958.13	1.88
USD	CANADIAN IMPERIAL BANK OF COMMERCE 0.50000% 20-14.12.23	1 000 000.00	949 839.97	2.10
USD	CITIGROUP INC 3.75000% 14-16.06.24	700 000.00	684 614.95	1.51
USD	COCA-COLA EUROPEAN PARTNERS PLC-REG-S 0.80000% 21-03.05.24	450 000.00	419 600.38	0.93
USD	CORP ANDINA DE FOMENTO 3.75000% 18-23.11.23	1 000 000.00	983 444.08	2.17
USD	DAIMLER FINANCE NORTH AMERICA LLC-REG-S 3.65000% 19-22.02.24	400 000.00	392 704.40	0.87
USD	DANSKE BANK AS-REG-S 5.37500% 19-12.01.24	400 000.00	394 190.54	0.87
USD	DEUTSCHE BANK AG/NEW YORK NY 3.95000% 18-27.02.23	500 000.00	496 537.64	1.10
USD	DTE ENERGY CO 2.25000% 19-01.11.22	220 000.00	220 000.00	0.49
USD	ELECTRICITE DE FRANCE SA-REG-S 3.62500% 15-13.10.25	250 000.00	236 020.50	0.52
USD	ENI SPA-REG-S 4.00000% 18-12.09.23	300 000.00	294 524.64	0.65
USD	EQUINOR ASA 3.70000% 13-01.03.24	1 000 000.00	983 804.33	2.18
USD	GENERAL MOTORS FINANCIAL CO INC 1.05000% 21-08.03.24	750 000.00	703 288.09	1.56
USD	HEWLETT PACKARD ENTERPRISE CO 4.45000% 20-02.10.23	250 000.00	248 008.72	0.55
USD	ING BANK NV-REG-S-SUB 5.80000% 13-25.09.23	300 000.00	299 081.04	0.66
USD	LLOYDS BANKING GROUP PLC 3.90000% 19-12.03.24	250 000.00	243 469.61	0.54
USD	LOWE'S COS INC 3.87500% 13-15.09.23	250 000.00	247 164.30	0.55
USD	MERCK & CO INC 2.80000% 13-18.05.23	500 000.00	494 784.24	1.09
USD	MICROSOFT CORP 2.87500% 17-06.02.24	500 000.00	488 970.14	1.08
USD	MORGAN STANLEY 3.87500% 14-29.04.24	1 000 000.00	979 372.03	2.17
USD	MUFG BANK LTD-REG-S 3.75000% 14-10.03.24	750 000.00	732 575.55	1.62
USD	NORDEA BANK ABP-REG-S 1.00000% 20-09.06.23	400 000.00	389 526.79	0.86
USD	NVIDIA CORP 0.58400% 21-14.06.24	400 000.00	373 172.65	0.83
USD	PARK AEROSPACE HOLDINGS LTD-REG-S 4.50000% 17-15.03.23	250 000.00	248 790.00	0.55
USD	QATAR, STATE OF-REG-S 3.87500% 18-23.04.23	750 000.00	747 142.50	1.65
USD	SIEMENS FINANCIERINGSMAATSCH NV-REG-S 0.65000% 21-11.03.24	400 000.00	376 889.86	0.83
USD	SVENSKA HANDELSBANKEN AB-REG-S 0.55000% 21-11.06.24	500 000.00	464 118.94	1.03
USD	SWEDBANK AB-REG-S 0.60000% 20-25.09.23	500 000.00	478 420.00	1.06
USD	TEXAS INSTRUMENTS INC 2.25000% 13-01.05.23	850 000.00	842 013.36	1.86
USD	TOTAL CAPITAL CANADA LTD 2.75000% 13-15.07.23	1 000 000.00	985 660.72	2.18
USD	VERIZON COMMUNICATIONS INC 0.85000% 20-20.11.25	250 000.00	219 605.16	0.49
USD	WESTPAC BANKING CORP 3.30000% 19-26.02.24	1 000 000.00	981 247.10	2.17
Total USD			23 737 827.92	52.49

Total Notes, fixed rate

23 737 827.92 **52.49**

Notes, floating rate

USD

USD	AT&T INC 4M SOFR+64BP 21-25.03.24	500 000.00	496 979.23	1.10
USD	CREDIT SUISSE GROUP AG-REG-S 2.997%/VAR 17-14.12.23	250 000.00	242 541.22	0.54
USD	DNB BANK ASA-REG-S 0.856%/VAR 21-30.09.25	400 000.00	362 442.54	0.80
USD	GOLDMAN SACHS GROUP 3M LIBOR+75BP 18-23.02.23	500 000.00	499 732.47	1.11
USD	HSBC O/N SOFR+58BP 21-22.11.24	400 000.00	386 118.90	0.85
USD	JPMORGAN CHASE & CO 3.797%/VAR 18-23.07.24	500 000.00	492 861.45	1.09
USD	SANTANDER UK GRP HOLD PLC 4.796%/3M LIBOR+157BP 18-15.11.24	500 000.00	489 175.10	1.08
Total USD			2 969 850.91	6.57

Total Notes, floating rate

2 969 850.91 **6.57**

Medium term notes, fixed rate

USD

USD	ABU DHABI, EMIRATE OF-REG-S 0.75000% 20-02.09.23	500 000.00	482 437.50	1.07
USD	ADCB FINANCE CAYMAN LTD-REG-S-SUB 4.50000% 13-06.03.23	1 000 000.00	993 937.50	2.20
USD	BANK OF CHINA LTD-REG-S-SUB 5.00000% 14-13.11.24	300 000.00	296 037.00	0.65
USD	BANK OF NEW YORK CO 1.85000% 20-27.01.23	750 000.00	745 311.67	1.65
USD	BNP PARIBAS SA-REG-S 3.50000% 18-01.03.23	450 000.00	447 099.10	0.99
USD	BP CAPITAL MARKETS PLC-REG-S 3.64300% 18-14.05.23	500 000.00	494 631.14	1.09
USD	BPCE SA-REG-S 2.75000% 18-11.01.23	1 000 000.00	994 248.58	2.20
USD	CREDIT AGRICOLE SA LONDON-REG-S 3.25000% 17-04.10.24	400 000.00	379 939.10	0.84
USD	GOLDMAN SACHS GROUP INC/THE 4.00000% 14-03.03.24	500 000.00	490 847.07	1.09
USD	NESTLE HOLDINGS INC-REG-S 2.37500% 17-17.11.22	500 000.00	499 318.00	1.10
USD	QNB FINANCE LTD-REG-S 3.50000% 19-28.03.24	1 000 000.00	968 625.00	2.14
USD	ROYAL BANK OF CANADA 0.50000% 20-26.10.23	500 000.00	477 368.20	1.06
USD	ROYAL BANK OF CANADA 3.97000% 22-26.07.24	500 000.00	488 448.30	1.08
USD	SOCIETE GENERALE SA-REG-S 4.25000% 18-14.09.23	750 000.00	738 509.19	1.63
Total USD			8 496 757.35	18.79

Total Medium term notes, fixed rate

8 496 757.35 **18.79**

UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)*

* formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Annual report and audited financial statements as of 31 October 2022

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
Medium term notes, floating rate			
USD			
USD BANK OF AMERICA CORP 1.486%/VAR 20-19.05.24	700 000.00	684 036.54	1.51
Total USD		684 036.54	1.51
Total Medium term notes, floating rate		684 036.54	1.51
Bonds, fixed rate			
USD			
USD COMMONWEALTH BK OF AUSTRALIA-REG-S-SUB 4.50000% 15-09.12.25	280 000.00	266 980.45	0.59
USD DANONE-REG-S 2.58900% 16-02.11.23	750 000.00	728 799.29	1.61
USD MIZUHO FINANCE GRP CAY 3 LTD-REG-S-SUB 4.60000% 14-27.03.24	400 000.00	391 532.00	0.87
Total USD		1 387 311.74	3.07
Total Bonds, fixed rate		1 387 311.74	3.07
Total Transferable securities and money market instruments listed on an official stock exchange		37 275 784.46	82.43
Transferable securities and money market instruments traded on another regulated market			
Asset Backed Securities, fixed rate			
USD			
USD COLT MERGER SUB INC-144A 3.60000% 18-25.02.48	1 000 000.00	317 926.55	0.71
USD SOFI PROFESSIONAL LOAN PROG-144A 2.65000% 17-25.09.40	600 000.00	109 436.09	0.24
USD SOFI PROFESSIONAL LOAN PROGRAM-144A 3.59000% 18-25.01.48	200 000.00	68 098.63	0.15
Total USD		495 461.27	1.10
Total Asset Backed Securities, fixed rate		495 461.27	1.10
Mortgage Backed Securities, fixed rate			
USD			
USD JP MORGAN CHASE MORTGAGE SEC-144A 3.73450% 18-01.01.31	500 000.00	496 781.00	1.10
Total USD		496 781.00	1.10
Total Mortgage Backed Securities, fixed rate		496 781.00	1.10
Mortgage Backed Securities, floating rate			
USD			
USD BAML COMMERCIAL MORTGAGE-144A 3.21800% 15-01.04.33	250 000.00	229 866.37	0.51
USD COMMERCIAL MORTGAGE PASS-THR-144A 3.812163%/VAR 13-01.06.46	500 000.00	492 812.15	1.09
Total USD		722 678.52	1.60
Total Mortgage Backed Securities, floating rate		722 678.52	1.60
Notes, fixed rate			
USD			
USD ASB BANK LTD-144A 3.12500% 19-23.05.24	268 000.00	258 775.45	0.57
USD AUSTRALIA & NEW ZEALAND BNK-REG-S-SUB 4.50000% 14-19.03.24	250 000.00	245 432.55	0.54
USD DELL INTERNATIONAL LLC / EMC CORP 4.00000% 21-15.07.24	400 000.00	390 395.40	0.87
Total USD		894 603.40	1.98
Total Notes, fixed rate		894 603.40	1.98
Notes, floating rate			
USD			
USD UBS GROUP AG-144A 1.008%/VAR 20-30.07.24	500 000.00	481 193.97	1.06
Total USD		481 193.97	1.06
Total Notes, floating rate		481 193.97	1.06
Total Transferable securities and money market instruments traded on another regulated market		3 090 718.16	6.84
Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market			
Euro Commercial Papers, zero coupon			
USD			
USD BAYERISCHE LANDESBANK-REG-S ECP 0.00000% 17.10.22-17.04.23	1 000 000.00	978 119.82	2.16
Total USD		978 119.82	2.16
Total Euro Commercial Papers, zero coupon		978 119.82	2.16

UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)*

* formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Annual report and audited financial statements as of 31 October 2022

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Notes, fixed rate

USD

USD NEW YORK LIFE GLOBAL FUNDING-REG-S 1.10000% 20-05.05.23	120 000.00	117 640.25	0.26
USD SWEDBANK AB-REG-S 1.30000% 20-02.06.23	200 000.00	195 188.00	0.43
Total USD		312 828.25	0.69

Total Notes, fixed rate		312 828.25	0.69
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Total Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market		1 290 948.07	2.85
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Recently issued transferable securities and money market instruments

Notes, fixed rate

USD

USD ENEL FINANCE INTERNATIONAL N.V 144A 4.25000% 22-15.06.25	400 000.00	377 290.15	0.83
Total USD		377 290.15	0.83

Total Notes, fixed rate		377 290.15	0.83
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Total Recently issued transferable securities and money market instruments		377 290.15	0.83
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Other money market instruments in accordance with Article 41 (1) h)

Euro Commercial Papers, zero coupon

USD

USD TORONTO DOMINION BANK ECP 0.00000% 13.07.22-13.04.23	600 000.00	586 830.47	1.30
Total USD		586 830.47	1.30

Total Euro Commercial Papers, zero coupon		586 830.47	1.30
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Total Other money market instruments in accordance with Article 41 (1) h)		586 830.47	1.30
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Total investments in securities		42 621 571.31	94.25
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Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on bonds

USD US 2YR TREASURY NOTE FUTURE 30.12.22	-39.00	172 453.16	0.38
Total Financial Futures on bonds		172 453.16	0.38

Total Derivative instruments listed on an official stock exchange		172 453.16	0.38
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Total Derivative instruments		172 453.16	0.38
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Cash at banks, deposits on demand and deposit accounts and other liquid assets		2 232 309.26	4.94
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Bank overdraft and other short-term liabilities		-115 830.00	-0.26
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Other assets and liabilities		312 100.13	0.69
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Total net assets		45 222 603.86	100.00
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UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)

Three-year comparison

	ISIN	31.10.2022	31.10.2021	31.10.2020
Net assets in USD		28 752 763.82	38 803 697.10	42 036 468.00
Class P-acc	LU0224520535			
Shares outstanding		222 950.3140	239 926.9680	262 285.5210
Net asset value per share in USD		128.96	161.73	160.27
Issue and redemption price per share in USD ¹		128.96	161.73	160.27

¹ See note 1

Performance

	Currency	2021/2022	2020/2021	2019/2020
Class P-acc	USD	-20.3%	0.9%	-
Benchmark: ¹				
Bloomberg Barclays US IG Corporate USD Index	USD	-19.6%	2.2%	7.1%

¹ The subfund is actively managed. The index is a point of reference against which the performance of the subfund may be measured.

Historical performance is no indicator of current or future performance.
The performance data does not take account of any commissions and costs charged when subscribing and redeeming shares.
The performance data were not audited.

Report of the Portfolio Manager

In the reporting year, from 1 November 2021 to 31 October 2022, US Treasury yields increased particularly as inflation reached multi-decade highs in the US and the Fed shifted to a more hawkish monetary policy. The Fed had mostly maintained rates at very low levels but began shifting to tighter monetary policy and increasing rates during the reporting period to combat inflation. US Treasury yields increased sharply as a result reflecting expectations for tighter monetary policy. The US investment grade corporate market experienced spread widening in part driven by elevated volatility from sharply higher interest rates as well as elevated geopolitical risks globally and tighter monetary policy. The US investment grade corporate market delivered negative total returns during the period as a result of the move higher in interest rates and the widening of US investment grade corporate credit spreads.

The subfund delivered a negative performance during the reporting period. Both the increase in US Treasury yields and the move wider in investment grade corporate credit spreads detracted from the overall return during the period. However, the move in interest rates was the primary driver of return. Income was additive to the overall performance. The subfund has followed a diversified approach, investing across a range of industries and issuers within the investment grade corporate bond market. The option-adjusted duration of the subfund at the end of the reporting period was lower than a year prior finishing at 6.9 years consistent with the change in the market. Duration management and sector allocation added to performance for the subfund.

