

UBP Asset Management (Europe) S.A.

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R.C.S. Luxembourg N° B 177 585

INFORMATION AND NOTICE TO THE SHAREHOLDERS OF

UBAM - EM INVESTMENT GRADE CORPORATE BOND

Luxembourg, 26 January 2024

Dear Shareholders,

UBP Asset Management (Europe) S.A. (hereafter the "Management Company"), with the consent of the Board of Directors of UBAM informs you of the following decisions relating to UBAM - EM Investment Grade Corporate Bond:

1. The Sub-Fund name will be changed as from the Effective Date (see below) and will be denominated "**UBAM - EM Responsible Income Opportunities**".
2. The SFDR classification will be Article 8 instead of Article 6. Some information about SFDR policy will be added to the SFDR Pre-contractual disclosure attached to UBAM's latest prospectus.
3. Starting from 26 February 2024, date on which the changes described below will be applied (the "Effective Date"), the Sub-Fund's current investment policy will be replaced as per the below (changes highlighted in **bold**):

Current investment policy

Sub-Fund denominated in USD and which invests its net assets primarily in fixed or variable-rate bonds whose issue or issuer carries at least one rating of a minimum of BBB- (Fitch or S&P) or Baa3 (Moody's) or a rating considered equivalent by the Investment Manager as a result of its analysis, for the same level of seniority as the issue, issued by:

- *companies domiciled in Emerging countries, or;*
- *companies in any countries but with an underlying instrument directly or indirectly linked to Emerging countries, or;*
- *companies whose risks are directly or indirectly linked to Emerging countries.*

The Sub-Fund will invest at least 80% in the currencies of OECD countries. For investments denominated in a currency other than the USD, the foreign exchange risk will be largely hedged.

On an ancillary basis, the Sub-Fund's net assets may be invested inter alia in:

- *bonds issued by sovereign issuers from Emerging countries, or;*
- *bonds issued by issuers not connected to Emerging countries, or;*
- *bonds issued or guaranteed by OECD member countries or by their local public authorities, or Community, regional or global supranational organisations and institutions;*
- *up to 20% in Contingent Convertible bonds.*

The exposure to these markets can be direct or via the use of derivative financial instruments such as CDS.

As an exception to the general rule applicable to bond Sub-Funds, this Sub-Fund will be able to invest up to 100% of its net assets in transferable securities of Emerging countries. The exposure to Emerging countries can be increased up to 120% through derivatives.

The investments underlying this Sub-Fund do not take into account the EU criteria for environmentally sustainable economic activities (Article 7 of EU Taxonomy Regulation).

The net asset value is expressed in USD.

The Sub-Fund is actively managed and uses the index JPM Corporate EMBI DIVERSIFIED IG RI USD (the Benchmark) for performance objective. The Benchmark is representative of the Sub-Fund's investment universe and of the risk profile of the Sub-Fund although the Investment Manager has significant discretion to deviate from its securities and weighting.

Standard investor profile: this Sub-Fund is suitable for investors who need a well-diversified bond allocation in their portfolio. Investors should have experience in volatile products and financial markets, and, more specifically, those markets relating to Emerging countries. They should have a minimum investment horizon of 3 years and should be able to accept losses.

- Risk calculation: commitment approach

New Investment policy

Sub-Fund denominated in USD and which invests its net assets primarily in fixed or variable-rate bonds in any currencies including currencies from emerging countries, issued by Public Authorities, quasi sovereigns or corporates which are domiciled or exercising the predominant part of their economic activity in Emerging countries or that are included in the J.P. Morgan ESG EMBI Global Diversified IG index or the J.P. Morgan ESG CEMBI Broad Diversified High Grade Index (the "Benchmarks").

The exposure to these markets can be direct or via the use of derivative financial instruments such as **but not limited to CDS, Index CDS, FX Forwards (including NDFs), FX Options, Interest Rate Swaps, Futures, Options, Credit linked notes and FX linked notes.**

The Sub-Fund may use derivatives for investment purposes and for efficient portfolio management.

Emerging countries may include investments in China through Bond Connect up to 20% of Net Asset Value. Please refer to the related risks in the "[RISK FACTORS](#)" chapter of this prospectus.

