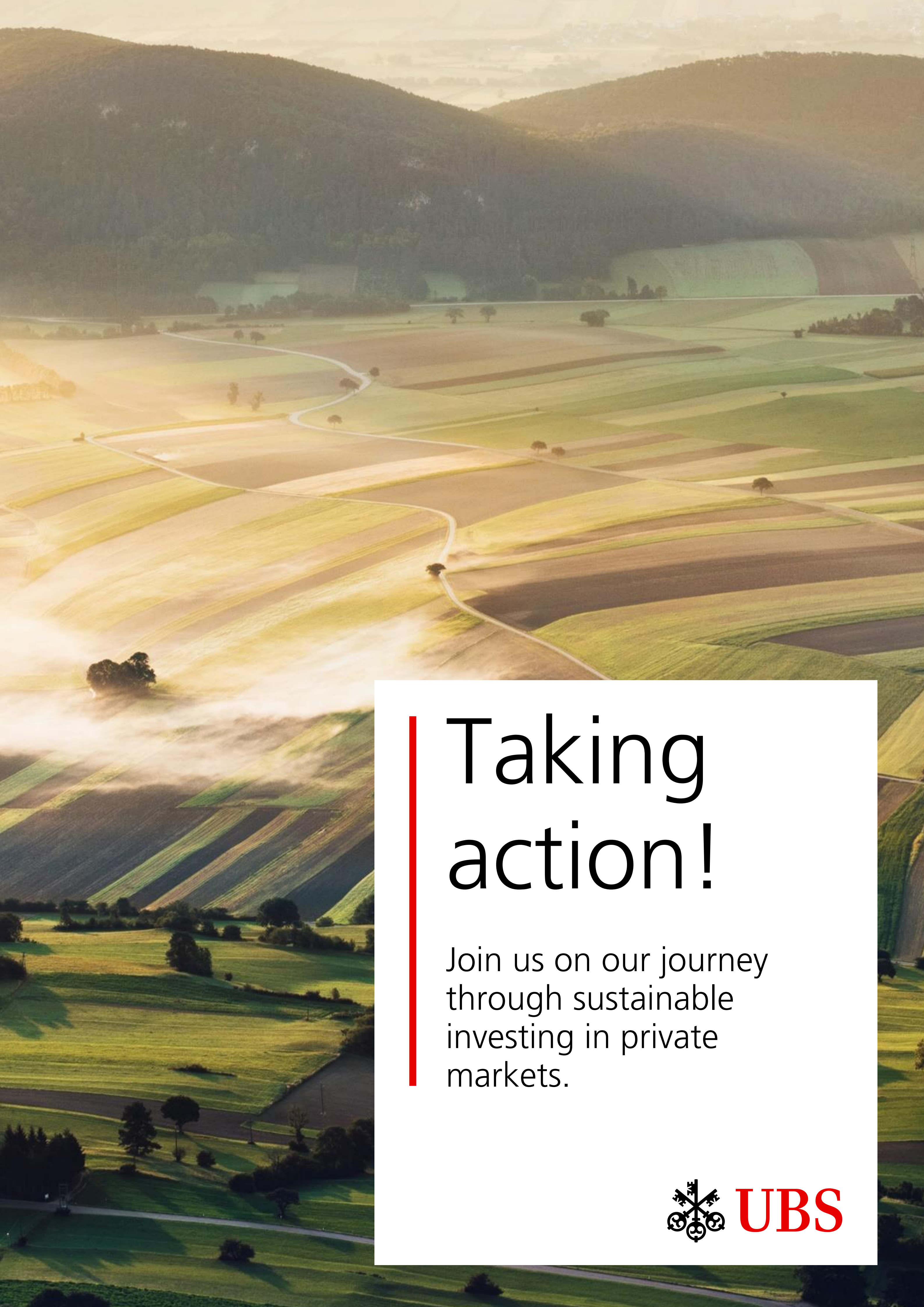
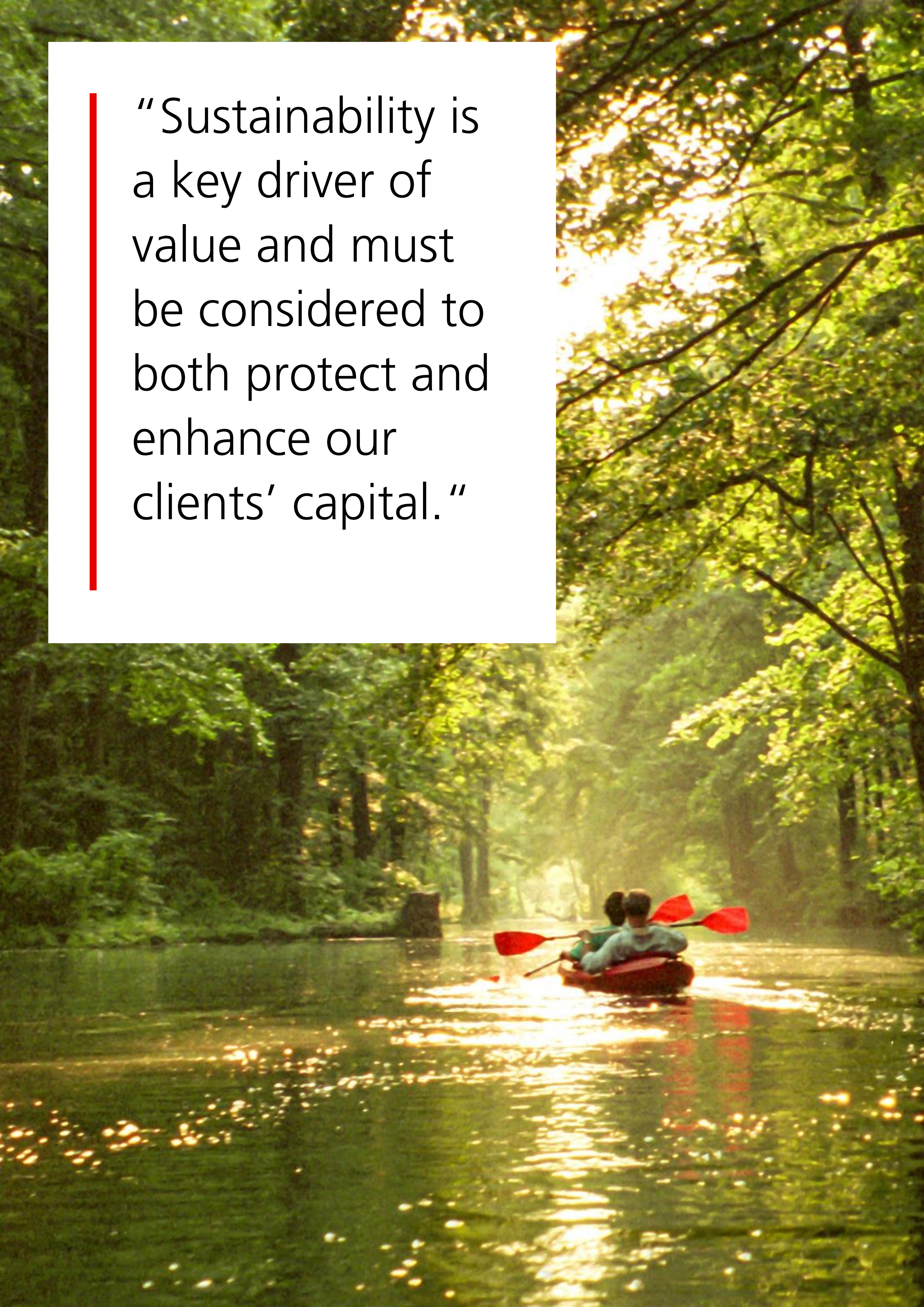


