
Notice to the shareholders of UBS (Lux) Strategy SICAV

The Board of Directors of the Company wishes to inform you of the following change in the November 2021 version of the Company's Sales Prospectus:

1) The sub-funds shall be renamed as described in the following table:

Sub-fund name	New sub-fund name
UBS (Lux) Strategy SICAV – Fixed Income (EUR)	UBS (Lux) Strategy SICAV - Fixed Income Sustainable (EUR)
UBS (Lux) Strategy SICAV – Fixed Income (USD)	UBS (Lux) Strategy SICAV - Fixed Income Sustainable (USD)
UBS (Lux) Strategy SICAV – Income (CHF)	UBS (Lux) Strategy SICAV - Income Sustainable (CHF)
UBS (Lux) Strategy SICAV – Income (EUR)	UBS (Lux) Strategy SICAV - Income Sustainable (EUR)
UBS (Lux) Strategy SICAV – Income (USD)	UBS (Lux) Strategy SICAV - Income Sustainable (USD)

The information that the portfolio will in future promote environmental and/or social characteristics will be added to the "Profile of the typical investor" section of the sub-fund.

The investment policy of the aforementioned sub-funds, which will in future fall under Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector, will be supplemented by the following explanation relating to their qualification as "Sustainability Focus Funds":

"UBS Asset Management categorises these sub-funds as Sustainability Focus Funds. *These sub-funds promote environmental and social characteristics and fall under Article 8(1) of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector. At least 70% of the assets of a sub-fund (excluding liquid assets and derivatives) will be invested in investment strategies that promote environmental (E) and/or social (S) characteristics in accordance with Article 8 of the Regulation on sustainability-related disclosures in the financial services sector, or in investment strategies that have the reduction of carbon emissions as an objective in accordance with Article 9 of the Regulation on sustainability-related disclosures in the financial services sector.*

Sustainable investments can comprise one or more of the eight ESG categories listed below:

- a) *ESG engagement equities: In this approach, asset managers actively participate as shareholders to get the management of companies to improve their performance with regard to ESG issues and opportunities.*
- b) *ESG engagement high yield bonds: In this approach, asset managers actively participate as bondholders in issuers with a rating lower than BBB-, in order to get the management of the companies to improve their performance with regard to ESG problems and opportunities.*
- c) *Development bonds: Bonds issued by multilateral development banks (MDB). MDB are supported by various governments, with the aim of financing sustainable economic growth.*
- d) *ESG issues equities: Equities of companies that sell products and services that tackle a certain environmental or social challenge, and/or whose businesses manage one particular ESG factor particularly well, such as gender equality.*
- e) *ESG improvement equities: Equities of companies that are improving how they deal with an array of critical ESG problems and opportunities.*
- f) *ESG leader equities: Equities of companies that are improving how they deal with an array of critical ESG problems and are better exploiting ESG opportunities than their competitors.*
- g) *Green, social and sustainability bonds: Comprise bonds that finance environmental projects, social welfare institutions, or sustainable issues. Issuers of such bonds generally include companies, local authorities and development banks.*
- h) *ESG leader bonds: Bonds of companies that are improving how they deal with an array of critical ESG problems and are better exploiting ESG opportunities than their competitors."*

The maximum flat fee remains unchanged.

- 2) Upon entry into force of the Sales Prospectus, the sub-fund "**UBS (Lux) Strategy SICAV – Dynamic Income (USD)**" will be entitled to invest in Insurance Linked Securities (ILS). Investment in target funds (exclusively UCITS), whose investment policy is mainly to invest in debt instruments linked to an insurance event (ILS), including catastrophe bonds, is limited to 10% of the net assets. Investments in ILS are only made indirectly via target funds under the conditions set out below. ILS may be issued, inter alia, as bonds or debt instruments. They are securities for which the coupon payment or capital repayment is conditional upon the occurrence of certain insured events (e.g. natural disasters such as storms or earthquakes, risks caused by humans, property, aviation, maritime, epidemic/pandemic and longevity/mortality risks). A catastrophe bond is a form of insurance-linked security, which transfers to the capital markets the risk of financial loss resulting from catastrophic events. ILS are sponsored on the market by insurance companies (primary insurers or reinsurers). Investing in target funds that invest in ILS or catastrophe bonds is associated with the risk that, if certain triggers occur, both interest and redemption payments of the target investments can be postponed or cancelled in whole or in part, which can lead to a significant loss in value of the corresponding target fund.
- 3) The sub-fund "**UBS (Lux) Strategy SICAV – Xtra Yield (EUR)**" will in future be categorised by UBS Asset Management as an "ESG Integration fund". The characteristics of an ESG integration fund are described in the general investment policy of the company under "ESG integration". The sub-fund neither promotes particular ESG characteristics nor pursues a specific sustainability or impact objective.
- 4) The section "Expenses paid by the Company" is expanded under item 2 "The maximum flat fee does not include the following fees and additional expenses, which are also charged to the Company's assets" as follows: "(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 of Directors and remuneration of directors);"

The changes shall enter into force on 15 November 2021. Shareholders who object to these changes have the right to redeem their shares free of charge until the effective date. The amendments shall be visible in the November 2021 version of the Company's Sales Prospectus. The Board of Directors of the Company plans to send/publish a second, identical notice to shareholders approximately one month before the effective date.

Luxembourg, 30 September 2021 | The Company