This Sub-Fund will be able to invest up to 35% of its net assets in High Yield products and/or up to 100% of its net assets in transferable securities of Emerging countries according to the rating's rules in the section "[Bond Sub-Funds](#)". The exposure to Emerging countries may be increased up to 150% net of its net assets through derivatives, excluding foreign currencies exposure. In addition, the currency exposure is flexibly managed. The Sub-Fund may also invest up to :

- 10% in EM fixed Income ETFs and
- 20% in Contingent Convertible bonds.

Benchmark use

The Sub-Fund is actively managed, and the Investment Manager has discretion to select the Sub-Fund's investments, provided that the Sub-Fund will invest at least 51% of its net asset value in issuers within the composite benchmark: J.P. Morgan ESG EMBI Global Diversified IG Index and J.P. Morgan ESG CEMBI Broad Diversified High Grade Index or in issuers domiciled or exercising the predominant part of their economic activity in Emerging countries. In doing so, the Investment Manager will refer to the:

- **J.P. Morgan ESG EMBI Global Diversified IG Index for 50% and J.P. Morgan ESG CEMBI Broad Diversified High Grade Index for 50% (the "Benchmark") are not intended to be used when constructing the Sub-Fund's portfolio. The Sub-Fund follows a Total Return approach and may deviate significantly from its Benchmarks. The Sub-Fund will be targeting a return SOFR + 250/300 bps p.a. over a recommended investment period of at least 5 years. J.P. Morgan EMBI Global Diversified IG Index for 50% and the J.P. Morgan CEMBI Broad Diversified High Grade Index for 50% (the "ESG Reporting Benchmark") to assess the impact of ESG screening on the Sub-Fund's investment universe. The ESG Reporting Benchmark is not intended to be used when constructing the Sub-Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Sub-Fund. Further details are available on the Benchmark provider website at www.jpmmorgan.com/insights/research/index-research/composition-docs.**

The Investment Manager recognises that sustainability risks, as described in the "[RISK FACTORS](#)" chapter, may have an impact on the performance of the Sub-Fund. Assessment of sustainability risks is complex and requires subjective judgments, which may be based on ESG analysis which combines

internal and external research conducted by a variety of ESG Data Providers including but not limited to, MSCI ESG Research, ISS or RepRisk. These data, which could be difficult to obtain and/or incomplete, estimated, out of date or otherwise materially inaccurate can lead to no guarantee that the Investment Manager's assessment will correctly determine the impact of sustainability risks on the Sub-Fund's investments.

The Sub-Fund can invest in derivatives. Derivative instruments do not participate in reaching the environmental or social characteristics promoted by the Sub-Fund. The use of derivatives is expected to have marginal impact on the E and S characteristics.

Although this Sub-Fund is classified Article 8 SFDR, its underlying investments do not take into account the EU criteria for environmentally sustainable economic activities (Article 7 of EU Taxonomy Regulation).

This Sub-Fund promotes E and/or S characteristics and has a proportion of sustainable investments as described in the pre-contractual disclosures attached to this Prospectus. More information on the Sub-Fund's ESG and Taxonomy approaches is available in the SFDR Pre-contractual disclosure attached to this prospectus.

The net asset value is expressed in USD.

Standard investor profile: this Sub-Fund is suitable for investors who need a well-diversified bond allocation in their portfolio. Investors should have experience in volatile products and financial markets, and, more specifically, those markets relating to Emerging countries. They should have a minimum investment horizon of 5 years and should be able to accept losses.

- **Risk calculation: absolute VaR approach.**
- **Leverage calculation methodology: sum of the notionals**
- **Expected leverage: 500%. Please note that depending on market conditions the leverage level could be higher.**

In addition, the Sub-Fund will be authorized to invest up to:

- 20% (instead of the current 10%) in Structured credit products.

Shareholders of UBAM - EM Investment Grade Corporate Bond who do not agree with the aforementioned changes affecting the Sub-Fund(s) in which they are invested, will have the option of requesting the redemption of their shares in that Sub-Fund free of charge for a period of one month from the date of this notice up until the Effective Date.

UBP Asset Management (Europe) S.A.