Structure of the Securities Portfolio

Geographical Breakdown as a % of net assets	
United States	76.91
United Kingdom	6.85
Canada	3.11
France	2.13
Japan	1.83
Ireland	1.26
The Netherlands	1.21
Multinationals	1.18
Australia	0.65
Spain	0.41
Total	95.54

Economic Breakdown as a % of net assets	
Banks & credit institutions	23.80
Finance & holding companies	14.45
Energy & water supply	6.97
Countries & central governments	4.40
Healthcare & social services	4.22
Telecommunications	4.18
Pharmaceuticals, cosmetics & medical products	4.09
Computer hardware & network equipment providers	4.01
Electronics & semiconductors	3.25
Internet, software & IT services	3.16
Retail trade, department stores	3.13
Biotechnology	3.02
Insurance	2.57
Mining, coal & steel	2.12
Building industry & materials	1.93
Electrical devices & components	1.81
Real Estate	1.47
Graphic design, publishing & media	1.04
Traffic & transportation	0.94
Mechanical engineering & industrial equipment	0.93
Vehicles	0.88
Miscellaneous trading companies	0.87
Miscellaneous services	0.65
Petroleum	0.57
Tobacco & alcohol	0.57
Food & soft drinks	0.51
Total	95.54

Statement of Net Assets

	USD
Assets	31.10.2022
Investments in securities, cost	32 891 328.17
Investments in securities, unrealized appreciation (depreciation)	-5 422 318.67
Total investments in securities (Note 1)	27 469 009.50
Cash at banks, deposits on demand and deposit accounts	901 331.01
Receivable on securities sales (Note 1)	157 904.81
Interest receivable on securities	326 258.82
Prepaid expenses	80 304.85
Unrealized gain on financial futures (Note 1)	16 671.88
Total Assets	28 951 480.87
Liabilities	
Other short-term liabilities (Margins)	-7 554.38
Payable on securities purchases (Note 1)	-149 076.00
Provisions for flat fee (Note 2)	-27 908.83
Provisions for taxe d'abonnement (Note 3)	-4 846.50
Provisions for other commissions and fees (Note 2)	-9 331.34
Total provisions	-42 086.67
Total Liabilities	-198 717.05
Net assets at the end of the financial year	28 752 763.82

Statement of Operations

	USD
Income	1.11.2021-31.10.2022
Interest on liquid assets	4 503.44
Interest on securities	1 251 045.37
Net income on securities lending (Note 14)	2 423.08
Other income (Note 4)	2 515.74
Total income	1 260 487.63
Expenses	
Flat fee (Note 2)	-384 593.63
Taxe d'abonnement (Note 3)	-16 129.21
Other commissions and fees (Note 2)	-10 120.86
Interest on cash and bank overdraft	-947.83
Total expenses	-411 791.53
Net income (loss) on investments	848 696.10
Realized gain (loss) (Note 1)	
Realized gain (loss) on market-priced securities without options	-729 785.55
Realized gain (loss) on financial futures	-6 435.60
Realized gain (loss) on foreign exchange	-11 341.52
Total realized gain (loss)	-747 562.67
Net realized gain (loss) of the financial year	101 133.43
Changes in unrealized appreciation (depreciation) (Note 1)	
Unrealized appreciation (depreciation) on market-priced securities without options	-7 624 529.91
Unrealized appreciation (depreciation) on financial futures	-7 882.81
Total changes in unrealized appreciation (depreciation)	-7 632 412.72
Net increase (decrease) in net assets as a result of operations	-7 531 279.29

Statement of Changes in Net Assets

	USD
	1.11.2021-31.10.2022
Net assets at the beginning of the financial year	38 803 697.10
Subscriptions	2 278.29
Redemptions	-2 521 932.28
Total net subscriptions (redemptions)	-2 519 653.99
Net income (loss) on investments	848 696.10
Total realized gain (loss)	-747 562.67
Total changes in unrealized appreciation (depreciation)	-7 632 412.72
Net increase (decrease) in net assets as a result of operations	-7 531 279.29
Net assets at the end of the financial year	28 752 763.82

Changes in the Number of Shares outstanding

	1.11.2021-31.10.2022
Class	P-acc
Number of shares outstanding at the beginning of the financial year	239 926.9680
Number of shares issued	14.9480
Number of shares redeemed	-16 991.6020
Number of shares outstanding at the end of the financial year	222 950.3140

Statement of Investments in Securities and other Net Assets as of 31 October 2022

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Transferable securities and money market instruments listed on an official stock exchange

Notes, fixed rate

USD

USD	ABBOTT LABORATORIES 4.75000% 16-30.11.36	300 000.00	287 172.06	1.00
USD	ABBVIE INC 3.80000% 20-15.03.25	200 000.00	192 925.86	0.67
USD	ABBVIE INC 4.50000% 15-14.05.35	300 000.00	265 937.49	0.93
USD	ADOBE INC 2.30000% 20-01.02.30	250 000.00	207 765.00	0.72
USD	AERCAP IRELAND CAPITAL DAC / AERCAP GLO 3.30000% 21-30.01.32	300 000.00	225 165.41	0.78
USD	AERCAP IRELAND CAPITAL DAC 1.75000% 21-29.10.24	150 000.00	135 932.03	0.47
USD	AIR LEASE CORP 2.20000% 22-15.01.27	300 000.00	250 926.15	0.87
USD	ALEXANDRIA REAL ESTATE EQUITY INC 1.87500% 20-01.02.33	300 000.00	207 626.35	0.72
USD	AMAZON.COM INC 2.50000% 20-03.06.50	150 000.00	89 086.72	0.31
USD	AMERICAN EXPRESS CO 3.95000% 22-01.08.25	150 000.00	144 087.69	0.50
USD	AMERICAN INTL GROUP INC 3.40000% 20-30.06.30	200 000.00	171 913.37	0.60
USD	AMGEN INC 4.40000% 15-01.05.45	325 000.00	262 222.26	0.91
USD	ANHEUSER-BUSCH INBEV WORLDWIDE INC 4.50000% 20-01.06.50	200 000.00	163 259.74	0.57
USD	ANHEUSER-BUSCH INBEV FINANCE INC 4.62500% 14-01.02.44	150 000.00	125 065.78	0.44
USD	AON CORP 2.80000% 20-15.05.30	200 000.00	163 905.68	0.57
USD	AON GLOBAL LTD 3.87500% 16-15.12.25	175 000.00	166 512.76	0.58
USD	APPLE INC 2.65000% 21-08.02.51	200 000.00	124 639.48	0.43
USD	APPLE INC 3.00000% 17-20.06.27	500 000.00	465 510.02	1.62
USD	APPLE INC 3.20000% 15-13.05.25	350 000.00	336 920.73	1.17
USD	AT&T INC 4.55000% 16-09.03.49	100 000.00	77 861.02	0.27
USD	AT&T INC 5.15000% 18-15.11.46	500 000.00	425 172.63	1.48
USD	BANK OF NOVA SCOTIA/THE 3.45000% 22-11.04.25	280 000.00	266 815.08	0.93
USD	BRISTOL MYERS SQUIBB CO 4.12500% 20-15.06.39	250 000.00	212 004.47	0.74
USD	BROADCOM CORP/CAYMAN FIN LTD 3.87500% 18-15.01.27	500 000.00	459 485.85	1.60
USD	CANADIAN IMPERIAL BANK OF COMMERCE 3.30000% 22-07.04.25	200 000.00	190 058.37	0.66
USD	CANADIAN PACIFIC RAILWAY 2.45000% 21-02.12.31	200 000.00	158 666.87	0.55
USD	CCO LLC/CAPITAL 6.38400% 16-23.10.35	200 000.00	182 672.91	0.64
USD	CIGNA CORP 4.90000% 19-15.12.48	150 000.00	127 359.03	0.44
USD	CREDIT SUISSE AG/NEW YORK NY 3.70000% 22-21.02.25	360 000.00	329 287.18	1.15
USD	CVS HEALTH CORP 4.78000% 18-25.03.38	250 000.00	216 989.50	0.76
USD	DEERE & CO 3.90000% 12-09.06.42	150 000.00	124 311.04	0.43
USD	DOMINION ENERGY INC 2.25000% 21-15.08.31	300 000.00	231 682.72	0.81
USD	EBAY INC 2.60000% 21-10.05.31	200 000.00	157 170.51	0.55
USD	EQT CORP 3.90000% 17-01.10.27	250 000.00	224 692.50	0.78
USD	EQUINIX INC 2.50000% 21-15.05.31	175 000.00	133 259.87	0.46
USD	EXELON CORP 5.10000% 16-15.06.45	400 000.00	344 940.12	1.20
USD	FORD MOTOR CREDIT CO 3.37500% 20-13.11.25	200 000.00	181 442.00	0.63
USD	GENERAL MOTORS CO 5.95000% 18-01.04.49	300 000.00	253 993.36	0.88
USD	GILEAD SCIENCES INC 3.65000% 15-01.03.26	500 000.00	473 408.90	1.65
USD	GILEAD SCIENCES INC 2.60000% 20-01.10.40	200 000.00	132 353.26	0.46
USD	HCA INC 5.25000% 14-15.04.25	500 000.00	491 393.90	1.71
USD	HCA INC 5.25000% 19-15.06.49	200 000.00	161 974.06	0.56
USD	HOME DEPOT INC 3.35000% 20-15.04.50	200 000.00	138 887.13	0.48
USD	HOME DEPOT INC/THE 4.20000% 13-01.04.43	150 000.00	123 495.28	0.43
USD	HUMANA INC 4.87500% 20-01.04.30	150 000.00	142 414.70	0.50
USD	INTERCONTINENTAL EXCHANGE INC 3.00000% 20-15.06.50	100 000.00	62 498.16	0.22
USD	INTERNATIONAL BUSINESS MACHINES CORP 3.45000% 16-19.02.26	150 000.00	142 252.88	0.50
USD	KINDER MORGAN INC 5.20000% 18-01.03.48	200 000.00	163 790.77	0.57
USD	KROGER CO 3.87500% 16-15.10.46	75 000.00	53 728.54	0.19
USD	LOWE'S COS INC 2.80000% 21-15.09.41	250 000.00	159 157.31	0.55
USD	MICROSOFT CORP 3.30000% 17-06.02.27	200 000.00	190 092.60	0.66
USD	NEXTERA ENERGY 1.90000% 21-15.06.28	200 000.00	165 127.56	0.57
USD	NOVARTIS CAPITAL CORP 2.20000% 20-14.08.30	150 000.00	124 091.26	0.43
USD	NVIDIA CORP 3.50000% 20-01.04.40	300 000.00	227 829.47	0.79
USD	ORACLE CORP 4.37500% 15-15.05.55	450 000.00	305 274.41	1.06
USD	PEPSICO INC 3.37500% 19-29.07.49	200 000.00	146 791.12	0.51
USD	PRUDENTIAL FINANCIAL INC 3.93500% 18-07.12.49	150 000.00	109 887.91	0.38
USD	QUALCOMM INC 4.30000% 17-20.05.47	100 000.00	81 675.22	0.28
USD	QUANTA SERVICES INC 2.90000% 20-01.10.30	100 000.00	78 932.76	0.27
USD	QUANTA SERVICES INC 3.05000% 21-01.10.41	150 000.00	91 703.77	0.32
USD	SABINE PASS LIQUEFACTION LLC 5.00000% 17-15.03.27	350 000.00	337 294.39	1.17
USD	SALESFORCE.COM INC 2.70000% 21-15.07.41	300 000.00	205 753.08	0.72
USD	SHERWIN-WILLIAMS CO 3.45000% 15-01.08.25	500 000.00	476 549.77	1.66
USD	SHERWIN-WILLIAMS CO 4.50000% 17-01.06.47	100 000.00	79 077.67	0.28
USD	STEEL DYNAMICS INC 5.00000% 17-15.12.26	500 000.00	481 809.49	1.68
USD	SUMITOMO MITSUI FIN GP INC 1.90200% 21-17.09.28	200 000.00	158 477.30	0.55
USD	T-MOBILE USA INC 3.60000% 21-15.11.60	230 000.00	147 985.70	0.52
USD	TARGET CORP 1.95000% 22-15.01.27	200 000.00	178 927.34	0.62
USD	TELEFONICA EMISIONES SA 5.52000% 19-01.03.49	150 000.00	117 810.19	0.41
USD	THERMO FISHER SCIENTIFIC INC 2.00000% 21-15.10.31	250 000.00	196 130.37	0.68
USD	TOTAL CAPITAL INTERNATIONAL SA 3.12700% 20-29.05.50	200 000.00	131 995.86	0.46
USD	UNION PACIFIC CORP 3.37500% 22-14.02.42	150 000.00	112 037.69	0.39
USD	UNITEDHEALTH GROUP INC 3.95000% 12-15.10.42	150 000.00	118 446.60	0.41
USD	VERIZON COMMUNICATIONS INC 2.62500% 16-15.08.26	300 000.00	272 841.86	0.95
USD	VICI PROPERTIES LP 5.62500% 22-15.05.52	100 000.00	81 807.00	0.28
USD	VISA INC 1.10000% 20-15.02.31	250 000.00	186 747.39	0.65
USD	VODAFONE GROUP PLC 4.87500% 19-19.06.49	100 000.00	77 384.46	0.27
USD	WALT DISNEY CO 4.95000% 19-15.10.45	200 000.00	176 225.48	0.61
USD	WESTPAC BANKING CORP 2.70000% 16-19.08.26	50 000.00	45 727.75	0.16
Total USD			15 634 229.97	54.38

Total Notes, fixed rate

15 634 229.97 **54.38**

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
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Notes, floating rate

USD

USD	BANK OF AMERICA CORP 4.271%/VAR 18-23.07.29	500 000.00	453 791.32	1.58
USD	BANK OF AMERICA CORP 2.572%/VAR 21-20.10.32	300 000.00	226 332.35	0.79
USD	BARCLAYS PLC 2.894%/VAR 21-24.11.32	200 000.00	141 611.21	0.49
USD	BARCLAYS PLC 5.304%/VAR 22-09.08.26	200 000.00	190 393.61	0.66
USD	CITIGROUP INC 1.122%/VAR 21-28.01.27	300 000.00	255 055.69	0.89
USD	CITIGROUP INC 2.572%/VAR 20-03.06.31	150 000.00	117 297.65	0.41
USD	CITIGROUP INC 3.520%/VAR 17-27.10.28	200 000.00	177 350.64	0.62
USD	GOLDMAN SACHS GROUP INC/THE 1.992%/VAR 21-27.01.32	200 000.00	145 934.25	0.51
USD	HSBC HOLDINGS PLC 2.099%/VAR 20-04.06.26	200 000.00	175 913.32	0.61
USD	HSBC HOLDINGS PLC 3.950%/VAR 18-18.05.24	500 000.00	491 798.04	1.71
USD	JPMORGAN CHASE & CO 4.203%/VAR 18-23.07.29	200 000.00	180 970.91	0.63
USD	JPMORGAN CHASE & CO 4.452%/3M LIBOR+133BP 18-05.12.29	500 000.00	456 020.68	1.58
USD	JPMORGAN CHASE & CO 2.545%/VAR 21-08.11.32	450 000.00	339 594.50	1.18
USD	LLOYDS BANKING GROUP PLC 2.438%/VAR 20-05.02.26	400 000.00	363 543.56	1.26
USD	MITSUBISHI UFJ FINANCIAL GROUP INC 0.953%/VAR 21-19.07.25	400 000.00	367 105.92	1.28
USD	NATWEST GROUP PLC 4.269%/VAR 19-22.03.25	200 000.00	192 837.84	0.67
USD	WESTPAC BANKING CORP-SUB 2.668%/VAR 20-15.11.35	200 000.00	142 077.36	0.49
Total USD			4 417 628.85	15.36