Taking action!

Join us on our journey through sustainable investing in private markets.

UBS

"Sustainability is a key driver of value and must be considered to both protect and enhance our clients' capital."



Contents

> “We believe there is an extreme shortage of sustainable assets and the supply-demand differential will only grow in the future.“
>
> **Olivia Muir**, **Head of Sustainability, Real Estate & Private Markets**

Sustainability has been part of Real Estate & Private Markets (REPM)’s DNA for decades. Today, it forms an integral part of client discussions and investment decision across our business, grounded in our belief that sustainability is a key driver of value and must be considered to both protect and enhance our clients’ capital. And the sustainability topic is only increasing in importance.

Tenants are making net zero commitments, needing net zero aligned real estate accordingly. Regulators are introducing ratcheting emissions limits across sectors. Clients are demanding executable investment solutions across an array of sustainable themes. The acceleration of these trends over 2023 has cemented REPM’s long-held belief: there is an extreme shortage of sustainable assets and the supply-demand differential will only grow in the future.

Consequently in 2023 we have focused on delivering new capabilities targeting some of the big issues facing our planet and its people. These capabilities include a global team focused on decarbonization in the transportation sector, expansion of existing strategies in the healthcare space and progress on the brown to green transition in real estate with two major partnerships established at REPM and UBS levels. The 2024 new capability pipeline looks busy too, with new ideas being pursued in the food security business, impact lending and in natural capital opportunities.

In our existing strategies we have made significant progress in our approach towards climate risk and the measurability of our sustainability progress, all while contending with the slew of changing regulations, standards and other stakeholder and client requirements.

In this, our 14th annual sustainability report, our teams detail their progress in our existing businesses’ approaches to sustainability, and we cover some of the new capabilities in the sustainability themes that we believe will become norm in the near future.

Thank you for joining us on this journey!

