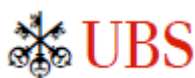


# Product Key Facts

## UBS (Lux) Equity SICAV – Global Emerging Markets Opportunity (USD)

Management Company:



UBS Fund Management (Luxembourg) S.A.

July 2022

<p><b><i>This statement provides you with key information about this product. This statement is a part of the offering document. You should not invest in this product based on this statement alone.</i></b></p>		
<b>Quick Facts</b>		
<b>Management Company:</b>	UBS Fund Management (Luxembourg) S.A.	
<b>Portfolio Manager:</b>	UBS Asset Management Switzerland AG, Zurich (internal delegation)	
<b>Depository:</b>	UBS Europe SE, Luxembourg Branch	
<b>Dealing frequency:</b>	Daily (Luxembourg business day)	
<b>Base currency:</b>	USD	
<b>Ongoing charges over a year:</b>	P-acc	1.98% <sup>#</sup>
	P-4%-mdist <sup>^</sup>	1.98% <sup>#</sup>
	(HKD) P-4%-mdist <sup>^</sup>	1.96% <sup>#</sup>
<p><sup>^</sup> Share classes with "-mdist" in their name may make monthly distributions excluding fees and expenses. Share classes with "-mdist" in their name may make distributions out of capital (i.e. which includes the existing issued share capital, realised and unrealised capital gains) ("<b>Capital</b>"), at the discretion of the Management Company, or pay distributions out of gross income while charging/ paying all or part of the Sub-Fund's fees and expenses to/ out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of distributions by the Sub-Fund and therefore, the Sub-Fund may effectively pay distributions out of Capital. Any distributions involving payment of dividends out of the Sub-Fund's Capital or payment of dividends effectively out of the Sub-Fund's Capital (as the case may be) may result in an immediate reduction of the net asset value per share.</p> <p><sup>#</sup> The ongoing charges figure is an annualised figure based on expenses for the interim period ended 30 November 2021. This figure may vary from time to time.</p>		
<b>Dividend Policy:</b>	P-acc	Accumulating (no distribution of dividend, income will be reinvested for this sub-fund, if any)
	P-4%-mdist	Distributing monthly.
		<p>Monthly distribution amount = 4% ÷ 12 months X net asset value at the end of each month.</p> <p>The dividend rate (i.e. 4%) and distribution frequency of the fixed rate distribution classes will not be changed. <sup>◇</sup></p>
<p><sup>◇</sup> *Investors should note that a positive distribution yield does not imply a positive return.</p>		
<b>Financial year end of this Sub-Fund:</b>	31 May	
<b>Minimum investment:</b>	0.001 share (initial investment and any subsequent investment)	

(Please also check whether your sales intermediary (if any) has any specific dealing requirements)

## What is this product?

The UBS (Lux) Equity SICAV – Global Emerging Markets Opportunity (USD) (the “**Sub-Fund**”) is a sub-fund of UBS (Lux) Equity SICAV constituted as an open-ended investment fund in the form of a Luxembourg *Société d'Investissement à Capital Variable*. It is a UCITS fund and is domiciled in Luxembourg and its home regulator is the *Commission de Surveillance du Secteur Financier*.

## Objective and Investment Strategy

### Objective

The Sub-Fund aims to generate capital appreciation with a reasonable level of income, while giving due consideration to risk diversification and the liquidity of the Sub-Fund's assets. The Sub-Fund seeks to invest in equities that are expected to benefit most from emerging market growth. The Sub-Fund promotes environmental and social characteristics but is not designated by the Management Company as an "ESG Fund" in accordance with the SFC circular to management companies of SFC-authorized unit trusts and mutual funds on ESG Funds dated 29 June 2021 and ESG is not a key investment focus of the Sub-Fund.

### Strategy

The Sub-Fund invests its assets predominantly (i.e. at least two-thirds of its net asset value) following the principle of risk diversification in equities or other equity interests of companies that are domiciled or chiefly active (i.e. companies that have their main business in an emerging market despite being domiciled or listed in a developed market) in emerging markets. The Sub-Fund focuses on equities and sectors that are considered particularly attractive and will actively assume risk proportionate to the potential opportunities.

The Sub-Fund may invest via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively, the “**Stock Connect**”). The targeted aggregate exposure to China A-Share and China B-Share markets for the Sub-Fund will be maintained at less than 30% of its total net asset value.

The Sub-Fund's assets are not limited to a particular range of market capitalisations, or to any industry or sectoral allocation.

The Sub-Fund is expected to conduct securities lending in the range of 0-40% of its net asset value. The Sub-Fund is not currently expected to engage in repurchase or reverse repurchase transactions. The Sub-Fund may use financial derivative instruments for investment and hedging purposes. As the Sub-Fund invests in many foreign currencies due to its regional orientation, the portfolio or parts thereof may be hedged against the base currency of the Sub-Fund in order to reduce the associated foreign currency risks.