Total Notes, floating rate

4 417 628.85 15.36

Medium term notes, fixed rate

USD

USD	GENERAL ELECTRIC CO 6.75000% 02-15.03.32	54 000.00	58 668.33	0.21
USD	JOHN DEERE CAPITAL CORP 2.00000% 21-17.06.31	200 000.00	156 389.13	0.54
USD	MORGAN STANLEY SUB 3.95000% 15-23.04.27	200 000.00	184 541.03	0.64
USD	ROYAL BANK OF CANADA 2.30000% 21-03.11.31	200 000.00	152 195.86	0.53
Total USD			551 794.35	1.92

Total Medium term notes, fixed rate

551 794.35 1.92

Medium term notes, floating rate

USD

USD	BANK OF AMERICA CORP 3.559%/VAR 19-23.04.27	200 000.00	184 157.04	0.64
USD	BANK OF AMERICA CORP 2.496%/3M LIBOR+99BP 20-13.02.31	400 000.00	314 267.34	1.09
USD	MORGAN STANLEY 2.188%/VAR 20-28.04.26	100 000.00	91 263.11	0.32
USD	MORGAN STANLEY 3.622%/VAR 20-01.04.31	100 000.00	85 027.19	0.30
USD	MORGAN STANLEY 3.772%/VAR 18-24.01.29	500 000.00	446 263.78	1.55
Total USD			1 120 978.46	3.90

Total Medium term notes, floating rate

1 120 978.46 3.90

Bonds, fixed rate

USD

USD	BNP PARIBAS SA-SUB 4.25000% 14-15.10.24	500 000.00	481 570.59	1.67
USD	CONSOLIDATED EDISON CO OF NEW YORK INC 4.65000% 18-01.12.48	200 000.00	163 030.09	0.57
USD	SAN DIEGO GAS & ELECTRIC CO 4.10000% 19-15.06.49	250 000.00	189 286.91	0.66
USD	SOUTHERN CALIFORNIA EDISON CO 3.70000% 18-01.08.25	200 000.00	191 970.68	0.67
USD	SOUTHERN CALIFORNIA EDISON CO 3.65000% 20-01.02.50	250 000.00	167 134.22	0.58
USD	SOUTHERN CALIFORNIA GAS CO 4.30000% 18-15.01.49	250 000.00	191 184.83	0.66
Total USD			1 384 177.32	4.81

Total Bonds, fixed rate

1 384 177.32 4.81

Bonds, floating rate

USD

USD	BP CAPITAL MARKETS PLC-SUB 4.875%/VAR 20-PRP	200 000.00	168 800.00	0.59
USD	GOLDMAN SACHS GROUP INC 4.223%/VAR 18-01.05.29	550 000.00	497 581.01	1.73
Total USD			666 381.01	2.32

Total Bonds, floating rate

666 381.01 2.32

Treasury notes, fixed rate

USD

USD	AMERICA, UNITED STATES OF 2.87500% 22-15.05.52	650 500.00	504 848.98	1.76
USD	AMERICA, UNITED STATES OF 3.25000% 22-15.05.42	250 000.00	211 367.18	0.73
USD	AMERICA, UNITED STATES OF 3.00000% 22-31.07.24	150 000.00	145 998.05	0.51
USD	AMERICA, UNITED STATES OF 2.75000% 22-15.08.32	450 000.00	402 679.69	1.40
Total USD			1 264 893.90	4.40

Total Treasury notes, fixed rate

1 264 893.90 4.40

Total Transferable securities and money market instruments listed on an official stock exchange

25 040 083.86 87.09

Transferable securities and money market instruments traded on another regulated market

Notes, fixed rate

USD

USD	ANTHEM INC 5.50000% 22-15.10.32	150 000.00	149 405.96	0.52
USD	BERRY GLOBAL INC 1.65000% 21-15.01.27	250 000.00	206 009.63	0.72
USD	CHENIERE CORPUS CHRISTI HLDGS LLC 5.12500% 17-30.06.27	200 000.00	195 126.06	0.68
USD	NSTAR ELECTRIC CO 4.95000% 22-15.09.52	150 000.00	134 212.99	0.47

UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)
Annual report and audited financial statements as of 31 October 2022

Description	Quantity/ Nominal	Valuation in USD Unrealized gain (loss) on Futures/ Forward Exchange Contracts/ Swaps (Note 1)	as a % of net assets
USD PARKER-HANNIFIN CORP 4.25000% 22-15.09.27	150 000.00	142 098.11	0.50
USD SIEMENS FINANCIERINGSMAATSCH NV-144A 4.40000% 15-27.05.45	190 000.00	158 728.10	0.55
USD TECK RESOURCES LTD 3.90000% 20-15.07.30	150 000.00	127 602.16	0.44
USD UNITEDHEALTH GROUP INC 5.25000% 22-15.02.28	150 000.00	150 402.72	0.52
Total USD		1 263 585.73	4.40

Total Notes, fixed rate **1 263 585.73** **4.40**

Notes, floating rate

USD			
USD ING GROEP NV 3.869%/VAR 22-28.03.26	200 000.00	187 827.26	0.65
Total USD		187 827.26	0.65

Total Notes, floating rate **187 827.26** **0.65**

Total Transferable securities and money market instruments traded on another regulated market **1 451 412.99** **5.05**

Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market

Notes, fixed rate

USD			
USD COMCAST CORP 2.88700% 22-01.11.51	500 000.00	300 378.30	1.04
USD NXP BV / NXP FUNDING LLC 5.55000% 22-01.12.28	350 000.00	338 625.00	1.18
Total USD		639 003.30	2.22

Total Notes, fixed rate **639 003.30** **2.22**

Total Transferable securities and money market instruments not listed on an official stock exchange and not traded on another regulated market **639 003.30** **2.22**

Recently issued transferable securities and money market instruments

Notes, fixed rate

USD			
USD BROADCOM INC-144A 4.92600% 22-15.05.37	100 000.00	82 451.07	0.29
USD MAGALLANES INC-144A 5.05000% 22-15.03.42	350 000.00	256 058.28	0.89
Total USD		338 509.35	1.18

Total Notes, fixed rate **338 509.35** **1.18**

Total Recently issued transferable securities and money market instruments **338 509.35** **1.18**

Total investments in securities **27 469 009.50** **95.54**

Derivative instruments

Derivative instruments listed on an official stock exchange

Financial Futures on bonds

USD US 2YR TREASURY NOTE FUTURE 30.12.22	2.00	-1 281.25	0.00
USD US 5YR TREASURY NOTE FUTURE 30.12.22	-5.00	17 953.13	0.06
Total Financial Futures on bonds		16 671.88	0.06

Total Derivative instruments listed on an official stock exchange **16 671.88** **0.06**

Total Derivative instruments **16 671.88** **0.06**

Cash at banks, deposits on demand and deposit accounts and other liquid assets **901 331.01** **3.13**

Bank overdraft and other short-term liabilities **-7 554.38** **-0.03**

Other assets and liabilities **373 305.81** **1.30**

Total net assets **28 752 763.82** **100.00**

Notes to the Financial Statements

Note 1 – Summary of significant accounting policies

The financial statements have been prepared in accordance with the generally accepted accounting principles for investment fund in Luxembourg. The significant accounting policies are summarised as follows:

a) Calculation of the net asset value

The net asset value and the issue and redemption price per share of any subfund or share class are expressed in the currency of account of the subfund or the share class concerned and are calculated every business day by dividing the overall net assets of the subfund for each share class by the number of shares in circulation in this share class of the subfund.

In this context, “business day” refers to normal bank business days in Luxembourg (i.e. each day on which the banks are open during normal business hours) with the exception of individual, non-statutory rest days as well as days on which exchanges in the main countries in which the subfund invests are closed or 50% or more subfund investments cannot be adequately valued.

Due to fees and charges as well as the buy-sell spread for the underlying investments, the actual costs of buying and selling assets and investments for a subfund may differ from the last available price or, if applicable, the net asset value used to calculate the net asset value per share. These costs have a negative effect on the value of a subfund and are termed “dilution”. To reduce the effects of dilution, the Board of Directors may at its own discretion make a dilution adjustment to the net asset value per share.

Shares are generally issued and redeemed based on a single price: the net asset value. To reduce the effects of dilution, the net asset value per share is nevertheless adjusted on valuation days as described below; this takes place irrespective of whether the subfund is in a net subscription or net redemption position on the relevant valuation day. If no trading is taking place in any subfund or class of a subfund on a particular valuation day, the unadjusted net asset value per share is applied. The circumstances in which such a dilution adjustment takes is made are determined at the discretion of the Board of Directors. The requirement to carry out a dilution adjustment generally depends on the scale of subscriptions or redemptions of shares in the relevant subfund. The Board of Directors may carry out a dilution adjustment if, in its view, the existing shareholders (in the case of subscriptions) or remaining shareholders (in the case of

redemptions) could be put at a disadvantage. The dilution adjustment may take place if:

(a) a subfund records a steady fall (i.e. a net outflow due to redemptions);

(b) a subfund records a considerable volume of net subscriptions relative to its size;

(c) a subfund shows a net subscription or net redemption position on a particular valuation day; or

(d) In all other cases in which the Board of Directors believes a dilution adjustment is necessary in the interests of the shareholders.

When a valuation adjustment is made, a value is added to or deducted from the net asset value per share depending on whether the subfund is in a net subscription or net redemption position; the extent of the valuation adjustment shall, in the opinion of the Board of Directors, adequately cover the fees and charges as well as the spreads of buy and sell prices. In particular, the net asset value of the respective subfund will be adjusted (upwards or downwards) by an amount that (i) reflects the estimated tax expenses, (ii) the trading costs that may be incurred by the subfund, and (iii) the estimated bid-ask spread for the assets in which the subfund invests. As some equity markets and countries may show different fee structures on the buyer and seller side, the adjustment for net inflows and outflows may vary. The adjustments are generally limited to a maximum of 2% of the prevailing net asset value per share at the time. The Board of Directors may decide to temporarily apply a dilution adjustment of more than 2% of the prevailing net asset value per share at the time in respect of any subfund and/or valuation date in exceptional circumstances (e.g. high market volatility and/or liquidity, exceptional market conditions, market disruption, etc.), provided the Board of Directors can justify that this is representative of the prevailing market conditions and that it is in the best interest of the shareholders. This dilution adjustment will be calculated in accordance with the method determined by the Board of Directors. Shareholders will be informed via the usual communication channels when the temporary measures are introduced and when they end.

The net asset value of each class of the subfund is calculated separately. However, dilution adjustments affect the net asset value of each class to the same degree in percentage terms. The dilution adjustment is made at subfund level and relates to capital activity, but not to the specific circumstances of each individual investor transaction.

For all subfunds the Swing Pricing methodology is applied.

If there were Swing Pricing adjustments to the net asset value at the end of the financial year, this can be seen from the three-year comparison of the net asset value information of the subfunds. The issue and redemption price per share represents the adjusted net asset value.

b) Valuation principles

- liquid assets (whether in the form of cash and bank deposits, bills of exchange, cheques, promissory notes, expense advances, cash dividends and declared or accrued interest still receivable) are valued at face value, unless this value is unlikely to be fully paid or received, in which case their value is determined by deducting an amount deemed appropriate to arrive at their real value.
- Securities, derivatives and other assets listed on a stock exchange are valued at the most recent market prices available. If these securities, derivatives or other assets are listed on several stock exchanges, the most recently available price on the stock exchange that represents the major market for this asset shall apply. In the case of securities, derivatives and other assets not commonly traded on a stock exchange and for which a secondary market exists among securities traders with pricing based on market standards, the Company may value these securities, derivatives and other investments based on these prices. Securities, derivatives and other investments not listed on a stock exchange, but traded on another regulated market that operates regularly and is recognised and open to the public, are valued at the most recently available price on this market.
- Securities and other investments not listed on a stock exchange or traded on another regulated market, and for which no appropriate price can be obtained, are valued by the Company on the basis of the likely sales prices according to other principles chosen by the Company in good faith.
- Derivatives not listed on a stock exchange (OTC derivatives) are valued on the basis of independent pricing sources. If only one independent pricing source is available for a derivative, the plausibility of the valuation obtained will be verified using calculation models that are recognised by the Company, based on the market value of that derivative's underlying.
- Shares of other undertakings for collective investment in transferable securities ("UCITS") and/or UCIs are valued at their last known net asset value. Certain units or shares of other UCITS and/or UCI can be valued on the basis of an estimation of their value that has been provided by reliable service providers, which are independent from the Portfolio Manager or investment adviser (price estimation).
- Money market instruments not traded on a stock exchange or on another regulated market open to the public will be valued on the basis of the relevant curves. Curve-based valuations are calculated from interest rates and credit spreads. The following principles are applied

in this process: The interest rate nearest the residual maturity is interpolated for each money market instrument. Thus calculated, the interest rate is converted into a market price by adding a credit spread that reflects the creditworthiness of the underlying borrower. This credit spread is adjusted if there is a significant change in the borrower's credit rating. The following regulation applies only to money market subfunds in this Sales Prospectus: Interest income earned by a subfund between a given order date and the corresponding valuation date is accounted for when that subfund's assets are valued. The asset value per share on a given valuation date therefore includes projected interest income.

- Securities, money market instruments, derivatives and other assets denominated in a currency other than the relevant subfund's currency of account, and not hedged by foreign exchange transactions, are valued using the average exchange rate (between the bid and ask prices) known in Luxembourg or, if none is available, using the rate on the most representative market for that currency.
- Term and fiduciary deposits are valued at their nominal value plus accumulated interest.
- The value of swaps is calculated by an external service provider and a second independent valuation is provided by another external service provider. Such calculations are based on the net present value of all cash flows (both inflows and outflows). In some specific cases, internal calculations (based on models and market data made available by Bloomberg) and/or broker statement valuations may be used. The valuation method depends on the security in question and is chosen pursuant to the applicable UBS valuation policy.

The Company is authorised to apply other generally recognised and verifiable valuation criteria in good faith to arrive at an appropriate valuation of the net assets if, due to extraordinary circumstances, a valuation in accordance with the foregoing provisions proves unfeasible or inaccurate.

In extraordinary circumstances, additional valuations may be made throughout the day. Such new valuations shall apply for subsequent issues and redemptions of shares.

c) Valuation of forward foreign exchange contracts

The unrealized gain (loss) of outstanding forward foreign exchange contracts is valued on the basis of the forward exchange rates prevailing at valuation date.

d) Valuation of financial futures contracts

Financial futures contracts are valued based on the latest available published price applicable on the valuation date. Realized gains and losses and the changes in unrealized gains and losses are recorded in the statement of operations. The realized gains and losses are calculated in accordance with the FIFO method, i.e. the first contracts acquired are regarded as the first to be sold.

e) Net realized gain / loss on sales of securities

The realized gains or losses on the sales of securities are calculated on the basis of the average cost of the securities sold.

f) Conversion of foreign currencies

Bank accounts, other net assets and the valuation of the investments in securities held denominated in currencies other than the reference currency of the different subfunds are converted at the mid closing spot rates on the valuation date. Income and expenses denominated in currencies other than the currency of the mid closing spot rates at payment date. Gain or loss on foreign exchange is included in the statement of operations.