Olivia

Strategy and execution

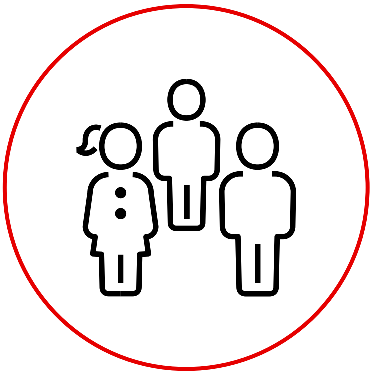
Our sustainability resources and governance has evolved over 2023 to reflect the growth of the topic, both in size and importance.

Planet

We are fiduciaries of our clients' capital and our primary goal is to deliver strong risk-adjusted returns. This necessitates the comprehensive inclusion of sustainability throughout our investment process in all our businesses.

Sustainable investing has the potential to add value in countless (quantitative and qualitative) ways: improved management of physical risk and resulting impacts; reduced risk of regulatory non-compliance; improved competitive positioning; potential for climate-related upside and opportunity; reduced ongoing expenses; the list could go on.

And this is why we place sustainability as one of the key factors in REPM decisions and discussions, captured in our sustainability statement that is applied across all our business areas.



People

Partnerships

"To integrate sustainability across our private markets activities and provide sustainability-focused solutions to our clients and stakeholders, based on our expectation that this will drive long-term returns for investors and contribute to a measurable and more sustainable future for all."

Three key pillars

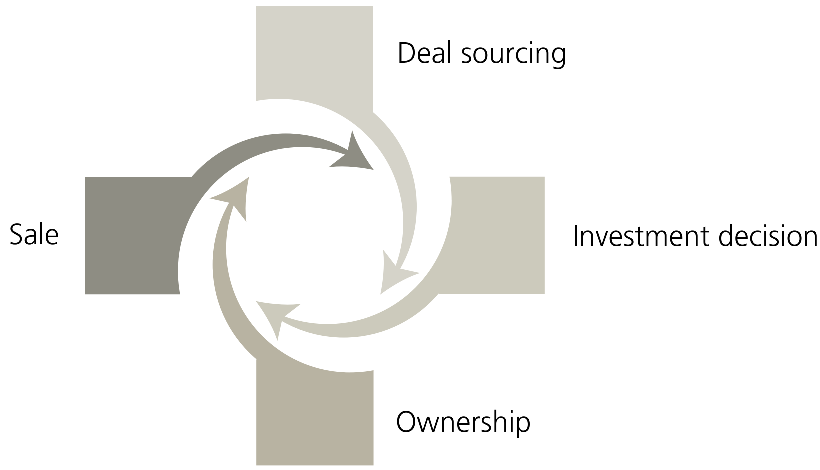
Our strategy breaks down into three key pillars:

Planet
Create and own climate risk resilient assets and offer net zero aligned investment solutions.

People
Create and own assets that contribute to society and communities, impacting lives positively.

Partnerships
Collaborate across UBS, our stakeholders and the industry to accelerate the sustainable agenda and maximize impact globally.

In practice, this means ensuring comprehensive and ever-evolving climate risk and opportunity analyses (and necessary action plans, where possible or relevant) are built into sourcing, investment decision, ownership and exit phases of our assets. Social impact is also considered, where relevant. This is integrated in the investment process and applied across REPM, from direct real estate to indirect private equity to agriculture and the many varied business areas where relevant. Further information on specific approaches in each business is in the following pages and available on request.



In 2023, our explicit focus areas included expansion of the sustainability product shelf, meaning upgrades of existing strategies as well as launch of new capabilities and strategies. We have also focused on our net zero approach, its robustness and asset level net zero pathway alignment (where relevant) as well as our broader environmental targets for controlled assets. As part of our net zero focus REPM has worked with the UBS Chief Sustainability Office to establish a partnership with a global engineering firm to create and rollout a real estate decarbonization tool, which is now being tested.

Our data quality, coverage and storage approach also remains in focus as an underlying pillar to many of these efforts and demands continued attention. We have also built out and substantiated our engagement and active ownership approach, including green lease best practice guidance for our teams globally as well as education of our internal stakeholders and teams. Finally, our physical risk approach has evolved since onboarding MunichRe as our provider for physical climate risk assessment at the end of 4Q22.

This is all on top of the quickly-evolving regulatory landscape, and existing market standards, e.g. Global Real Estate Sustainability Benchmark (GRESB), thought leadership and active industry involvement.

Over last year, the central REPM sustainability team has continued to expand, with new joiners in Zurich and London, which reflects the growing needs and importance associated with the topic as well as our ambitious 2023 goals we have outlined. The REPM sustainability team now comprises seven full-time employees with a further seven sustainability-dedicated specialists within the REPM business areas and additional partially dedicated professionals. The team will grow further as the integration of Credit Suisse staff, products and processes progresses.

With a growing team and continued escalation of the sustainability topic's importance, the need for sustainability governance has equally increased. Across UBS Asset Management (UBS-AM) there have been a number of changes relating to sustainability governance and REPM is now represented across all these governance bodies accordingly (where relevant). In 2023, additional process and policy changes have taken place, as well as the integration of Credit Suisse's approaches and existing frameworks. This has included the establishment of a more detailed impact framework within our wider sustainable classification framework to apply across UBS-AM's shelf. A REPM strategy was the first to be approved as 'impact' under this new governance framework.