The Sub-Fund includes the following environmental, social and governance (ESG) promotion features:

- the Sub-Fund will not directly invest in companies which breach the principles of the UN Global Compact, unless credible corrective action has been taken;
- the Sub-Fund aims to have a lower absolute carbon intensity than its benchmark and/or an absolute carbon emissions figure of less than 100 tonnes per million US dollars in revenue;
- the Sub-Fund aims to maintain a sustainability profile (as measured by its weighted average UBS ESG consensus score<sup>1</sup>) that is higher than its benchmark's sustainability profile (as measured by its weighted average UBS ESG consensus score<sup>1</sup>) and/or aims to have a minimum of 51% of assets invested in companies with sustainability profiles in the top half of the benchmark (ranked by UBS ESG Consensus Score<sup>1</sup>).

The calculation does not take account of cash and unrated investment instruments.

The Sub-Fund uses the benchmark MSCI Emerging Markets (net div. reinvested) to measure performance and the ESG profile, as well as for ESG and investment risk management and portfolio construction purposes. The benchmark is not designed to promote ESG characteristics. The Portfolio Manager may use discretion when constructing the portfolio and is not tied to the benchmark in terms of investment selection or weight. This means that the investment performance of the Sub-Fund may differ from the benchmark. For share classes with “hedged” in their name, currency-hedged versions of the benchmark may be used if available.

<sup>1</sup> Please refer to the Sub-Fund's investment policy in the section titled "The sub-funds and their special investment policies" in the Prospectus for further details on the UBS ESG consensus score.

## Use of derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

## What are the key risks?

**Investment involves risks. Please refer to the offering document for details including the risk factors.**

### Investment risk

- The Sub-Fund is an investment fund. There is no guarantee of the repayment of principal.
- The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses.

### Currency risk

- The Sub-Fund may hold assets that are not denominated in its base currency. Also, a share class may be designated in a currency other than the base currency of the Sub-Fund. In the short to medium term, the actual exchange rates can deviate from the long-term equilibrium due to different types of focus in the market such as geopolitical, capital flows, risk appetite and macroeconomic expectations. The net asset value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls. Under extreme market conditions and circumstances, such currency fluctuation may potentially result in total loss.

### Equity risk

- The Sub-Fund's investment in equity securities is subject to general investment risks. The returns of securities are affected by various factors including changes in investment sentiment, political and economic conditions, issuer-specific factors, the underlying strength of cash flows, balance sheets and management. These factors may impact the ability of the underlying company to meet the challenges of fluctuating economic growth, structural change and competitive forces and the ability to pay dividends to shareholders.
- Dividends declared by the companies in which the Sub-Fund may invest are not guaranteed. Investment in equities may result in the loss of capital.

### Emerging market risks

- The Sub-Fund invests in “emerging markets”. Investors should note that such emerging markets are at an early stage of development and suffer from certain increased risks and involve special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- High market volatility and potential settlement difficulties in the emerging markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Sub-Fund.
- Securities exchanges in emerging markets typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on the Sub-Fund.
- The relevant rules and regulations on the Stock Connect are subject to change which may have potential retrospective effect. The Stock Connect is subject to quota limitations. Where a suspension in the trading through the programmes is effected, the Sub-Fund's ability to invest in China A-Shares or access the mainland Chinese market through the programmes will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective

could be negatively affected.

#### Risks relating to securities lending transactions

- Securities lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

#### Risks connected with the use of derivatives

- Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Sub-Fund. Exposure to derivatives may lead to a high risk of significant loss by the Sub-Fund.

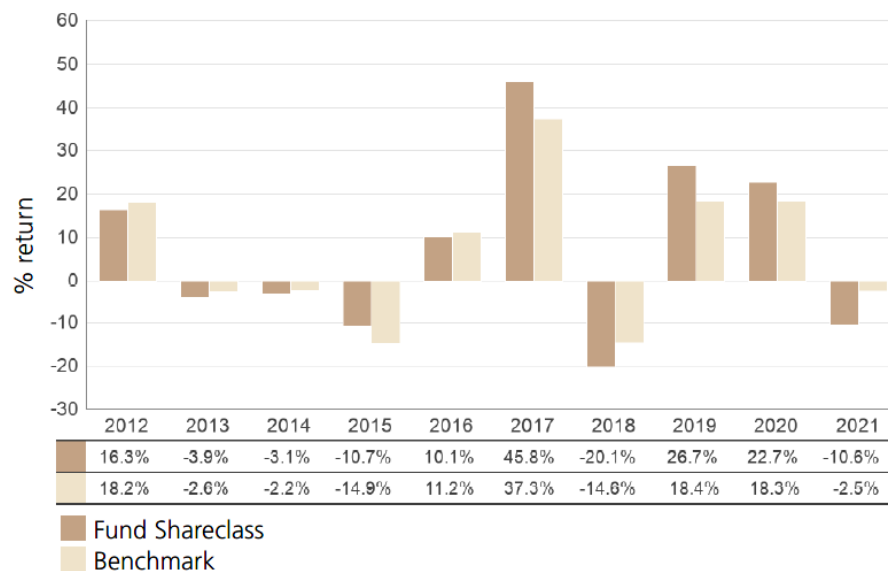
#### Risk relating to distribution out of capital or out of gross income

- Any distributions from the gross income and/or involving the capital and/or capital gains may result in an immediate reduction of the net asset value per share of the Sub-Fund. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment.