The cost of securities denominated in currencies other than the reference currency of the different subfunds is converted at the mid closing spot rate on the day of acquisition.

g) Accounting of securities' portfolio transactions

The securities' portfolio transactions are accounted for the bank business day following the transaction day.

h) Combined financial statements

The combined financial statements are expressed in EUR. The various items of the combined statement of net assets and the combined statement of operations at 31 October 2022 of the Company are equal to the sum of the corresponding items in the financial statements of each subfund converted into EUR.

The following exchange rates were used for the conversion of the combined financial statements as of 31 October 2022:

Exchange rates	
EUR 1 = CHF	0.989091
EUR 1 = USD	0.988350

i) "Mortgage-Backed-Securities"

The Company, in accordance with its investment policies, may invest in "mortgage-backed-securities". A "mortgage-backed-security" is a participation in a pool of residential mortgages which is consolidated into the form of securities. The principal and interest payments on the underlying mortgages are passed through to the holders of the "mortgage-backed-security" of which the principle reduces the cost basis of the security. The payment of principal and interest may be guaranteed by quasi-governmental agencies of the United States. A gain or loss is calculated on each payoff associated with each payment of principal. This gain or loss has been included in "Net realized gain or loss on sales of securities" in the statement of operations. In addition, prepayments of the underlying mortgages may shorten the life of the security, thereby affecting the Company's expected yield.

For "mortgage-backed-securities", if the factor to be applied to the nominal of the security is greater than one at the valuation date, then the nominal shown in the

financial statements is adjusted to reflect this factor. In the other cases the nominal shown reflects the effect of a factor equal to one.

j) Swaps

The Company may enter into interest rate swap contracts, forward rate agreements on interest rates swaptions and credit default swaps, if they are executed with first-class financial institutions that specialize in transactions of this kind.

The value of swap transactions is calculated by an external service provider and a second independent valuation is made available by another external service provider. The calculation is based on the net present value of all cash flows, both inflows and outflows. In some specific cases, internal calculations based on models and market data available from Bloomberg and/or broker statement valuations may be used.

The valuation methods depend on the respective security and are determined pursuant to the UBS Valuation Policy. This valuation method is approved by the Board of Directors of the Management Company.

Changes in unrealized profits and losses are reflected in the statement of operations under "Unrealized appreciation (depreciation) on Swaps".

Gains or losses on swaps incurred when closed-out or matured are recorded as "Realized gain (loss) on Swaps" in the statement of operations. The Management Company is authorised to apply other generally recognised and auditable valuation criteria in good faith in order to achieve an appropriate determination of the valuation of the net asset value if, due to extraordinary circumstances, a valuation in accordance with the aforementioned regulations proves to be unfeasible or inaccurate.

k) Receivable on securities sales,

Payable on securities purchases

The position "Receivable on securities sales" can also include receivables from foreign currency transactions. The position "Payable on securities purchases" can also include payables from foreign currency transactions.

Receivables and payables from foreign exchange transactions are netted.

l) Income recognition

Dividends, net of withholding taxes, are recognized as income on the date upon which the relevant securities are first listed as "ex-dividend". Interest income is accrued on a daily basis.

m) Cash and time deposits

The cash is entered on the value date and the time deposits are entered on the trade date.

Note 2 – Flat fee

The Company pays a monthly flat fee for each of the subfunds and share classes, calculated on the average net asset value of the subfund and share class as shown in the table below:

UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)

	Maximum flat fee p.a.	Maximum flat fee p.a. for share classes with "hedged" in their name
Share classes with "P" in their name	0.900%	0.950%
Share classes with "N" in their name	1.000%	1.050%
Share classes with "K-1" in their name	0.550%	0.580%
Share classes with "K-B" in their name	0.065%	0.065%
Share classes with "K-X" in their name	0.000%	0.000%
Share classes with "F" in their name	0.250%	0.280%
Share classes with "Q" in their name	0.500%	0.550%
Share classes with "I-A1" in their name	0.460%	0.490%
Share classes with "I-A2" in their name	0.340%	0.370%
Share classes with "I-A3" in their name	0.250%	0.280%
Share classes with "I-B" in their name	0.065%	0.065%
Share classes with "I-X" in their name	0.000%	0.000%
Share classes with "U-X" in their name	0.000%	0.000%

UBS (Lux) SICAV 2

– EUR Corporates Active Climate Aware (EUR)

	Maximum flat fee p.a.	Maximum flat fee p.a. for share classes with "hedged" in their name
Share classes with "P" in their name	1.140%	1.190%
Share classes with "N" in their name	1.750%	1.800%
Share classes with "K-1" in their name	0.600%	0.630%
Share classes with "K-B" in their name	0.065%	0.065%
Share classes with "K-X" in their name	0.000%	0.000%
Share classes with "F" in their name	0.360%	0.390%
Share classes with "Q" in their name	0.600%	0.650%
Share classes with "I-A1" in their name	0.500%	0.530%
Share classes with "I-A2" in their name	0.450%	0.480%
Share classes with "I-A3" in their name	0.360%	0.390%
Share classes with "I-B" in their name	0.065%	0.065%
Share classes with "I-X" in their name	0.000%	0.000%
Share classes with "U-X" in their name	0.000%	0.000%

UBS (Lux) SICAV 2

– Low Duration EUR Bond Sustainable (EUR)*

UBS (Lux) SICAV 2

– Low Duration USD Bond Sustainable (USD)**

	Maximum flat fee p.a.	Maximum flat fee p.a. for share classes with "hedged" in their name
Share classes with "P" in their name	0.750%***	0.800%*****
Share classes with "N" in their name	0.900%	0.950%
Share classes with "K-1" in their name	0.460%	0.490%

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

*** max: 0.750% eff 0.600% for UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)

[formerly – Low Duration EUR Bond (EUR)]

max: 0.750% eff 0.060% for UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)

[formerly – Low Duration USD Bond (USD)]

***** max: 0.800% eff: 0.650%

	Maximum flat fee p.a.	Maximum flat fee p.a. for share classes with "hedged" in their name
Share classes with "K-B" in their name	0.065%	0.065%
Share classes with "K-X" in their name	0.000%	0.000%
Share classes with "F" in their name	0.280%****	0.310%
Share classes with "Q" in their name	0.430%*****	0.480%
Share classes with "I-A1" in their name	0.390%*****	0.420%
Share classes with "I-A2" in their name	0.340%*****	0.370%
Share classes with "I-A3" in their name	0.280%	0.310%
Share classes with "I-B" in their name	0.065%	0.065%
Share classes with "I-X" in their name	0.000%	0.000%
Share classes with "U-X" in their name	0.000%	0.000%

**** max: 0.280% eff: 0.150%

***** max: 0.430% eff 0.300% for UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)

[formerly – Low Duration EUR Bond (EUR)]

max: 0.430% eff 0.300% for UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (USD)

[formerly – Low Duration EUR Bond (USD)]

***** max: 0.390% eff: 0.25%

***** max: 0.340% eff 0.200% for UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)

[formerly – Low Duration EUR Bond (EUR)]

UBS (Lux) SICAV 2

– USD Corporates Active Climate Aware (USD)

	Maximum flat fee p.a.	Maximum flat fee p.a. for share classes with "hedged" in their name
Share classes with "P" in their name	1.140%	1.190%
Share classes with "N" in their name	1.750%	1.800%
Share classes with "K-1" in their name	0.600%	0.630%
Share classes with "K-B" in their name	0.065%	0.065%
Share classes with "K-X" in their name	0.000%	0.000%
Share classes with "F" in their name	0.360%	0.390%
Share classes with "Q" in their name	0.600%	0.650%
Share classes with "I-A1" in their name	0.500%	0.530%
Share classes with "I-A2" in their name	0.450%	0.480%
Share classes with "I-A3" in their name	0.360%	0.390%
Share classes with "I-B" in their name	0.065%	0.065%
Share classes with "I-X" in their name	0.000%	0.000%
Share classes with "U-X" in their name	0.000%	0.000%

The flat fee shall be used as follows:

1. For the management, administration, portfolio management and distribution of the Company (if applicable), as well as for all the tasks of the Depositary, such as the safekeeping and supervision of the Company's assets, the handling of payment transactions and all other tasks listed in the section entitled "Depositary and Main Paying Agent", a maximum flat management fee based on the net asset value of the Company is paid from the Company's assets, in accordance with the following provisions: This fee is charged to the Company's assets on a pro rata basis upon every calculation of the net asset value and is paid on a monthly basis (maximum flat management fee). The relevant maximum flat management fee will not be charged until the corresponding share classes have been launched. An overview of the maximum flat management fees can be found under "The subfunds and their special investment policies in the prospectus". The actual maximum rate applied to the flat management fee can be found in the annual and semi-annual reports.

This fee is shown in the Statement of Operations as “Flat fee”.

2. The maximum flat management fee does not include the following fees and additional expenses, which are also charged to the Company’s assets:
 - a) all additional expenses related to management of the Company’s assets for the sale and purchase of assets (bid-ask spread, brokerage fees in line with the market, commissions, fees, etc.). As a rule, these expenses are calculated upon the purchase or sale of the respective assets. In derogation hereto, these additional expenses, which arise through the sale and purchase of assets in connection with the settlement of the issue and redemption of units, are covered by the application of the swing pricing principle pursuant to the section titled “Net asset value, issue, redemption and conversion price”;
 - b) fees of the supervisory authority for the establishment, modification, liquidation and merger of the Company, as well as all charges payable to the supervisory authorities and any stock exchanges on which the subfunds are listed;
 - c) auditor’s fees for the annual audit and certification in connection with the establishment, modification, liquidation and merger of the Company, as well as any other fees paid to the audit firm for the services it provides in relation to the administration of the Fund as permitted by law;
 - d) fees for legal and tax advisers, as well as notaries, in connection with the establishment, registration in distribution countries, modification, liquidation and merger of the Company, as well as for the general safeguarding of the interests of the Company and its investors, insofar as this is not expressly prohibited by law;
 - e) Costs for the publication of the Company’s net asset value and all costs for notices to investors, including translation costs;
 - f) costs for the Company’s legal documents (prospectuses, KIIDs, annual and semi-annual reports, as well as all other documents legally required in the countries of domiciliation and distribution);
 - g) costs for the Company’s registration with any foreign supervisory authorities, if applicable, including fees payable to the foreign supervisory authorities, as well as translation costs and fees for the foreign representative or paying agent;
 - h) expenses incurred through use of voting or creditors’ rights by the Company, including fees for external advisers;
 - i) costs and fees related to any intellectual property registered in the Company’s name or to the Company’s rights of usufruct;
 - j) all expenses arising in connection with any extraordinary measures taken by the Management Company, Portfolio Manager or Depositary to protect the interests of the investors;
 - k) if the Management Company participates in class-action suits in the interests of investors, it may charge the Company’s assets for the expenses

arising in connection with third parties (e.g. legal and Depositary costs). Furthermore, the Management Company may charge for all administrative costs, provided these are verifiable, and published and/or taken into account in the disclosure of the Company’s total expense ratio (TER);

- l) fees, costs and expenses payable to the directors of the Company (including reasonable out-of-pocket expenses, insurance coverage and reasonable travel expenses in connection with meetings of the Board and remuneration of directors).

These commissions and fees are shown in the Statement of Operations as “Other commissions and fees”.

3. The Management Company may pay retrocessions to cover the distribution activities of the Company.

Out of the management commission sales fees are paid to distributors and asset managers of the Company.

The depositary, administrative agency and Company are nevertheless entitled to be reimbursed the costs of non-routine arrangements made by them in the interests of the shareholders; otherwise such expenses will be charged direct to the Company.

For purposes of general comparability with fee rules of different fund providers that do not have a maximum flat fee, the term “maximum management fee” is set at 80% of the maximum flat fee.

All taxes which are levied on the income and assets of the Company, particularly the “*taxe d’abonnement*” (subscription duty), will also be borne by the Company.

Costs in connection with the services to be performed for share classes “I-X”, “K-X” and “U-X” pertaining to asset management, fund administration (comprising the costs of the Company, the administration and the Depositary) and distribution will be settled via the compensation to which UBS Asset Management Switzerland AG is entitled under a separate contract with the investor.

Costs relating to the services to be performed for share classes “K-B” for asset management purposes are covered by the compensation to which UBS Asset Management Switzerland AG or one of its authorised distribution partners is entitled under a separate contract with the investor.

All costs which can be allocated accurately to individual subfunds or share classes will be charged to these subfunds. If costs pertain to several or all subfunds or share classes, however, these costs will be charged to the subfunds or share classes concerned in proportion to their relative net asset values.

In the subfunds that may invest in other UCIs or UCITS under the terms of their investment policies, charges may be incurred both at the level of the relevant investment fund as well as at the level of the company. In the case

of investments in units of funds managed directly or indirectly by Management Company or another company related to it by common management or control, or by a substantial direct or indirect holding, the subfunds making the investment may not be charged any of the target fund's issue or redemption commissions.

Details on the running costs of the Company can be found in the KIID.

Note 3 – Taxe d'abonnement

In accordance with the law and the regulations currently in force, the Company is subject to a subscription tax at the annual rate of 0.05%, for institutional share classes only a reduced "taxe d'abonnement" of 0.01% p.a., payable quarterly and calculated on the basis of the net assets of each subfund at the end of each quarter.

The "taxe d'abonnement" is waived for that part of the net assets invested in units or shares of other undertakings for collective investment that have already paid the "taxe d'abonnement" in accordance with the statutory provisions of Luxembourg law.

Note 4 – Other income

Other income mainly consist of income resulting from Swing Pricing.

Note 5 – Income distribution

The general meeting of shareholders of the respective subfunds shall decide, at the proposal of Board of Directors of the Company and after closing the annual accounts per subfund, whether and to what extent distributions are to be paid out by each subfund or each share class. The payment of distributions must not result in the net assets of the Company falling below the minimum amount of assets prescribed by law. If distributions are made, they will be paid out within four months of the end of the financial year.

The Board of Directors of the Company is authorised to pay interim dividends and to suspend the payment of distributions.

An income equalisation amount will be calculated so that the distribution corresponds to the actual income entitlement.

Note 6 – Commitments on Financial Futures

Commitments on Financial Futures per subfund and respective currency as of 31 October 2022 can be summarised as follows:

Financial Futures

UBS (Lux) SICAV 2	Financial Futures on bonds (bought)	Financial Futures on bonds (sold)
– Low Duration EUR Bond Sustainable (EUR)*	- EUR	11 762 850.00 EUR
– Low Duration USD Bond Sustainable (USD)**	- USD	7 970 929.67 USD
– USD Corporates Active Climate Aware (USD)	408 765.62 USD	532 968.75 USD

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

The commitments on Financial Futures on bonds or index (if any) are calculated based on the market value of the Financial Futures (Number of contracts*notional contract size*market price of the futures).

Note 7 – Soft commission arrangements

During the financial year from 1 November 2021 until 31 October 2022, no "soft commission arrangements" were entered into on behalf of UBS (Lux) SICAV 2 and "soft commission arrangements" amount to nil.