Within REPM, we have a long-established monthly forum governed by its own Terms of Reference, with clear responsibilities and membership. REPM's Sustainability Management Forum (SMF) enables structured engagement and constant exchange and improvement of ideas and best practice knowledge, but is not a decision-making body. Comprising experts from multiple countries and disciplines, the SMF considers and discusses the implementation of decisions on the ground by REPM's various Sustainability Working Groups and also includes participants from outside REPM to ensure a range of inputs and views.

But it isn't just the sustainability specialists or working group members that are working on sustainability initiatives and ideas in REPM. Sustainability is firmly embedded into every employee's annual working and development environment, including a dedicated ESG curriculum targeting private market topics. And since 1Q23, many REPM employees have at least one sustainability-oriented goal in their annual objectives creating a clear link between sustainability deliverables and annual performance along with compensation.

By diving deeper into some of the 2023 focus areas in the next page, we hope to give you a good understanding of the complexity of challenges faced and the comprehensiveness of solutions we are working on.

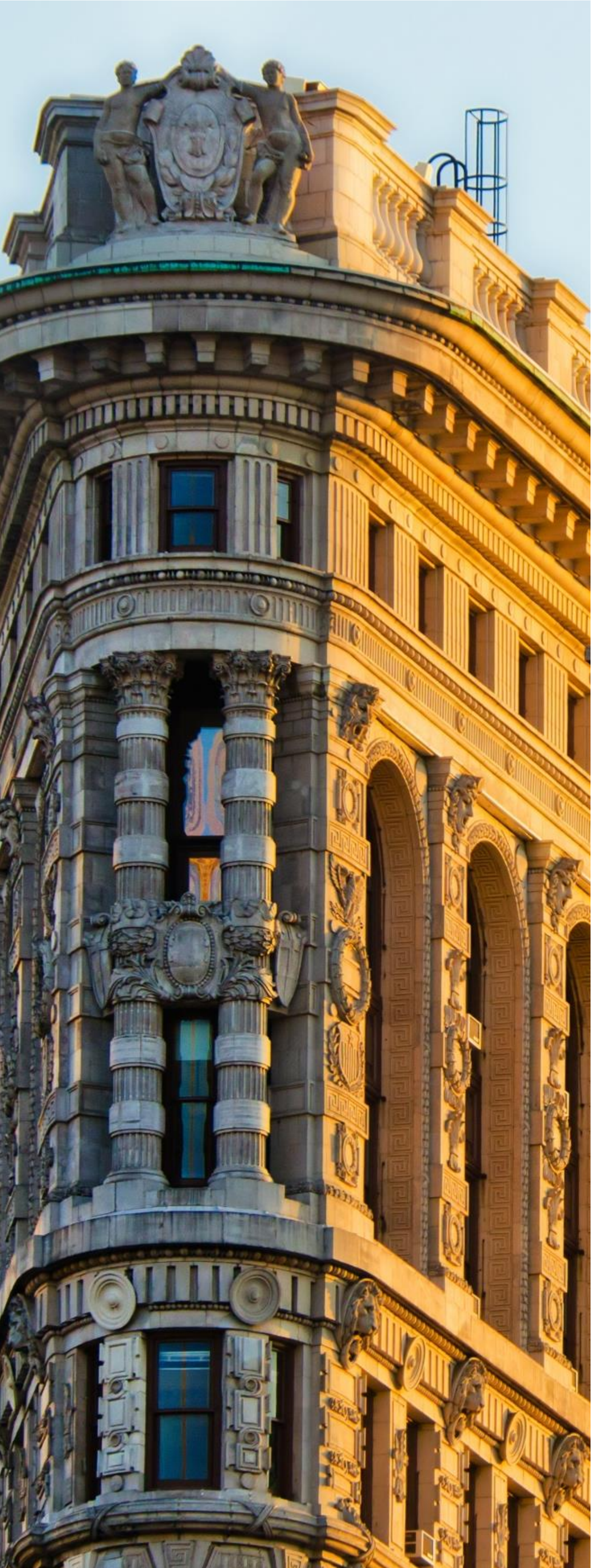
Climate risk

As a global financial institution, it is our responsibility to help clients navigate the challenges of natural hazards due to climate change and the transition to a low-carbon economy. In REPM, there is a climate risk management process to identify, assess and potentially mitigate climate risks to improve adaptation and/or resiliency of our portfolios to climate change-related hazardous events and the transition to a net-zero world. This approach is embedded throughout the investment lifecycle for underlying assets of portfolios, where relevant and possible.

Once at the acquisition stage, climate (physical and transition) risks and opportunities are assessed, where relevant, during the due diligence process and captured in Investment Committee (IC) memos. The tools and approaches used to do this vary between businesses, according to availability of data and best practice. On an ongoing basis, standardized risk processes are run by our independent risk teams quarterly and include indicators on physical and transition risk exposure, as an example of one of the ESG metrics that may be assessed. This uses the latest available data to identify high risks and mitigation options; this is incorporated into the annual business planning process and where necessary these are escalated to investment decision making bodies.

