UBP Asset Management (Europe) S.A.

287-289, Route d'Arlon, L-1150 Luxembourg

R.C.S. Luxembourg N° B 177 585

INFORMATION AND NOTICE TO THE SHAREHOLDERS OF

UBAM - EM RESPONSIBLE SOVEREIGN 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 Responsible Sovereign Bond (the Sub-Fund):

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 at any time invests a majority of its net assets in fixed or variable-rate bonds in hard currencies such as (but not limited to) EUR or USD, issued by Public Authorities or quasi sovereigns which are:

- *domiciled in Emerging or Frontier countries, or;*
- *domiciled in any country whose underlying is economically linked, directly or indirectly, to an issuer domiciled in an Emerging or Frontier country, or;*
- *linked to Emerging or Frontier country risks.*

The exposure to these markets can be direct or via the use of derivative financial instruments such as but not limited to CDS.

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

Frontier countries include, but are not limited to: Angola, Armenia, Azerbaijan, Belarus, Belize, Bolivia, Cameroon, Costa Rica, Cote D'Ivoire, El Salvador, Ethiopia, Gabon, Georgia, Ghana, Guatemala, Honduras, Jamaica, Jordan, Kenya, Mongolia, Mozambique, Namibia, Nigeria, Pakistan, Papua New Guinea, Paraguay, Senegal, Sri Lanka, Suriname, Tajikistan, Tunisia, Uzbekistan, Vietnam and Zambia.

Please refer to the Frontier countries related risks in the "RISK FACTORS" chapter of this prospectus.

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 High Yield products and/or transferable securities of Emerging countries according to the rating's rules in section "Bond Sub-Funds", and, up to 20% in Contingent Convertible bonds. The exposure to High Yield and Emerging countries can be increased up to 120% through derivatives.

Moreover, the Sub-Fund net assets may be invested in emerging corporate bonds up to 20%.

Overall, up to 20% of the Sub-Fund's investments may be carried out in Emerging countries' currencies.

The Sub-Fund aims to deliver performance by investing in emerging market bonds, while offering a greater Environmental, Social and Governance (ESG) characteristics than its reference index, the JP Morgan EMBI Global Diversified index. The designated index is a standard reference representing the EM sovereign bond universe. It is not aligned with the environmental or social characteristics promoted by the Sub-Fund. The Sub-Fund's alignment with the promoted E/S characteristics is attained through the investment process described below.

The Sub-Fund aims notably to promote social outcomes. Therefore it considers for instance a sovereign's human rights record, labour standards, education system, health care, demographics … Examples of such social indicators include but are not limited to the World Bank's Gender Inequality Index and the World Bank's Life Expectancy at Birth Index. The Sub-Fund does not endeavour to best specific individual social factors but rather to improve ESG outcomes with a holistic view.

The Sub-Fund aims to present an overall higher ESG quality than that of its index. This is measured using MSCI ESG Research "ESG Quality Score". This indicator measures the ability of underlying holdings to manage key medium to long term risks and opportunities arising from environmental, social, and governance factors. It calculates each sovereign's exposure to key ESG risks. The analysis takes into account the extent to which a sovereign has developed robust policies and demonstrated a strong track record of performance in managing its specific level of risks or opportunities

The Sub-Fund's investment strategy relies on ESG, credit and macroeconomic assessment in order to combine a financial risk-adjusted performance in line or above that of the EM sovereign bond market over the investment horizon, with ESG characteristics better than its reference index. The investment process includes ESG analysis which combines internal and external research conducted by a variety of ESG data providers including, but not limited to, MSCI ESG Research, RepRisk as well as recognised organisations like the World Bank, Transparency International or Freedom House. In particular, the Investment Manager has developed a proprietary ESG sovereign scoring model, which combines historical ESG data and forward-looking sentiment to rank countries in terms of their relative ESG quality.