Note 8 – Total Expense Ratio (TER)

This ratio was calculated in accordance with the Asset Management Association Switzerland (AMAS) / Swiss Funds & Asset Management Association (SFAMA) "Guidelines on the calculation and disclosure of the TER" in the current version and expresses the sum of all costs and commissions charged on an ongoing basis to the net assets (operating expenses) taken retrospectively as a percentage of the net assets.

TER for the last 12 months:

UBS (Lux) SICAV 2	Total Expense Ratio (TER)
– CHF Bond Sustainable (CHF) P-acc	0.98%
– CHF Bond Sustainable (CHF) Q-acc	0.58%
– EUR Corporates Active Climate Aware (EUR) P-acc	1.22%
– EUR Corporates Active Climate Aware (EUR) Q-acc	0.68%
– Low Duration EUR Bond Sustainable (EUR)* F-acc	0.13%
– Low Duration EUR Bond Sustainable (EUR)* I-A1-acc	0.15%
– Low Duration EUR Bond Sustainable (EUR)* I-A2-acc	0.20%
– Low Duration EUR Bond Sustainable (EUR)* P-acc	0.24%
– Low Duration EUR Bond Sustainable (EUR)* (SEK hedged) P-acc	0.30%
– Low Duration EUR Bond Sustainable (EUR)* Q-acc	0.21%
– Low Duration USD Bond Sustainable (USD)** P-acc	0.74%
– Low Duration USD Bond Sustainable (USD)** Q-acc	0.44%
– USD Corporates Active Climate Aware (USD) P-acc	1.22%

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

The effective flat fee may change during the reporting period (see note 2).

The TER for classes of shares which were active less than a 12 month period are annualised.

Transaction costs, interest costs, securities lending costs and any other costs incurred in connection with currency hedging are not included in the TER.

Note 9 – Portfolio Turnover Ratio (PTR)

The portfolio turnover has been calculated as follows:

$$\frac{(\text{Total purchases} + \text{total sales}) - (\text{total subscriptions} + \text{total redemptions})}{\text{Average of net assets during the period under review}}$$

The portfolio turnover statistics are the following for the period under review:

UBS (Lux) SICAV 2	Portfolio Turnover Rate (PTR)
– CHF Bond Sustainable (CHF)	34.34%
– EUR Corporates Active Climate Aware (EUR)	53.61%
– Low Duration EUR Bond Sustainable (EUR)*	-5.85%
– Low Duration USD Bond Sustainable (USD)**	54.17%
– USD Corporates Active Climate Aware (USD)	150.89%

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)
 ** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Note 10 – Transaction costs

Transaction costs include brokerage fees, stamp duty, local taxes and other foreign charges if incurred during the fiscal year. Transaction fees are included in the cost of securities purchased and sold.

For the financial year ended on 31 October 2022, the fund incurred transaction costs relating to purchase or sale of investments in securities and similar transactions, as follows:

UBS (Lux) SICAV 2	Transaction costs
– CHF Bond Sustainable (CHF)	- CHF
– EUR Corporates Active Climate Aware (EUR)	13.89 EUR
– Low Duration EUR Bond Sustainable (EUR)*	2 852.86 EUR
– Low Duration USD Bond Sustainable (USD)**	702.38 USD
– USD Corporates Active Climate Aware (USD)	615.09 USD

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)
 ** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Note 11 – Name change

The following name changes occurred:

Old Name	New Name	Date
UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)	UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)	9.11.2021
UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)	UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)	9.11.2021

Note 12 – Event

The war in Ukraine had and still has a material impact on financial markets, first and foremost on Russian and Ukrainian securities but also on the wider markets globally. The situation remains very volatile and is closely monitored by the Management of the Fund in order to quickly take appropriate action to protect the investor interest.

The necessary measures were put in place to at all time comply with applicable laws and regulations, in particular but not limited to the most recently enacted sanction regimes in the EU, Switzerland, UK, US and United Nations (UN). As serious trading limitations beyond sanctioned Russian securities have been experienced, fair value pricing is applied for all relevant securities where price quotes (if available) are not considered reflective of their current market value.

Also, further to the assessment made by the Management of the Fund, neither the Fund's and any of its subfunds' performance and going concern nor operations, at the date of this report, have been significantly impacted by the above.

Note 13 – Applicable law, place of performance and authoritative language

The Luxembourg District Court is the place of performance for all legal disputes between the shareholders, the Company and the depositary. Luxembourg law applies. However, in matters concerning the claims of investors from other countries, the Company and/or the depositary can elect to make themselves subject to the jurisdiction of the countries in which Company shares were bought and sold.

The English version of these financial statements is the authoritative version and only this version was audited by the auditor. However, in the case of Company shares sold to investors from the other countries in which Company shares can be bought and sold, the Company and the depositary may recognise approved translations (i.e. approved by the Company) into the languages concerned as binding upon itself.

Note 14 – OTC-Derivatives and Securities Lending

If the Company enters into OTC transactions, it may be exposed to risks associated with the creditworthiness of these OTC counterparties: Should the Company enter into futures or options contracts, or use other derivative techniques, it shall be subject to the risk that an OTC counterparty might not meet (or cannot meet) its obligations under one or more contracts. Counterparty risk can be reduced by depositing a security. If the Company is owed a security pursuant to an applicable agreement, such security shall be held in custody by the Depositary in favour of the Company. Bankruptcy and insolvency events or other credit events with the OTC counterparty, the Depositary or within their subdepository/correspondent bank network may result in the rights or recognition of the Company in connection with the security to be delayed, restricted or even eliminated, which would force the Company to fulfill its obligations in the framework of the OTC transaction, in spite of any security that had previously been made available to cover any such obligation.

The Company may lend portions of its securities portfolio to third parties. In general, lendings may only be effected via recognized clearing houses such as Clearstream International or Euroclear, or through the intermediary of prime financial institutions that specialise in such activities and in the modus specified by them. Collateral is received in relation to securities lent. Collateral is composed of high quality securities in an amount typically at least equal to the market value of the securities loaned.

UBS Europe SE, Luxembourg Branch acts as securities lending agent.

OTC-Derivatives*

The OTC-derivatives of the below subfund with no collateral have margin accounts instead.

Subfund Counterparty	Unrealized gain (loss)	Collateral received
UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)**		
Barclays	17 357.96 EUR	0.00 EUR
UBS AG	29 968.91 EUR	0.00 EUR

* Derivatives traded on an official exchange are not included in this table as they are guaranteed by a clearing house. In the event of a counterparty default the clearing house assumes the risk of loss.

** formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

Securities Lending

UBS (Lux) SICAV 2	Counterparty Exposure from Securities Lending as of 31 October 2022*		Collateral Breakdown (Weight in %) as of 31 October 2022		
	Market value of securities lent	Collateral (UBS Switzerland AG)	Equities	Bonds	Cash
– CHF Bond Sustainable (CHF)	604 278.70 CHF	619 564.14 CHF	33.42	66.58	0.00
– EUR Corporates Active Climate Aware (EUR)	4 482 667.80 EUR	4 596 058.44 EUR	33.42	66.58	0.00
– Low Duration EUR Bond Sustainable (EUR)**	24 603 539.44 EUR	25 225 894.51 EUR	33.42	66.58	0.00
– Low Duration USD Bond Sustainable (USD)***	1 588 799.19 USD	1 628 988.41 USD	33.42	66.58	0.00
– USD Corporates Active Climate Aware (USD)	425 263.86 USD	436 021.06 USD	33.42	66.58	0.00

* The pricing and exchange rate information for the Counterparty Exposure is obtained directly from the securities lending agent on 31 October 2022 and hence, it might differ from the closing prices and exchange rates used for the preparation of the financial statements as of 31 October 2022.

** formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

*** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

	UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)	UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)	UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*	UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)**	UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)
Securities Lending revenues	2 329.87	19 363.85	73 547.87	8 248.10	4 038.47
Securities Lending cost***					
UBS Switzerland AG	813.98 CHF	7 017.26 EUR	25 789.60 EUR	3 047.19 USD	1 471.64 USD
UBS Europe SE, Luxembourg Branch	117.97 CHF	728.28 EUR	3 629.54 EUR	252.05 USD	143.75 USD
Net Securities Lending revenues	1 397.92 CHF	11 618.31 EUR	44 128.72 EUR	4 948.86 USD	2 423.08 USD

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

*** Effective 1 June 2022, 30% of the gross revenue are retained as costs/fees by UBS Switzerland AG acting as securities lending service provider and 10% are retained by UBS Europe SE, Luxembourg Branch acting as securities lending agent.

Appendix 1 – Global Exposure (unaudited)

Risk management

Risk management in accordance with the commitment approach is applied pursuant to the applicable laws and regulatory provisions.

Leverage

Leverage is defined pursuant to the applicable ESMA directives as the total of the notional values of the derivatives used by the respective subfund. According to this definition, leverage may result in artificially increased leverage amounts, as some derivatives that can be used for hedging purposes may be included in the calculation. Consequently, this information does not necessarily reflect the precise actual leverage risk that the investor is exposed to.

UBS (Lux) SICAV 2	Global risk-calculation method
– CHF Bond Sustainable (CHF)	Commitment approach
– EUR Corporates Active Climate Aware (EUR)	Commitment approach
– Low Duration EUR Bond Sustainable (EUR)*	Commitment approach
– Low Duration USD Bond Sustainable (USD)**	Commitment approach
– USD Corporates Active Climate Aware (USD)	Commitment approach

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)
** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Appendix 2 – Collateral – Securities Lending (unaudited)

	UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF) (in %)	UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR) (in %)	UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)* (in %)	UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)** (in %)	UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD) (in %)
by Country:					
– Australia	0.06	0.06	0.06	0.06	0.06
– Austria	0.04	0.04	0.04	0.04	0.04
– Belgium	0.33	0.33	0.33	0.33	0.33
– Canada	2.21	2.21	2.21	2.21	2.21
– Cayman Islands	0.09	0.09	0.09	0.09	0.09
– China	0.39	0.39	0.39	0.39	0.39
– Curacao	0.01	0.01	0.01	0.01	0.01
– Denmark	0.50	0.50	0.50	0.50	0.50
– France	10.39	10.39	10.39	10.39	10.39
– Germany	11.59	11.59	11.59	11.59	11.59
– Hong Kong	0.00	0.00	0.00	0.00	0.00
– Japan	7.55	7.55	7.55	7.55	7.55
– Luxembourg	0.00	0.00	0.00	0.00	0.00
– New Zealand	0.03	0.03	0.03	0.03	0.03
– Norway	0.19	0.19	0.19	0.19	0.19
– Singapore	0.43	0.43	0.43	0.43	0.43
– Sweden	0.02	0.02	0.02	0.02	0.02
– Switzerland	6.29	6.29	6.29	6.29	6.29
– The Netherlands	0.58	0.58	0.58	0.58	0.58
– United Arab Emirates	0.00	0.00	0.00	0.00	0.00
– United Kingdom	0.52	0.52	0.52	0.52	0.52
– United States	58.78	58.78	58.78	58.78	58.78
Total	100.00	100.00	100.00	100.00	100.00
by Credit Rating (Bonds):					
– Rating > AA-	82.30	82.30	82.30	82.30	82.30
– Rating <=AA-	4.78	4.78	4.78	4.78	4.78
– without Rating	12.92	12.92	12.92	12.92	12.92
Total	100.00	100.00	100.00	100.00	100.00
Securities Lending					
Assets and Revenues / Ratios					
Average Invested Assets (1)	27 894 093.13 CHF	22 091 772.99 EUR	197 320 146.92 EUR	48 086 041.17 USD	33 583 428.56 USD
Average Securities Lent (2)	799 272.76 CHF	6 872 230.04 EUR	39 218 811.06 EUR	2 812 999.09 USD	2 001 309.98 USD
Average Collateral Ratio	105.88%	105.88%	105.88%	105.88%	105.88%
Average Securities Lending Ratio (2)/(1)	2.87%	31.11%	19.88%	5.85%	5.96%

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Appendix 3 – Securities Financing Transaction Regulation (SFTR) (unaudited)

The Company engages in Securities Financing Transactions (hereafter “SFT”) (as defined in Article 3 of Regulation (EU) 2015/2365). Securities Financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions through its exposure on reverse repurchase agreements during the year. In accordance with Article 13 of the Regulation, information on securities lendings are detailed below:

Global Data

The following table details the value of securities lending as a proportion of the subfund’s Net Assets Value as well as a proportion of the total lendable securities, as at 31 October 2022.

UBS (Lux) SICAV 2	Securities lent in % of Net Assets	Securities lent in % of Total Lendable Securities
– CHF Bond Sustainable (CHF)	2.43%	2.52%
– EUR Corporates Active Climate Aware (EUR)	24.08%	24.93%
– Low Duration EUR Bond Sustainable (EUR)*	23.33%	23.83%
– Low Duration USD Bond Sustainable (USD)**	3.51%	3.85%
– USD Corporates Active Climate Aware (USD)	1.48%	1.54%

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

The total amount (absolute value) of the securities lent is disclosed in Note 14 – OTC-Derivatives and Securities Lending.

Data on collateral reused

Amount of collateral reused, compared with the maximum amount disclosed to investors: None

Cash collateral reinvestment income to the Company: None

Concentration Data

Ten largest collateral issuers of SFTs per subfund:

	UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)	UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)	UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*	UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)**	UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)
United States	182 708.26	1 355 368.68	7 439 067.16	480 385.51	128 581.76
French Republic	63 733.34	472 787.43	2 594 937.79	167 570.81	44 852.62
Federal Republic of Germany	62 724.92	465 306.79	2 553 879.62	164 919.44	44 142.95
Japan Government Ten	44 813.09	332 433.02	1 824 589.56	117 824.77	31 537.41
Swiss Confederation Government Bond	16 765.93	124 373.26	682 634.24	44 081.82	11 799.10
Microsoft Corp	9 687.82	71 866.28	394 444.74	25 471.68	6 817.84
ABB LTD	7 172.13	53 204.38	292 017.17	18 857.31	5 047.42
Canada	5 294.43	39 275.18	215 565.47	13 920.36	3 725.98
Berkshire Hathaway Inc	5 212.84	38 669.98	212 243.78	13 705.86	3 668.56
Givaudan SA	4 826.21	35 801.88	196 501.94	12 689.32	3 396.47

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Appendix 3 – Securities Financing Transaction Regulation (SFTR) (unaudited)

The ten largest issuers of SFTs

The counterparty to all securities lending transactions for the subfunds of this company is currently UBS Switzerland AG.

Safekeeping of collateral received by the Company as part of SFTs

100% held by UBS Switzerland AG.

Safekeeping of collateral granted by the Company through SFTs

None

Aggregate transaction data separately broken down for each type of SFTs:

Type and quality of collateral:

The information on

- Type of collateral is available in Note 14 “OTC-Derivatives and Securities Lending”.
- Quality of collateral is available in Appendix 2 – Collateral – Securities Lending (unaudited) “by Credit Rating (Bonds)”.