We consider key transition risks using our proprietary in house ESG Dashboard which assesses directly controlled real estate assets' environmental performance against science-based pathways and targets where data is available and GRESB participation occurs. Assessment of transition risk using the IEA framework is applied for some of our direct Infrastructure investments. Standardized DDQs are used in our multi manager investment businesses (MMRE, MMPE and MMINFRA) to understand climate risks at fund and asset level where possible. In addition, MMRE (Multi-Managers Real Estate) independently assesses physical risk and transition risk using S&P Trucost and CRREM decarbonisation pathways, respectively.

More broadly, tackling carbon emissions is vital to achieve our UBS-AM and UBS Group wide net zero ambitions. For our direct investments in Real Estate, we apply science-based carbon and energy reduction pathways and the IPCC 'Below 1.5 with no or limited overshoot' scenario emissions reduction target range to guide the decarbonization of assets and portfolios where relevant. This decarbonization progress, at asset and portfolio level, is monitored internally and formally pursued in a number of European funds (where legal commitments towards net zero have been made), while informally considered internally for other funds that have not yet legally committed to these pathways, while the implications of doing so are assessed. The pathways and decarbonization targets support the progress of an asset's carbon reduction performance to achieve interim targets and support our ambition to reach net zero by 2050, where set. In 2023, UBS-AM aligned a number of our direct real estate strategies to a real estate-specific Net Zero framework, aiming for improved energy efficiency and increased use of green energy sources for the properties. The funds' decarbonization targets follow science-based carbon and energy reduction pathways.



ESG regulation

The landscape is constantly changing and growing. In 2023, the EU and UK made a particularly strong start with many requirements due and upcoming such as SFDR Level 2 RTS, EU Taxonomy, TCFD, SDR, CSRD, ESRS, TNFD and others. The US also followed with adoption of amendments to fund name rules. Today, there are more than 600 different sustainability reporting standards, industry initiatives, frameworks, and guidelines around the world.

This means that constant attention and resource must be devoted to continued regulatory compliance by all investment managers. With our global client base, global product offering and diverse products across asset classes, this is certainly true in REPM.

In 2023, UBS-AM has redefined the AM Sustainable Investing Framework, updating it to take account of the constantly evolving environment in which we operate as well as the integration of Credit Suisse. This framework includes minimum standards for different sustainable product classifications, tailored to each business area within REPM and across UBS-AM.

As part of this framework review, our approach to exclusions has also been considered and enhanced. The UBS-AM Sustainability Exclusion Policy is a publicly available document and is applicable across UBS-AM.

Our future focus

In 2024, our focus will encompass many of the same 2023 themes; in particular, build out new sustainability capabilities and strategies, continued refinement of our physical risk and net zero approach, to name just two. Data continues to be a priority, with further improvements and scrutiny of the quality and coverage firmly in focus and the incorporation of quality information even further into our decision-making.

Last but definitely not least, keeping up with the raising bar of sustainable industry standards and regulatory requirements will require its fair share of attention.

Making an impact

Putting our theory into practice.

Case study 1: Real Estate Switzerland

Solar power attractiveness

Photovoltaic project, Switzerland

Capturing solar energy on the roofs of our managed buildings for the benefit of our tenants and investors.

About the project
In partnership with the Energie Zukunft Schweiz AG association, we are working towards meeting the electricity needs of our real estate portfolio via renewable energies. We launched a major project for the planning and construction of photovoltaic systems on the roofs of our Swiss portfolio of buildings several years ago and set ourselves some ambitious targets that we commit to and report on year after year.

Sustainability overview
Each individual project aims to offer solar power to tenants at attractive terms, while also creating added value for our investors. Recent projects show that there is a high demand for locally-produced solar power, especially among commercial tenants, demonstrating that these systems can also increase the attractiveness of a property for tenants.

Our value add
Our photovoltaic project started in 2017 with the construction of three photovoltaic systems. This led to the launch of a large-scale roll-out across our entire Swiss portfolio in the summer of 2018. Our 2018 target was achieved – the construction of 100 PV plants by the end of 2022. As of today, we have installed over 10 MwP capacity producing electricity for around 4,000 households. In 2023 only, we added PV solutions to an additional 26 assets. The continuous identifications of potential projects, evaluation and realization is an ongoing process.

Case study 2: Infrastructure

Utility-scale energy storage

Energy Storage Investment, US

Supporting the growth of renewable energy markets, with large energy storage solutions.

About the asset
We have invested in stand-alone energy storage projects in Texas' ERCOT market. The projects provide a variety of products and services to the ERCOT grid, including energy and grid-stabilizing reserves.