The model considers a large array of ESG factors, such as a sovereign's human rights record, government stability or its policy response to climate change. The Investment Manager pays particular attention to governance factors, as it believes that they have the greatest potential impact on a country's ability to implement robust environmental policies and achieve favourable social outcomes. The model looks to produce an ESG score that does not penalise poorer issuers for their earlier stage of economic development. This model is complemented by internal forward-looking assessment which allows the Investment Manager to reflect more recent changes in policies that may influence ESG quality. The resulting ESG scores are normalized on a scale from 0 to 100, with the worst-performing country receiving a score of 0 and the best-performing country scoring 100. The ESG scores are reviewed quarterly.

For corporate, quasi-sovereign or supranational issuers, the Sub-Fund relies on external ESG assessment and/or on ESG and credit analysis conducted by the Investment Manager.

ESG analysis covers at least 90% of the Sub-Fund's portfolio.

The investment process includes a first phase of investment universe filtering and a second phase of ESG integration in bottom-up research and portfolio construction.

Sovereign issuers

are excluded if:

- *they have an ESG score, as calculated by the Investment Manager internal model, of 20 or below. In such case, the country remains excluded for at least six months.*
- *they are identified as oppressive regimes, as recognised by a Global Freedom Score of 7 or below by Freedom House.*
- *they are on international sanction lists (such as, but not limited to, those of the EU, UN, OFAC…*

Corporate and quasi-sovereigns

- *100% government-owned quasi-sovereign issuers are excluded due to the risk of lack of independent governance, except for Sustainable, Social, Green and SDG bonds*
- *corporate and other quasi-sovereign issuers are excluded if:*
  - *their MSCI ESG Rating is B or CCC.*
  - *they bear a Red Controversy Flag by MSCI ESG Research, that is they are identified as in breach of international norms and principles, such as, but not limited to, the UN Global Compact, ILO...*
  - *they are involved in controversial weapons and other contentious business activities as defined in UBP's Responsible Investment policy (e.g. tobacco, coal… revenue thresholds may apply).*

If a sovereign's internal ESG score is downgraded to 20 or below, or if a corporate or quasi-sovereign issuer's MSCI ESG rating is downgraded below BB, the Investment Manager has to adjust the portfolio, in the best interest of shareholders.

The ESG selectivity process leads to a reduction of the investment universe of at least 20%.

Once the investable universe has been reduced, the Investment Manager integrates ESG consideration into its analysis and portfolio construction. ESG considerations are notably integrated into the issuers' qualitative credit assessment, as the Investment Manager believes, alongside rating agencies, that strong ESG credentials can help improve issuers' creditworthiness. To conduct this ESG analysis, the Investment Manager relies on different sources of information and data, including for instance external ESG data providers, ad-hoc engagement with issuers as well as credit agencies' ESG reviews.

Finally, the investment process includes factors other than ESG, such as issuers' economic structure, fiscal strength, top down macroeconomic assessment and relative value. Still, issuers' ESG credentials can directly impact portfolio construction. It can result for instance in cases where sovereigns with sounder ESG practices are favoured over their peers with similar credit quality but poorer sustainability characteristics.

The choice of financial instruments may also take into account environmental and/or social characteristics, as the Sub-Fund may invest in green or sustainability bonds.

The Sub-Fund includes a mix of investments:

- *investments aligned with E/S characteristics - used to attain the environmental or social characteristics promoted by the financial product. These investments may include*
  - *Sustainable investments that qualify as sustainable investments, such as green or sustainability bonds*
  - *Other E/S characteristics: investments aligned with the environmental or social characteristics that do not qualify as sustainable investments*
- *other investments - which are neither aligned with the E/S characteristics, nor are qualified as sustainable investments.*

In the case of sustainable investments, the Investment Manager ensures that these comply with the Do No Significant Harm (DNSH) principle (Article 16 SFDR)

While the Sub-Fund seeks to attain certain environmental and social characteristics, it also carries a financial performance objective. For that purpose, some investments may be included that are not aligned with the E/S characteristics promoted by the Sub-Fund's investment policy.

However, to ensure minimum environmental or social safeguards, sovereign and corporate issuers have to respect a series of eligibility criteria as described above (including for instance a Freedom Score, which combines both political rights and civil liberties, above 7 for a sovereign issuer, or, for a corporate issuer, compliance with international norms). In the latter case, severe breaches are identified by MSCI's Red Overall Controversy Flags which signal severe controversies in at least one of the following areas: Environmental, Social, Governance, Human Rights and Labour Rights. Issuers carrying such Red flags are excluded.