Maturity tenor of collateral

	UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)	UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)	UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*	UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)**	UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)
Up to 1 day	-	-	-	-	-
1 day to 1 week	-	-	-	-	-
1 week to 1 month	3 564.88	26 445.04	145 146.09	9 372.96	2 508.80
1 month to 3 months	29 942.26	222 118.02	1 219 115.42	78 725.65	21 072.00
3 months to 1 year	44 011.52	326 486.82	1 791 953.30	115 717.25	30 973.31
Above 1 year	335 001.92	2 485 115.43	13 639 787.32	880 803.47	235 759.11
Unlimited	207 043.56	1 535 893.13	8 429 892.38	544 369.08	145 707.84

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Currency of collateral

Currency of collateral	Percentage
USD	58.52%
EUR	23.22%
JPY	7.55%
CHF	6.55%
CAD	1.71%
GBP	0.83%
HKD	0.48%
SGD	0.43%
SEK	0.31%
DKK	0.20%
NOK	0.17%
NZD	0.03%
AUD	0.00%
Total	100.00%

Appendix 3 – Securities Financing Transaction Regulation (SFTR) (unaudited)

Maturity tenor of SFTs broken down by maturity buckets:

	UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)	UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)	UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)*	UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)**	UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)
Up to 1 day	604 278.70	4 482 667.80	24 603 539.44	1 588 799.19	425 263.86
1 day to 1 week	-	-	-	-	-
1 week to 1 month	-	-	-	-	-
1 month to 3 months	-	-	-	-	-
3 months to 1 year	-	-	-	-	-
Above 1 year	-	-	-	-	-
Unlimited	-	-	-	-	-

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Country in which the counterparties of the SFTs are established:

100% Switzerland (UBS Switzerland AG)

Settlement and clearing of trade

	UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF) Securities Lending	UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR) Securities Lending	UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)* Securities Lending	UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)** Securities Lending	UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD) Securities Lending
Settlement and clearing of trade					
Central counterparty	-	-	-	-	-
Bilateral	-	-	-	-	-
Tri-party	604 278.70 CHF	4 482 667.80 EUR	24 603 539.44 EUR	1 588 799.19 USD	425 263.86 USD

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Data on income and expense for each type of SFT

All expenses relating to the execution of securities lending transactions and their collateralization are borne by the counterparties and the depositary.

Service providers that provide securities lending services to the Company have the right to receive a fee in line with market standards in return for their services. The amount of this fee is reviewed and adapted, where appropriate, on an annual basis. Currently, 60% of the gross revenue received in the context of securities lending transactions negotiated at arm's lengths is credited to the relevant subfund, while 40% of the gross revenue are retained as costs/fees by UBS Europe SE, Luxembourg Branch acting as securities lending agent and UBS Switzerland AG providing securities lending services. All costs/fees of running the securities lending programme are paid from the securities lending agents' portion of the gross income. This includes all direct and indirect costs/fees generated by the securities lending activities. UBS Europe SE, Luxembourg Branch and UBS Switzerland AG are part of the UBS Group.

Appendix 3 – Securities Financing Transaction Regulation (SFTR) (unaudited)

Income-Ratio (Company)

UBS (Lux) SICAV 2	Percentage
– CHF Bond Sustainable (CHF)	0.29%
– EUR Corporates Active Climate Aware (EUR)	0.28%
– Low Duration EUR Bond Sustainable (EUR)*	0.19%
– Low Duration USD Bond Sustainable (USD)**	0.29%
– USD Corporates Active Climate Aware (USD)	0.20%

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Expense-Ratio (Securities Lending Agent)

UBS (Lux) SICAV 2	Percentage
– CHF Bond Sustainable (CHF)	0.12%
– EUR Corporates Active Climate Aware (EUR)	0.11%
– Low Duration EUR Bond Sustainable (EUR)*	0.08%
– Low Duration USD Bond Sustainable (USD)**	0.12%
– USD Corporates Active Climate Aware (USD)	0.08%

* formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)

** formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)

Appendix 4 – Remuneration Policy (unaudited)

The Board of Directors of UBS Fund Management (Luxembourg) S.A. (the “Management Company” or the “AIFM”) has adopted a remuneration policy (the “Policy”) whose objectives are on one hand; to ensure that the remuneration framework is in line with the applicable laws and regulations, and more specifically with provisions defined under:

- (i) the Luxembourg Law of 17 December 2010 on Undertakings for Collective Investment in Transferable Securities as amended from time to time (the “UCITS Law”) transposing the UCITS Directive 2009/65/EC (the “UCITS Directive”) as amended by Directive 2014/91/EU (the “UCITS V Directive”);
- (ii) the Alternative Investment Fund Managers Directive (“AIFMD”) 2011/61/EU, transposed into the Luxembourg AIFM Law dated from 12 July 2013, as amended from time to time;
- (iii) the ESMA’s guidelines on sound remuneration policies under the UCITS Directive - ESMA/2016/575 and ESMA’s guidelines on sound remuneration policies under the AIFMD - ESMA/2016/579 both published on 14 October 2016;
- (iv) the CSSF Circular 10/437 on Guidelines concerning the remuneration policies in the financial sector issued on 1 February 2010;
- (v) the Directive 2014/65/EU on markets in financial instruments (MiFID II);
- (vi) the Commission Delegated Regulation 2017/565/EC of 25 April 2016 supplementing Directive 2014/65/EU (MiFID II Level 2);
- (vii) the CSSF Circular 14/585, transposing the ESMA Guidelines 2013/606 on remuneration policies and practices (MiFID ESMA Guidelines).

and on the other hand, to comply with the UBS Group AG (the “UBS Group”) Total Reward Principles.

The Policy is meant not to encourage excessive risk taking, to contain measures to avoid conflicts of interest, to be consistent with, and promote, sound and effective risk management, including sustainability risk where applicable, and to be consistent with the UBS Group business strategy, objectives and values.

More details about the Policy of the Management Company/the AIFM, which describes, but not limited to, how remuneration and benefits are determined, are available at <https://www.ubs.com/global/en/asset-management/investment-capabilities/white-labelling-solutions/fund-management-company-services/fml-procedures.html>.

The Policy is subject to an annual review by the control functions of the Management Company/the AIFM after review and update by the Human Resources department; and is approved by the Board of Directors. In March 2021, the Policy has been updated to integrate sustainability risks. Last approval by the Board of Directors took place on 4 November 2021. No material changes were made to the Policy.

Application of the requirements and remuneration disclosure

In accordance with the Article 151 of the UCITS Law and Article 20 of the AIFM Law, the Management Company/the AIFM is required to disclose at least annually certain information concerning its remuneration policy and the practices for its Identified Staff.

The Management Company/the AIFM complies with the UCITS Directive/AIFMD principles in a way and to the extent that is appropriate to its size, internal organization and the nature, scope and complexity of its activities.

Considering the total size of funds under management, both UCITS and AIFs although a significant portion is not complex or risky investment, the Management Company/the AIFM judges that the proportionality principle may not be applicable at the level of the company but at the level of the Identified Staff.

Appendix 4 – Remuneration Policy (unaudited)

By application of the proportionality principle for the Identified Staff, the following requirements on pay-out processes for Identified Staff are not applied:

- The payment of variable remuneration in instruments related mainly to the funds in relation to which they perform their activities;
- Deferral requirements;
- Retention periods;
- Incorporation of ex-post risk factors (i.e. malus or clawback arrangements).

The deferral requirements remain however applicable when the employee's total annual compensation is exceeding the threshold defined under the UBS Group Compensation Framework; the variable compensation will be treated in line with the plan rules defined under the UBS Group Compensation Framework.

Remuneration of Management Company/AIFM staff

The aggregate amounts of total remuneration, split into fixed and variable, paid by the Management Company/the AIFM to its staff and its Identified Staff during the financial year ended as at 31 December 2021 are as follows:

EUR 1 000	Fixed remuneration	Variable remuneration	Total remuneration	No of beneficiaries
All staff	9 262	1 338	10 600	95
- whereof Identified Staff	3 761	752	4 513	24
- thereof Senior Management*	1 465	350	1 815	8
- thereof Other Identified Staff	2 296	402	2 698	16

* Senior Management includes the CEO, the Conducting Officers, the Head of Compliance, the Branch Manager and the Independent Director.

Remuneration of delegates staff

As market or regulatory practice develops UBS Asset Management may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other UBS fund disclosures in that same year.

For the year ending 31 December 2021, the aggregate total remuneration paid by the delegated Investment Managers to their Identified Staff in relation to the Fund amounted to EUR 6 271, of which EUR 4 369 represented the variable remuneration (3 beneficiaries).

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

Article 8(1):

UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)
UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)
UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR)
[formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)]
UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)
[formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)]
UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)

Consult the next pages for the periodic disclosure of the subfund 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, and/or (if any) the subfunds referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852.

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

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

Product name: UBS (Lux) SICAV 2 – CHF Bond Sustainable (CHF)
Legal entity identifier: 549300IZSNQINGDMDY76

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● <input type="checkbox"/> Yes	●○ <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 31.42% of sustainable investments <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective <input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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

The following characteristics were promoted by the financial product:

- 1) A sustainability profile that is higher than its benchmark's sustainability profile
- 2) A lower Weighted Average Carbon Intensity (WACI) than the reference benchmark from 15 November 2021 onwards (i.e., date at which the characteristic became effective).

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

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

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

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

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

During the reference period, the UBS ESG consensus score of the financial product was higher than that of its benchmark.

- UBS consensus score of the financial product: 7.11
- UBS consensus score of the benchmark: 6.45

From 15 November 2021 onwards, the Weighted Average Carbon Intensity (WACI) was lower than that of its benchmark.

- Weighted Average Carbon Intensity (WACI) of the financial product: 47.33 tonnes CO₂ per million dollars revenues.
- Weighted Average Carbon Intensity (WACI) of the benchmark: 58.49 tonnes CO₂ per million dollars revenues.

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

Not applicable. This is the first reference period.

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

The objectives of the sustainable investments that the financial product partially made was to contribute to the environmental and/or social characteristic(s) promoted by the financial product.

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

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

Investments are positively screened according to the environmental and/or social characteristics promoted by the financial product.

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.

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

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

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the “UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

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

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action were excluded from the investment universe.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the “UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action were excluded from the investment universe.

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



What were the top investments of this financial product?

Top positions	Sector	% Net Assets*	Country
Zuercher Kantonalbank	Banks & credit institutions	6.69	Switzerland
Transurban Queensland Finance Pty Ltd	Financial & investment companies	4.41	Australia
Muenchener Hypothekenbank eG	Banks & credit institutions	3.83	Germany
Canadian Imperial Bank of Commerce	Banks & credit institutions	3.18	Canada
UBS Group AG	Financial & investment companies	2.81	Switzerland
Berlin Hyp AG	Banks & credit institutions	2.81	Germany
Credit Agricole Home Loan SFH SA	Banks & credit institutions	2.63	France
BNP Paribas SA	Banks & credit institutions	2.61	France
Bank of Nova Scotia/The	Banks & credit institutions	2.61	Canada
Societe Generale SA	Banks & credit institutions	2.59	France
Goldman Sachs Group Inc/The	Banks & credit institutions	2.30	United States
Swisscom AG	Telecommunication	2.16	Switzerland
Enel Finance International NV	Financial & investment companies	1.96	Netherlands
Commerzbank AG	Banks & credit institutions	1.92	Germany
Heathrow Funding Ltd	Aerospace industry	1.88	Jersey

* Minor differences with "Statement of Investments in Securities" are due to rounding in production system

The list includes the investments constituting **the greatest proportion of investments** of the financial product as per the end of the reference period which is: 31 October 2022.



What was the proportion of sustainability-related investments?

As per the end of the reference period the proportion of sustainability-related investments of the financial product was 31.42%.

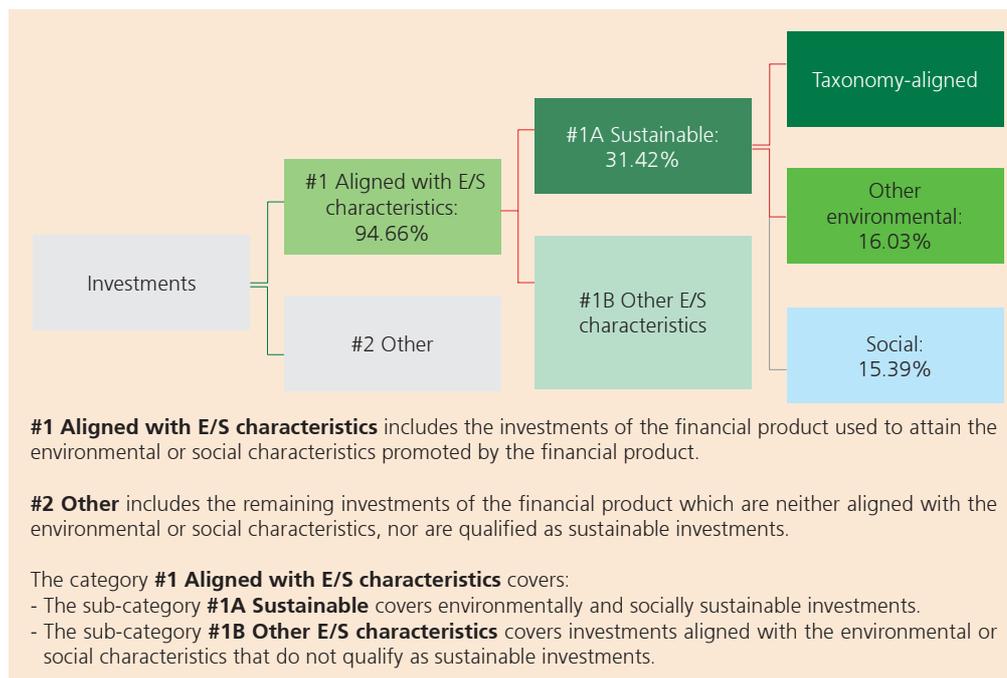
● What was the asset allocation?

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 October 2022.

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

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

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



● In which economic sectors were the investments made?

Please refer to the section “Structure of the Securities Portfolio” of the relevant sub-fund of this Annual report to review the breakdown of the economic sectors where the investments were made.



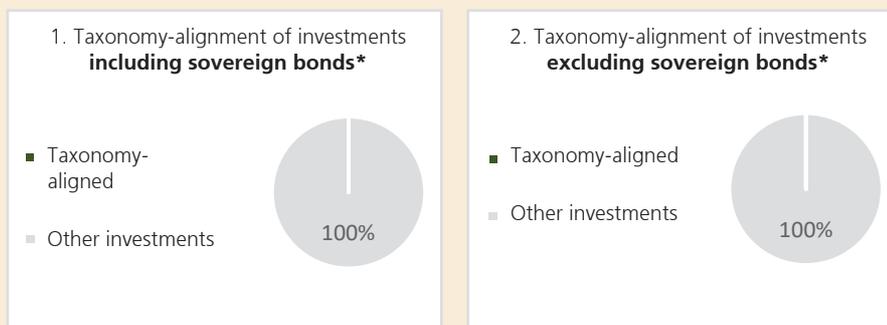
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product had 0% Taxonomy Aligned Investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

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

- **What was the share of investments made in transitional and enabling activities?**

There were no investments in transitional and enabling activities.

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

Not applicable. This is the first reference period.

...  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



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

The financial product had a proportion of sustainable investment with an environmental objective not aligned with the EU Taxonomy as stated in the asset allocation section of this annex.