Sustainability overview
This asset qualifies as a sustainable investment under the current EU Taxonomy due to the role the sector plays in supporting the growth of the renewable energy market. We were also a founding member of the Energy Storage Solutions Consortium, a group working towards a third-party-verified methodology to quantify the Green House Gas (GHG) reduction benefits of energy storage projects.

Our value add
We have actively managed the development of the project, as well as a number of other similar projects in the US, including equipment selection. We entered into a master agreement with Canadian Solar Inc. for up to 2.6 GWh of battery solutions to support the energy storage investment strategy.

Case study 3: Multi-Managers Real Estate

Renewable energy for tenants

Project Gold, UK

Driving net zero incentivization and action through scale and relationships.

About the asset
Project Gold is a recapitalization of a core, stabilized portfolio of UK single-family housing assets. The units are predominantly in the north of England situated in or close to major urban areas.

Sustainability overview
The manager, a niche UK outfit, had made good progress with their sustainability agenda, and investor references performed by Multi-Managers Real Estate (MMRE) confirmed the manager's existing competence. MMRE brought new knowledge to the table, improving on the portfolio's ESG performance capabilities and upgrading its formal ESG ambitions and targets.

Our value add
We implemented rent discounts for tenants who subscribe to renewable energy providers, to assist in the vehicle's net zero carbon (NZC) pathway (set a NZC target by 2040 - all scopes). We obligated the manager to perform full GRESB submissions starting in 2023; provide full transparency over assets' and units' energy use data; and be SFDR Article 8-compliant within 18 months (previously Article 6). We commissioned regular third-party audits of the portfolio's carbon footprint; underwrote ancillary capex to (i) upgrade all units to a minimum EPC-B (existing minimum EPC-C), and (ii) add renewable energy equipment to assets to mitigate GHG emissions.


Case study 4: Infrastructure

Bridging the digital divide

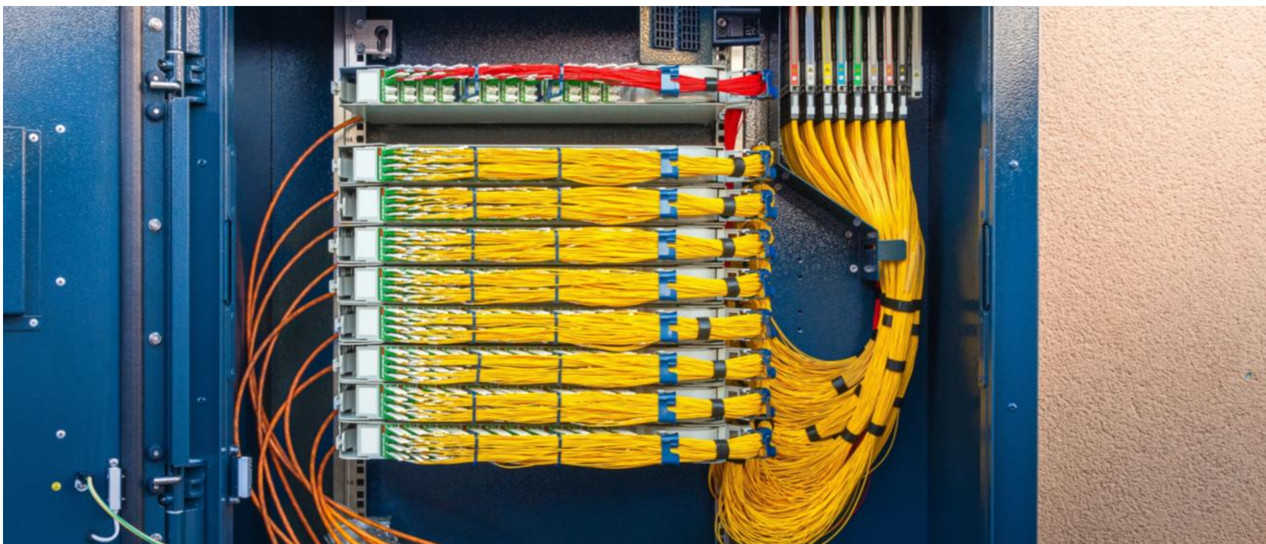
Northern Fiber Holdings, Germany

German fiber developer and network for underserved areas.

About the asset
Northern Fibre Holdings (NFH) is a company which operates fiber networks offering broadband internet access and telecommunication services to its B2C and B2B customers in Germany. We acquired Lünecom in September 2021, and then supported the acquisition of Sewikom, a bolt on acquisition for Lünecom, forming Northern Fiber Holdings (NFH) group.

Sustainability overview
Germany ranks below other European countries in terms of Fiber to the Home/Business (FTTH/B) coverage despite being the largest economy in Europe. Focusing on rural and remote regions, NFH contributes to the improvement of rural connectivity, increasing equity of access to high-speed internet.