Finally, the Sub-Fund may invest in derivatives, such as but not limited to EM Sovereign CDS, EM currency derivative instruments (only if the country satisfies the ESG criteria set by the investment process), US Futures for duration management purposes and, on an ad-hoc basis, in CDS indices for hedging purposes. These instruments do not participate in reaching the environmental or social characteristics promoted by the Sub-Fund's investment policy, but guidelines are set to ensure that they do not negatively impact these 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).

The Investment Manager seeks to assess the principal potential adverse impacts of its sovereign sustainable investments, such as social violations, by for instance avoiding oppressive regimes as well as to limit the main potential adverse impact of its corporate sustainable investments primarily through its norms-based screening (e.g. compliance with the OECD Guidelines for Multinational Enterprises, the UN

Global Compact…). The Investment Manager may seek to assess other potential adverse impacts. This may be, however, hindered by the limited availability of data for certain indicators, given the nature of investments in emerging markets.

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.

More information about SFDR is available in the SFDR Schedule.

The net asset value is expressed in USD.

The Sub-Fund is actively managed and uses the index JPM EMBI GLOBAL DIVERSIFIED RI USD (the Benchmark) for performance objective. The Benchmark is not representative of the Sub-Fund's risk profile and the performance of the Sub-Fund is likely to be significantly different from that of the Benchmark because 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, but with a high risk profile due to high volatility linked to investments in low rating emerging markets bonds. Investors should have experience in volatile products and financial markets, and more specifically those relating to Emerging countries. They should have a minimum investment horizon of 3 years and should be able to accept significant losses.

- *Risk calculation: commitment approach*

New Investment policy

Sub-Fund denominated in USD and which at any time invests a majority of its net assets in fixed or variable-rate bonds in ***any currencies****, issued by Public Authorities or quasi sovereigns* ***or sovereigns*** *which are domiciled* ***or exercising the predominant part of their economic activity in Emerging countries, or included within the J.P. Morgan ESG Emerging Market Bond Global Diversified Index (the "Benchmark");***

The exposure to these markets can be direct or via the use of derivatives 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 the purposes of efficient portfolio management.

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

Please refer to the ***Emerging and Frontier*** *countries related risks in the "RISK FACTORS" chapter of this prospectus.*

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 High Yield products and/or transferable securities of Emerging countries according to the rating's rules in section "Bond Sub-Funds". The exposure to High Yield and Emerging countries can 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,***
- ***20% in Contingent Convertible bonds***

Moreover, the Sub-Fund net assets may be invested in emerging corporate bonds ***up to 49%.***

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 in issuers within the J.P. Morgan ESG Emerging Market Bond Global Diversified Index (the "Benchmark") or 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 Emerging Market Bond Global Diversified Index (the "Benchmark") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Benchmark) taken by the Sub-Fund remains appropriate given the Sub-Fund's investment objective and policy. The Investment Manager is not bound by the weighting of the Benchmark when selecting Benchmark securities. The geographical scope and the environmental, social and governance ("ESG") requirements (described above) of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Benchmark. The Benchmark should be used by investors to compare the performance of the Sub-Fund.***

- ***J.P. Morgan Emerging Market Bond Index Global Diversified (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. jpmorgan.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, but with a high risk profile due to high volatility linked to investments in low rating emerging markets bonds. Investors should have experience in volatile products and financial markets, and more specifically those relating to Emerging countries. They should have a minimum investment horizon of 3 years and should be able to accept significant losses.

- ***Risk calculation: relative VaR approach. The VaR of the Sub-Fund shall be compared with the VaR of J.P. Morgan ESG EMBI Global Diversified Index***
- ***Leverage calculation methodology: sum of the notionals***
- ***Expected leverage: 500%. Please note that depending on market conditions the leverage level could be higher.***

Shareholders of UBAM - EM Responsible Sovereign Bond who do not agree with the aforementioned changes will have the option of requesting the redemption of their shares in that Sub-Fund free of charge for a period of one month starting from the date of publication of this notice up until the Effective Date.

UBP Asset Management (Europe) S.A.