- **What was the share of socially sustainable investments?**

The financial product had a proportion of socially sustainable investment as stated in the asset allocation section of this annex.



- **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

Included in “#2 Other” are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

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



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

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

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

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

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

Reference benchmarks

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

- ***How did this financial product perform compared with the reference benchmark?***
Not applicable.
- ***How did this financial product perform compared with the broad market index?***
Not applicable.

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

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

Product name: UBS (Lux) SICAV 2 – EUR Corporates Active Climate Aware (EUR)
Legal entity identifier: 549300C5W3GROCB01Q70

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● <input type="checkbox"/> Yes	●○ <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective : ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 44.86% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective : ___%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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

The following characteristics were promoted by the financial product:

- 1) A sustainability profile that is higher than its benchmark's sustainability profile.
- 2) A 30% lower Weighted Average Carbon Intensity (WACI) than the reference benchmark.
- 3) A "green to brown ratio" that is at least twice the green to brown ratio of the benchmark.
- 4) Invest at least twice as much in "green" bonds as its benchmark from 15 November 2021 onwards (i.e., date at which the characteristic became effective).

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

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

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

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

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

During the reference period the UBS ESG consensus score of the financial product was higher than that of its benchmark.

- UBS consensus score of the financial product: 7.15
- UBS consensus score of the benchmark: 6.84

The Weighted Average Carbon Intensity (WACI) was more than 30% lower than that of its benchmark.

- Weighted Average Carbon Intensity (WACI) of the financial product: 46.28 tonnes CO₂ per million dollars revenues.
- Weighted Average Carbon Intensity (WACI) of the benchmark: 137.45 tonnes CO₂ per million dollars revenues.

A “green to brown ratio” that is more than twice the green to brown ratio of the benchmark.

- “green to brown ratio” of the financial product: 5.58
- “green to brown ratio” of the benchmark: 1.29

From 15 November 2021 onwards, the financial product invested at 2.08x as much in “green” bonds as its benchmark.

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

Not applicable. This is the first reference period.

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

The Portfolio Manager selected attractively valued companies that are on the forefront of the transition to a low-carbon economy, contributing to climate mitigation, adaption and transition.

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

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

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.

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

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

Investments are positively screened according to the environmental and/or social characteristics promoted by the financial product.

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

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the “UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

----- *Were sustainable investments aligned with the OECD Guidelines for Multi-national Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action were excluded from the investment universe.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the

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

“UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action were excluded from the investment universe.



What were the top investments of this financial product?

Top positions	Sector	% Net Assets*	Country
BNP Paribas SA	Banks & credit institutions	3.30	France
Banque Federative du Credit Mutuel SA	Banks & credit institutions	2.56	France
Morgan Stanley	Financial & investment companies	2.28	United States
Vodafone Group PLC	Telecommunication	2.27	United Kingdom
AT&T Inc	Telecommunication	2.11	United States
Allianz SE	Insurance companies	2.01	Germany
Covivio	Real estate	1.96	France
Australia & New Zealand Banking Group Ltd	Banks & credit institutions	1.95	Australia
Abertis Infraestructuras SA	Traffic & transportation	1.93	Spain
European Investment Bank	Supranational organisations	1.92	Luxembourg
Gecina SA	Real estate	1.90	France
Alstom SA	Electr. appliances & components	1.88	France
Swiss Life Finance I Ltd	Financial & investment companies	1.88	Liechtenstein
UBS AG/London	Banks & credit institutions	1.87	Switzerland
Bank of America Corp	Banks & credit institutions	1.84	United States

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

The list includes the investments constituting **the greatest proportion of investments** of the financial product as per the end of the reference period which is: 31 October 2022.



What was the proportion of sustainability-related investments?

As per the end of the reference period the proportion of sustainability-related investments of the financial product was 44.86%.

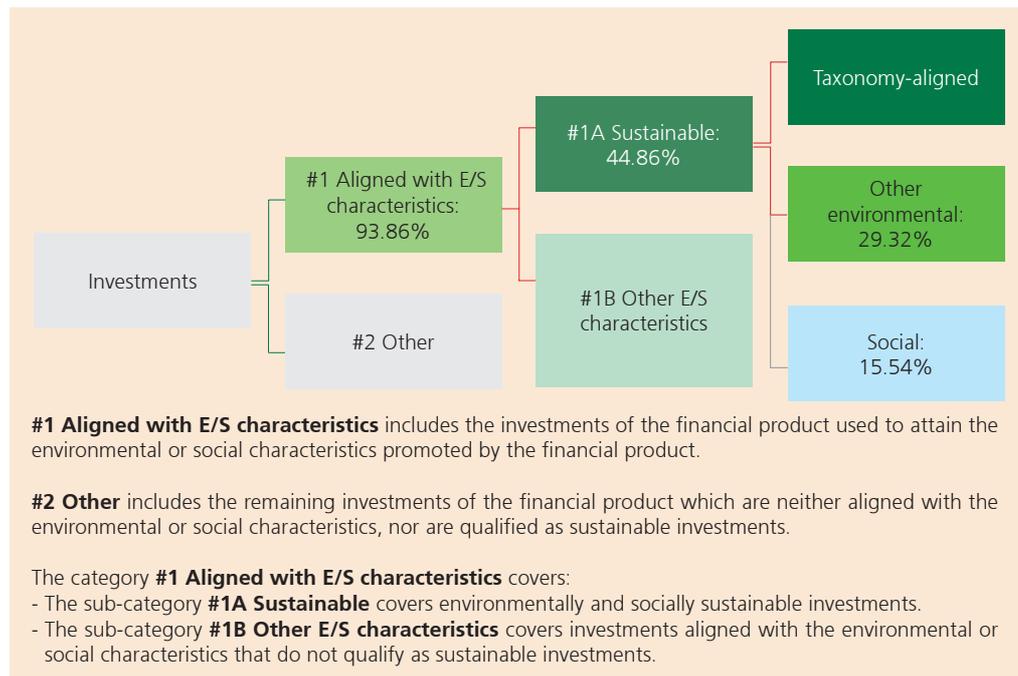
● **What was the asset allocation?**

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 October 2022.

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

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

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



● In which economic sectors were the investments made?

Please refer to the section “Structure of the Securities Portfolio” of the relevant sub-fund of this Annual report to review the breakdown of the economic sectors where the investments were made.



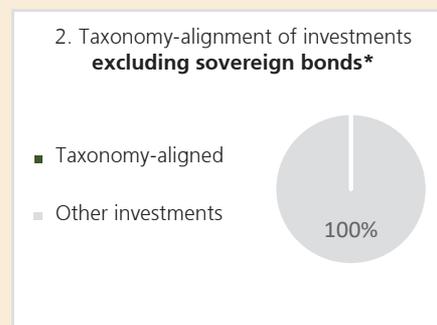
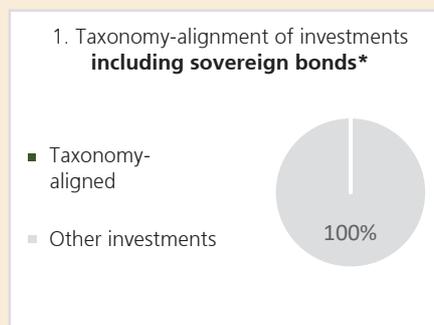
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product had 0% Taxonomy Aligned Investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

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

- **What was the share of investments made in transitional and enabling activities?**

There were no investments in transitional and enabling activities.

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

Not applicable. This is the first reference period.

...  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



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

The financial product had a proportion of sustainable investment with an environmental objective not aligned with the EU Taxonomy as stated in the asset allocation section of this annex.



- **What was the share of socially sustainable investments?**

The financial product had a proportion of socially sustainable investment as stated in the asset allocation section of this annex.



- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

Included in "#2 Other" are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

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



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

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

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

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

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

Reference benchmarks

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

- ***How did this financial product perform compared with the reference benchmark?***
Not applicable.
- ***How did this financial product perform compared with the broad market index?***
Not applicable.

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

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

Product name: UBS (Lux) SICAV 2 – Low Duration EUR Bond Sustainable (EUR) [formerly UBS (Lux) SICAV 2 – Low Duration EUR Bond (EUR)]
Legal entity identifier: 549300VHPQ2792ZK0G94

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● <input type="checkbox"/> Yes	●○ <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective : ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 43.95% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective : ___%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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

The following characteristic was promoted by the financial product from 15 November 2021 onwards (i.e., date at which the characteristic became active)

- At least 51% of the sub-fund’s investments have a UBS ESG consensus score of between 6 and 10.

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

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

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

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

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

From November 15th onwards, 88.47% of the financial products investments had a UBS ESG consensus score of between 6 and 10.

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

Not applicable. This is the first reference period.

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

The objectives of the sustainable investments that the financial product partially intends to make is to contribute to the environmental and/or social characteristic(s) promoted by the financial product.

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

The Portfolio Manager applied exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

Investments are positively screened according to the environmental and/or social characteristics promoted by the financial product.

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

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the "UBS ESG Risk Signal". This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

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

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action were excluded from the investment universe.

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.

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

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.



The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the “UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action were excluded from the investment universe.

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

What were the top investments of this financial product?

Top positions	Sector	% Net Assets*	Country
BPCE SA	Banks & credit institutions	2.09	France
Sanofi	Pharmaceuticals, cosm & med prod	2.08	France
Cooperatieve Rabobank UA	Banks & credit institutions	2.06	Netherlands
BMW Finance NV	Financial & investment companies	2.04	Netherlands
Skandinaviska Enskilda Banken AB	Banks & credit institutions	2.03	Sweden
BNP Paribas SA	Banks & credit institutions	2.00	France
National Australia Bank Ltd	Banks & credit institutions	1.99	Australia
TenneT Holding BV	Financial & investment companies	1.96	Netherlands
Heineken NV	Tobacco & alcohol	1.94	Netherlands
ING Groep NV	Banks & credit institutions	1.93	Netherlands
Diageo Finance PLC	Financial & investment companies	1.93	United Kingdom
Danone SA	Food & soft drinks	1.91	France
Cie de Saint-Gobain	Building industry & materials	1.90	France
Australia & New Zealand Banking Group Ltd	Banks & credit institutions	1.89	Australia
International Business Machines Corp	Computer hardware & network	1.89	United States

* Minor differences with "Statement of Investments in Securities" might apply due to rounding in production system

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 October 2022.



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

As per the end of the reference period the proportion of sustainability-related investments of the financial product was 43.95%.

● **What was the asset allocation?**

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 October 2022.

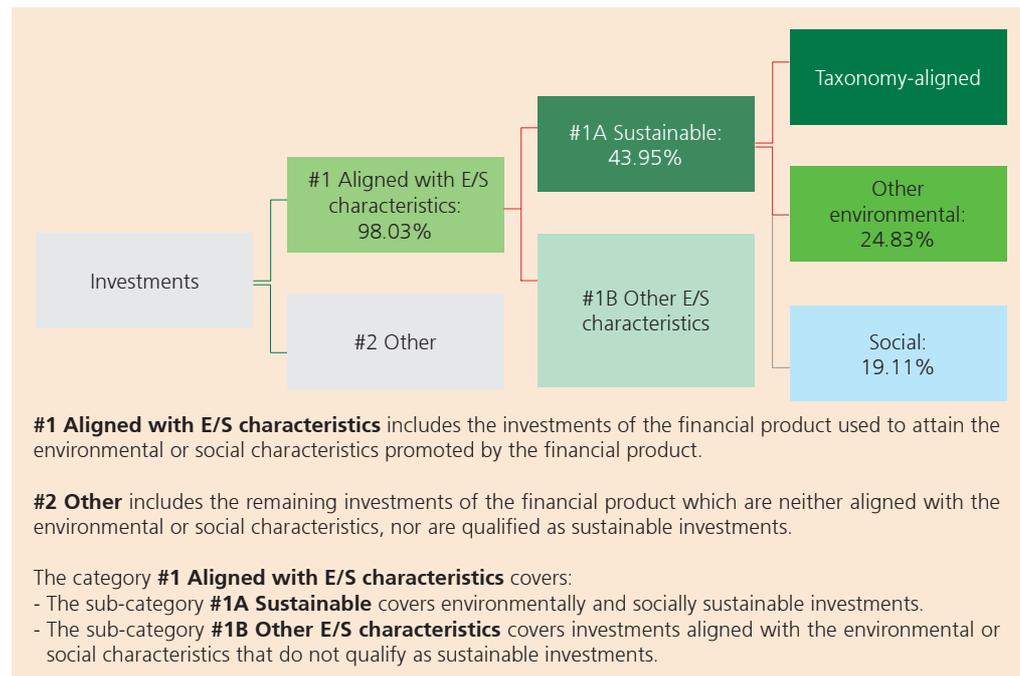
Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Enabling activities

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

Transitional activities are

activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



● In which economic sectors were the investments made?

Please refer to the section “Structure of the Securities Portfolio” of the relevant sub-fund of this Annual report to review the breakdown of the economic sectors where the investments were made.



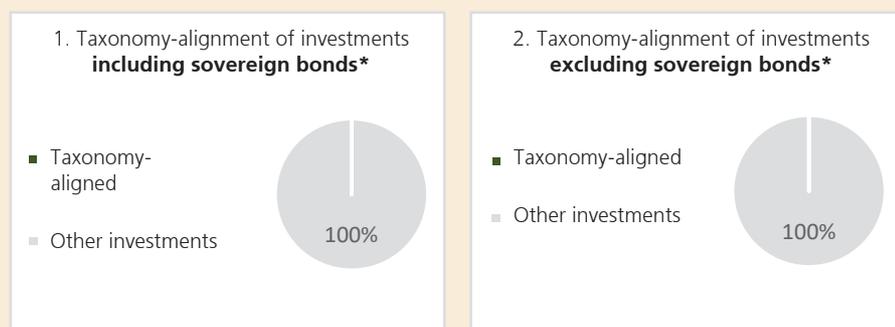
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product had 0% Taxonomy Aligned Investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

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

- **What was the share of investments made in transitional and enabling activities?**

There were no investments in transitional and enabling activities.

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

Not applicable. This is the first reference period.

...  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



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

The financial product had a proportion of sustainable investment with an environmental objective not aligned with the EU Taxonomy as stated in the asset allocation section of this annex.



- **What was the share of socially sustainable investments?**

The financial product had a proportion of socially sustainable investment as stated in the asset allocation section of this annex.



- **What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

Included in “#2 Other” are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

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



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

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

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

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

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

Reference benchmarks

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

- ***How did this financial product perform compared with the reference benchmark?***
Not applicable.
- ***How did this financial product perform compared with the broad market index?***
Not applicable.

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

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

Product name: UBS (Lux) SICAV 2 – Low Duration USD Bond Sustainable (USD)
[formerly UBS (Lux) SICAV 2 – Low Duration USD Bond (USD)]
Legal entity identifier: 549300YV0VRB7QHF3523

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● <input type="checkbox"/> Yes	●○ <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective : ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 25.22% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective : ___%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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

The following characteristic was promoted by the financial product from 15 November 2021 onwards (i.e., date at which the characteristic became effective)

- At least 51% of the sub-fund's investments have a UBS ESG consensus score of between 6 and 10.