#### Risk relating to distributions at fixed rate

- Shares in classes with "4%" in their name may make monthly (-mdist) distributions at the annual percentage rate of 4%, gross of fees and expenses. Investments in these classes are not an alternative to a savings account or fixed-interest paying investment. The percentage of distributions paid by these classes is unrelated to expected or past income or returns of these classes or the Sub-Fund. The distribution can thus be higher or lower than the income and return that were effectively realised.
- These classes will continue to distribute in periods that the Sub-Fund has negative returns or is making losses, which further reduces the net asset value of the Sub-Fund. In extreme circumstances, investors may not be able to get back the original investment amount.
- Investors should note that a positive distribution yield does not imply a positive return. These classes do not distribute a fixed amount and the constant percentage of distribution results in higher absolute distributions when the net asset value of the relevant class is high, and lower absolute distributions when the net asset value of the relevant class is low.

### How has the Sub-Fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the share class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing

- charges and excluding subscription fee and redemption fee you might have to pay.
- Sub-Fund launch date: 23 September 2008
- P-acc launch date: 25 September 2008
- P-acc is selected as representative share class as it is the major share class subscribed by investors or denominated in the Sub-Fund's base currency.
- **"Benchmark"** as shown in the graph above refers to the benchmark as disclosed under the objective and investment strategy above.

## Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-Fund.

<u>Fee</u>	<u>What you pay</u>
<b>Subscription fee:</b>	Up to 5%* of the subscription amount
<b>Switching fee: (Conversion fee)</b>	Up to 5%* of the net asset value per share of the Sub-Fund or share class from which the shareholder is switching out multiplied by the number of shares to be switched by the shareholder)
<b>Redemption charge:</b>	NIL

*\* Investors should note that in respect of "mdist" share class, a maximum of up to 6% may be charged upon giving 1 month's prior notice to affected investors.*

### Ongoing fees payable by this Sub-Fund

The following expenses will be paid out of the Sub-Fund's assets. They affect you because they reduce the return you get on your investments.

	<b>Annual rate (as a % of average net asset value (NAV) of the Sub-Fund)</b>
<b>Management fee Depositary fee &amp; Administration fee:</b>	For non-currency hedged share classes P: 1.92% p.a. This is the maximum flat fee^ the Sub-Fund may charge (maximum management fee at 1.54% p.a.).  Investors will be given at least one month's prior notice (or such notice period as the SFC may approve in advance) in respect of any increase in the level of the flat fee.
<b>Performance fee:</b>	N/A

*^ The maximum flat fee does not include the following fees and additional expenses which are also charged to the Sub-Fund, such as but not limited to additional expenses related to management of the Sub-Fund's asset for the sale and purchase of assets, auditor's fees for annual audit, fees for legal and tax advisers, costs for the Sub-Fund's legal documents etc. The aforementioned fees and additional expenses are not an exhaustive list, for further details, please refer to the section headed "Expenses paid by the Company" and under the heading "The sub-funds and their special investment policies" in the Prospectus.*

### Other Fees

You may have to pay other fees and charges when dealing in the shares of the Sub-Fund. Refer to the offering document for details.

## **Additional Information**

- You generally buy and redeem shares at the Sub-Fund's next-determined net asset value (NAV) after the relevant authorized distributor or the Hong Kong Representative receives your request in good order by or before 5:00 pm (Hong Kong time) on a business day in Hong Kong. The relevant authorized distributor(s) may impose different dealing deadlines for receiving instructions for subscriptions, redemptions or switching. Investors should pay attention to the arrangements of the relevant authorized distributor(s) concerned.
- The net asset value of this Sub-Fund is calculated, and the price of the shares published, each business day (as more particularly defined and described in the offering document), the prices are available online at <https://www.ubs.com/hk/en/asset-management/>\*.
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from <https://www.ubs.com/hk/en/asset-management/>\*.
- The compositions of the distributions (i.e. the relative amounts pay out of (i) net distributable income and (ii) capital) for the last 12 months will be made available by the Hong Kong Representative on request and also on <https://www.ubs.com/hk/en/asset-management/>\*.

*\* This website has not been reviewed by the SFC and may contain information on sub-funds which have not been authorised by the SFC and are not available to the retail public in Hong Kong.*

## **Important**

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.