Our value add
Our acquisition enabled NFH to fund the expansion of the fiber network into adjacent underserved regions. NFH is targeting to reach 300,000 homes passed by the mid-2020s and enable high-speed broadband at municipal facilities, including schools and health facilities. In April 2023, we successfully secured EUR 240m debt financing from a consortium of European banks, to deploy approximately EUR 450m to fund the expansion plan. We have supported NFH to report on key sustainability indicators for the first time (including GHG emissions, energy, health and safety); complete their first employee and customer satisfaction survey; and develop their approach to sustainability risk management.

Case study 5: Real Estate EMEA

The greening of logistics

Velocity Point, UK

Developing new hubs of logistics excellence, while respecting the highest standard of sustainability in buildings.

About the asset
Velocity Point is a new urban logistics / industrial business park in Leeds extending across 13 acres and is currently under construction, just completed in 4Q23. The site is well located for last-mile deliveries, providing access to the A643, Junction 2 of the M612 and Leeds City Centre all in less than 10 minutes.

Sustainability overview
This asset comprises nine units totaling 250,000 sq ft, ranging from 3,500 to 108,500 sq ft and have been carefully designed to an EPC Grade A specification and a targeted BREEAM Excellent Grade.
The development has a sharp focus on sustainability, with renewable and environmentally responsible features integral to the scheme. These include LED lighting and daylight-saving controls; high efficiency office heating and cooling systems; energy monitoring management systems; and insulation designed to optimize operational efficiency.

Our value add
Together with the alignment to EPC Grade A specifications, we have committed to investing in on-site renewable energy sources, including solar PV panels and roof lights reducing the need for artificial warehouse illumination. We are also installing electric vehicle charging points and bike shelters to encourage a sustainable commute.

Case study 6: Multi-Managers Infrastructure

Wind park repowering

Momentum, Denmark

Repowering infrastructure with sustainable greenfield developments, lifetime extension projects in wind and solar power.

About the asset
Momentum Energy is a Danish-based integrated renewable energy investment and services platform, that owns a diversified pipeline of wind and solar projects. The company is majority-owned by Arcus Infrastructure Partners, a long-standing relationship with our team, focusing on ESG aspects throughout their assets.

Sustainability overview
Momentum aims to promote the use of refurbished turbines and components for repowering and lifetime extension projects. In 2022, c. 600 turbines serviced were past their original design lives and would have otherwise been decommissioned and sent to landfill. In addition, in 2022 Momentum generated 290 GWh of renewable energy across its portfolio, which was enough to power c. 75’000 households. Circa 27’000 net tons of CO_2 were avoided in 2022 through the production of this renewable energy by the platform.

Our value add
We apply a combination of positive screening and exclusions to identify fund managers with sound ESG management capabilities like this one. We ensure their accurate reporting of 10+ ESG KPIs (like the renewable energy capacity generated) and PASI data contributing to improving data transparency.
We are a voting member of the Arcus Limited Partners Advisory Committee and have been engaging on many governance-related matters. Wherever required, we seek to obtain opt-out rights in the side letters to manage blind pool risk and ensure that underlying assets are in line with our ESG requirements.

Corporate dedication

Determined to deliver the transparency needed to support meaningful actions on sustainable investment.

At UBS, we're helping our clients mobilize their capital towards the achievement of the United Nations' 17 Sustainable Development Goals (SDGs) and transition to a low-carbon economy. Through our activities, we're taking an active role in accelerating the transition to a net zero global economy by 2050 and focusing our philanthropy and community activities on health and education. But making a real impact will only be possible through joining forces with our network of partners from across the globe.

For over a decade, UBS has been a member of GRESB a third-party organization that provides ESG data to financial markets. GRESB collects, validates, scores, and independently benchmarks ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions for investors, asset managers, and the wider industry.

Furthermore, we are a founding member of Leading Harvest, an outcomes-based sustainability standard that addresses 13 principles, 13 objectives, 33 performance measures, and 71 indicators core to farmland sustainability. These components address efficiently using water, agricultural chemicals, and energy to grow crops as well as conserving soils and biodiversity while also minimizing waste. Additionally, they take into consideration the wellbeing of farmland tenants, employees, and local communities. Conformance to the Standard is assured through independent, third-party certification, enabling stakeholders to make verifiable claims to the market while strengthening credibility, reputation, and social license.

The list below includes some of our key memberships and commitments across UBS.

UBS key commitments:
– Net Zero Banking Alliance (founding member)
– CDP: Included in the CDP A List for Climate Change Action in 2023
– Global Reporting Initiative
– Taskforce on Climate Related Financial Disclosure (TCFD)
– Taskforce on Nature-related Financial Disclosures (TNFD)
– Global Impact Investing Network
– Roundtable on Sustainable Palm Oil
– Sustainability Accounting Standards Board
– Swiss Sustainable Finance
– United Nations Environmental Programme (UNEP) - Finance Initiative
– UN Sustainable Development Goals
– UN Global Compact
– IFC Operating Principles for Impact Management

UBS-AM key commitments:
– Net Zero Asset Managers Initiative (founding member)
– Principles for Responsible Investment (PRI)
– International Corporate Governance Network
– Institutional Investors Group on Climate Change
– Asian Corporate Governance Association
– UK Investor Forum
– UK Governance Forum
– GRESB
– EFAMA Stewardship, Market Integrity and ESG Investment Standing Committee
– US Green Building Council (USGBC)
– Transition Pathway Initiative
– Farm Animal Investment Risk & Return
– Nature Action 100

We continually review our membership of specific initiatives in relation to environmental, social and corporate governance factors.