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

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

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

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

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

From November 15th onwards, 72.48% of the financial products investments had a UBS ESG consensus score of between 6 and 10.

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

Not applicable. This is the first reference period.

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

The objectives of the sustainable investments that the financial product partially intends to make is to contribute to the environmental and/or social characteristic(s) promoted by the financial product.

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

The Portfolio Manager applied exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

Investments are positively screened according to the environmental and/or social characteristics promoted by the financial product.

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

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the "UBS ESG Risk Signal". This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

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

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action were excluded from the investment universe.

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.

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



The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the “UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action were excluded from the investment universe.

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

What were the top investments of this financial product?

Top positions	Sector	% Net Assets*	Country
BPCE SA	Banks & credit institutions	2.21	France
ADCB Finance Cayman Ltd	Financial & investment companies	2.21	Cayman Islands
Corp Andina de Fomento	Supranational organisations	2.21	Venezuela
Goldman Sachs Group Inc/The	Banks & credit institutions	2.20	United States
TotalEnergies Capital Canada Ltd	Financial & investment companies	2.19	Canada
Equinor ASA	Petroleum	2.18	Norway
Westpac Banking Corp	Banks & credit institutions	2.18	Australia
Morgan Stanley	Financial & investment companies	2.16	United States
ANZ New Zealand Int'l Ltd/London	Financial & investment companies	2.16	United Kingdom
Bayerische Landesbank	Banks & credit institutions	2.16	Germany
QNB Finance Ltd	Financial & investment companies	2.14	Cayman Islands
Royal Bank of Canada	Banks & credit institutions	2.14	Canada
Canadian Imperial Bank of Commerce	Banks & credit institutions	2.10	Canada
BNZ International Funding Ltd/ London	Financial & investment companies	1.90	United Kingdom
Texas Instruments Inc	Electronics & semiconductors	1.88	United States

* Minor differences with "Statement of Investments in Securities" might apply due to rounding in production system

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 31 October 2022.



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

As per the end of the reference period the proportion of sustainability-related investments of the financial product was 25.22%.

● **What was the asset allocation?**

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 October 2022.

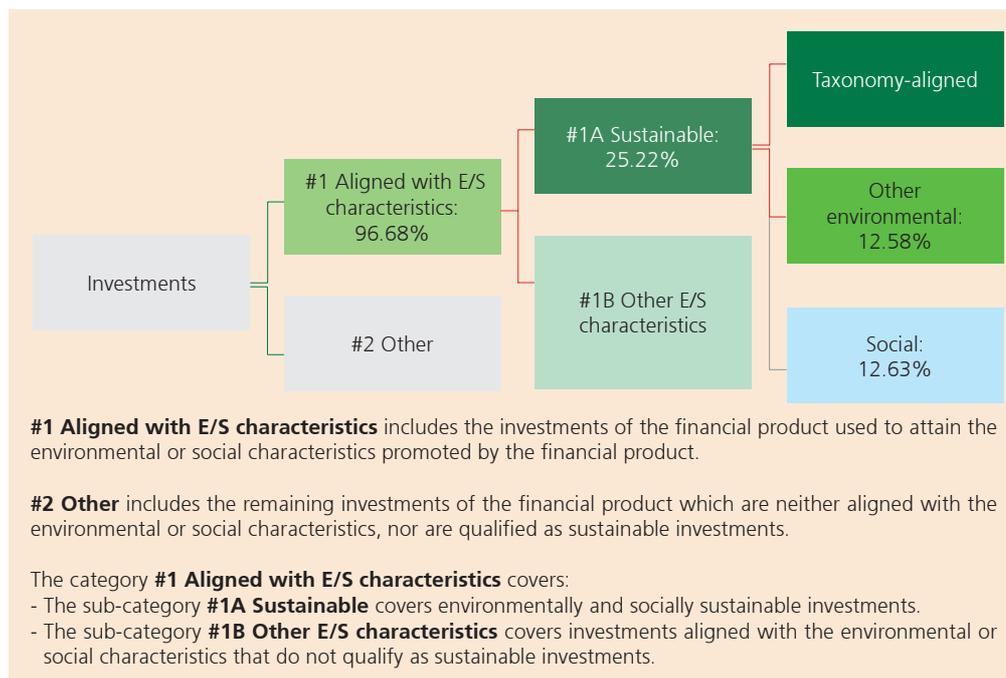
Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Enabling activities

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

Transitional activities are

activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



In which economic sectors were the investments made?

Please refer to the section “Structure of the Securities Portfolio” of the relevant sub-fund of this Annual report to review the breakdown of the economic sectors where the investments were made.



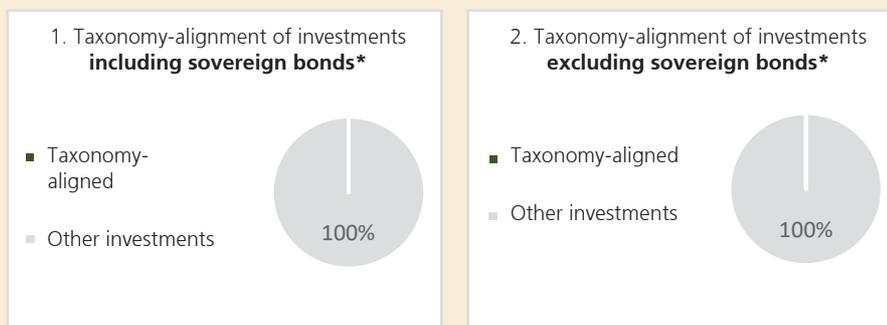
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product had 0% Taxonomy Aligned Investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

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

- **What was the share of investments made in transitional and enabling activities?**

There were no investments in transitional and enabling activities.

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

Not applicable. This is the first reference period.

...  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



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

The financial product had a proportion of sustainable investment with an environmental objective not aligned with the EU Taxonomy as stated in the asset allocation section of this annex.



- **What was the share of socially sustainable investments?**

The financial product had a proportion of socially sustainable investment as stated in the asset allocation section of this annex.



- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

Included in "#2 Other" are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

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



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

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

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

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

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

Reference benchmarks

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

- ***How did this financial product perform compared with the reference benchmark?***
Not applicable.
- ***How did this financial product perform compared with the broad market index?***
Not applicable.

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

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



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

Product name: UBS (Lux) SICAV 2 – USD Corporates Active Climate Aware (USD)
Legal entity identifier: 549300PHJERUMWL6XW18

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

●● <input type="checkbox"/> Yes	●○ <input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective : ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 32.11% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It made sustainable investments with a social objective : ___%	<input type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

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

The following characteristics were promoted by the financial product:

- 1) A sustainability profile that is higher than its benchmark's sustainability profile.
- 2) A 30% lower Weighted Average Carbon Intensity (WACI) than the reference benchmark.
- 3) A "green to brown ratio" that is at least twice the green to brown ratio of the benchmark.
- 4) Invest at least twice as much in "green" bonds as its benchmark from 15 November 2021 onwards (i.e., date at which the characteristic became active).

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

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

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

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

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

During the reference period the UBS ESG consensus score of the financial product was higher than that of its benchmark.

- UBS consensus score of the financial product: 6.50
- UBS consensus score of the benchmark: 6.16

The Weighted Average Carbon Intensity (WACI) was more than 30% lower than that of its benchmark.

- Weighted Average Carbon Intensity (WACI) of the financial product: 125.95 tonnes CO₂ per million dollars revenues.
- Weighted Average Carbon Intensity (WACI) of the benchmark: 298.14 tonnes CO₂ per million dollars revenues.

A “green to brown ratio” that is more than twice the green to brown ratio of the benchmark.

- “green to brown ratio” of the financial product: 2.53
- “green to brown ratio” of the benchmark: 0.55

From 15 November 2021 onwards, the financial product invested at 2.5x as much in “green” bonds as its benchmark.

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

Not applicable. This is the first reference period.

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

The Portfolio Manager selected attractively valued companies that are on the forefront of the transition to a low-carbon economy, contributing to climate mitigation, adaptation and transition.

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

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

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.

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

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

Investments are positively screened according to the environmental and/or social characteristics promoted by the financial product.

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

The Portfolio Manager employs a proprietary ESG Risk Dashboard, the Dashboard allows equity and credit analysts to quickly identify companies with significant ESG risks via the “UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

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

Companies violating the United Nations Global Compact (UNGC) principles, who do not demonstrate credible corrective action were excluded from the investment universe.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

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



How did this financial product consider principal adverse impacts on sustainability factors?

The Portfolio Manager applies exclusions to the investment universe of the financial product. The link to the Sustainability Exclusion Policy can be found in the main body of the Sales Prospectus.

The exclusions include thermal coal mining and thermal coal-based energy production & oil sands, the portfolio manager selects investments based upon a lower absolute or relative scope 1+2 carbon intensity. UBS Asset Management does not invest in companies involved in controversial weapons i.e. cluster munitions, anti-personnel mines, chemical and biological weapons, or companies in breach of the Treaty on the Non-Proliferation of Nuclear Weapons.

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

“UBS ESG Risk Signal”. This clear, actionable signal serves as starting point for more in-depth analysis of the underlying sources of these risks and the links to their investment cases.

Companies violating the United Nations Global Compact (UNGC) principles, which do not demonstrate credible corrective action were excluded from the investment universe.



What were the top investments of this financial product?

Top positions	Sector	% Net Assets*	Country
United States Treasury Note/Bond	Countries & Central Government	4.455	United States
Bank of America Corp	Banks & credit institutions	4.128	United States
JPMorgan Chase & Co	Banks & credit institutions	3.454	United States
Apple Inc	Computer hardware & network	3.266	United States
Morgan Stanley	Financial & investment companies	2.826	United States
HSBC Holdings PLC	Banks & credit institutions	2.359	United Kingdom
HCA Inc	Healthcare & social services	2.29	United States
Goldman Sachs Group Inc/The	Banks & credit institutions	2.282	United States
Gilead Sciences Inc	Biotechnology	2.119	United States
Sherwin-Williams Co/The	Building industry & materials	1.954	United States
Citigroup Inc	Banks & credit institutions	1.92	United States
AT&T Inc	Telecommunication	1.793	United States
Steel Dynamics Inc	Mining, coal & steel	1.709	United States
BNP Paribas SA	Banks & credit institutions	1.678	France
AbbVie Inc	Pharmaceuticals, cosm & med prod	1.621	United States

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

What was the proportion of sustainability-related investments?

As per the end of the reference period the proportion of sustainability-related investments of the financial product was 32.11%.

● What was the asset allocation?

The proportions of investments of the financial product were calculated as per the end of the reference period, which is: 31 October 2022.



The list includes the investments constituting **the greatest proportion of investments** of the financial product as per the end of the reference period which is: 31 October 2022.

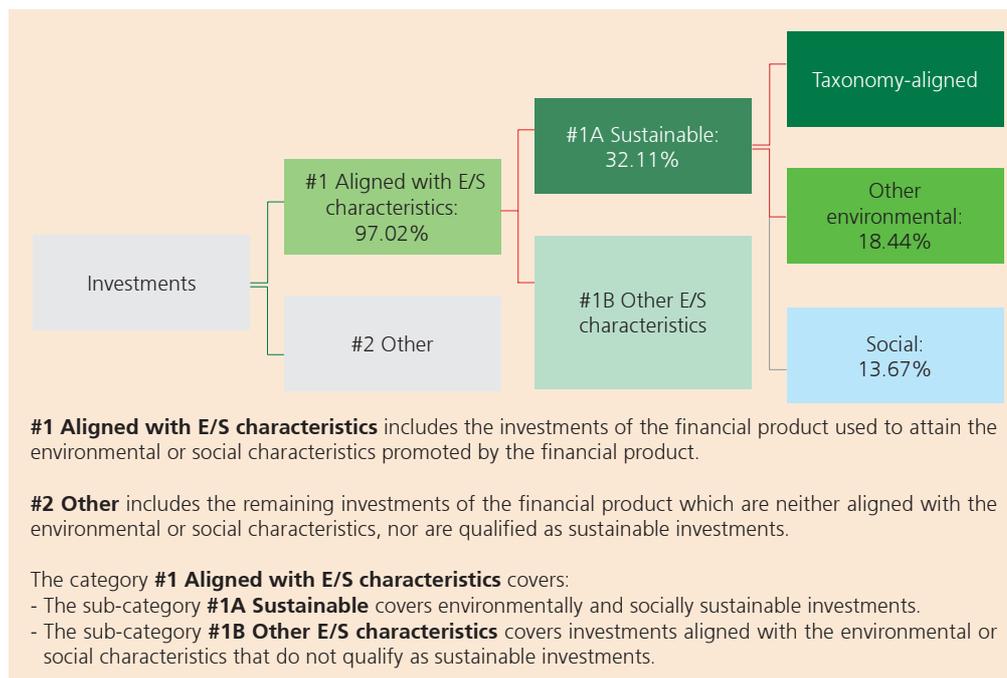
Appendix 5 – Sustainable Finance Disclosure Regulation (Regulation (EU) 2019/2088) (unaudited)

Enabling activities

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

Transitional activities are

activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



In which economic sectors were the investments made?

Please refer to the section “Structure of the Securities Portfolio” of the relevant sub-fund of this Annual report to review the breakdown of the economic sectors where the investments were made.



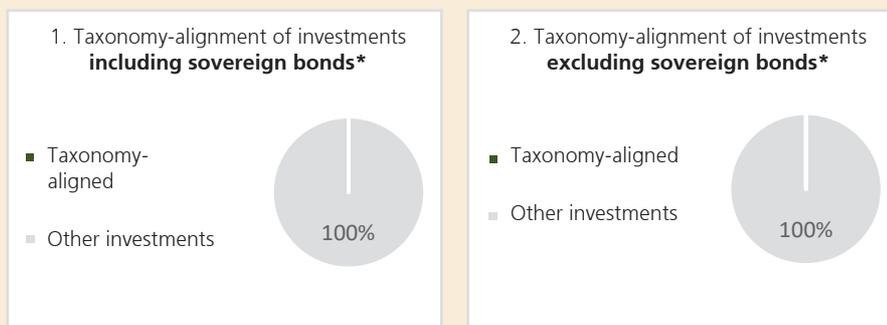
To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The financial product had 0% Taxonomy Aligned Investments.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures

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

- **What was the share of investments made in transitional and enabling activities?**

There were no investments in transitional and enabling activities.

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

Not applicable. This is the first reference period.

...  are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



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

The financial product had a proportion of sustainable investment with an environmental objective not aligned with the EU Taxonomy as stated in the asset allocation section of this annex.



- **What was the share of socially sustainable investments?**

The financial product had a proportion of socially sustainable investment as stated in the asset allocation section of this annex.



- **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

Included in "#2 Other" are cash and unrated instruments for the purpose of liquidity and portfolio risk management. Unrated instruments may also include securities for which data needed for the measurement of attainment of environmental or social characteristics is not available.



- **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

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



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

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

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

Not applicable.

- **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

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

Reference benchmarks

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

- ***How did this financial product perform compared with the reference benchmark?***
Not applicable.
- ***How did this financial product perform compared with the broad market index?***
Not applicable.