UN PRI Assessment
We received 4 stars (score of 86 compared to the median score of 62.5) for direct Real Estate, 5 stars (score of 92 compared to the median score of 80) for Infrastructure and 4 stars (score of 84 compared to the median score of 60) for indirect Real Estate, in the 2023 UN PRI Assessment.

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

Signatory of:
PRI Principles for Responsible Investment

Important information
The Principles for Responsible Investing ("PRI") is an investor initiative in partnership with UNEP Finance Initiative and UN Global Compact. PRI signatories are required to report publicly on their responsible investment activities each year. To download a copy of the UBS-AM public transparency report, please go to the bottom of our webpage *here*.

For more info about PRI, please consult the webpage *here* and learn more about PRI's scoring methodology *here*. Like all signatories, UBS-AM pays an annual membership fee to PRI and has paid no other compensation to PRI with respect to the assessment.

Reaching new heights

Strong results in the
2023 GRESB Assessments.

We use GRESB data to assess and benchmark the sustainability performance of our real estate and infrastructure investments to make sound, sustainable investment decisions and identify engagement priorities.

In 2023, GRESB assessed 2,084 real estate strategies and property companies, 172 infrastructure strategies and 687 infrastructure assets. Our submission included 25 strategies in total (21 Real Estate and 4 Infrastructure)[1] from across the globe, including Switzerland, Germany, Japan, US and UK.

These 25 strategies represent around USD 51 billion in assets.

100% of the 20 discretionary strategies submitted received either 4 stars or 5 stars, and all of them outperformed the GRESB average.

Management Component
All of our submitted discretionary strategies in both Real Estate and Infrastructure received full marks (30/30), continuing last year's record. The Management Component measures an entity's strategy and leadership management, policies and processes, risk management and stakeholder engagement approach.

Performance Component
Of the 17 disclosed real estate strategies, REPM scored a total average of 60/70[2] up from the 51/70 average of last year surpassing the 48/70 GRESB average. The Performance Component measures indicators such as energy consumption, GHG emissions, water consumption and waste.

Development Component
Dedicated to entities involved in new construction, REPM submitted a total of eight strategies[1]. Two Swiss strategies maintained their 5-star rating and averaged 67/70[2], exceeding the 56/70 GRESB average, including our open-end core Swiss residential II strategy which kept 1st rank in its peer group.

Real Estate Assessment
Of the 17 disclosed real estate strategies, 12 achieved a 5-star rating, four of which ranked first against their peer groups.

Our open-end core UK strategy leads the 'UK Diversified category' for the seventh year running as the only strategy in its peer group of 113 to be 5-star rated. Our open-end core German logistics and open-end core European office strategies won sector leader titles for two and three non-listed sectors, respectively.

Infrastructure Assessment
The GRESB Infrastructure Assessment provides systematic assessment, objective scoring and peer benchmarking of the sustainability performance of infrastructure companies, operators and strategies. It provides two levels of assessment. The strategy Assessment contains 10 indicators focused on management and investment processes. The Asset Assessment addresses asset-level plans and policies, on-the-ground actions and operational performance.

Two of our infrastructure funds retained their 5-star rating with scores of 95 and 94 out of 100.

Notes: **1** Of the 25 submitted strategies, 1 Infrastructure strategy is in grace period and 4 Real Estate strategies are non-discretionary. 8 strategies participated in the Development module, of which 6 are disclosed. Only discretionary funds are disclosed in detail.
2 The unweighted average based on 17 disclosed Real Estate strategies, 3 disclosed Infrastructure strategies, 6 disclosed development submissions.

"REPM's teams have worked extremely hard to increase focus on sustainability topics in recent years and I'm delighted to see this effort reflected in an outstanding set of results in 2023. But the sustainability bar is rising swiftly; there is still a lot of work to do."

Olivia Muir, Head of Sustainability, Real Estate & Private Markets

Important information
GRESB is a third-party organization that provides ESG data to financial markets. GRESB collects, validates, scores, and independently benchmarks ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions for investors, asset managers, and the wider industry. UBS has been a member of GRESB for over a decade.

Award as of October 2023. UBS submitted 2022 data to GRESB for the 2023 Assessments. For more info about GRESB, please consult the webpage *here* and learn more about GRESB's scoring methodology *here*. GRESB is compensated annually by its members for the assessments, find out more *here*.

Multi-Managers Real Estate

Although our indirect real estate strategies do not participate in the GRESB Real Estate Assessment, a majority of our underlying investments do. The GRESB Real Estate Assessment is the most effective tool currently available for Multi-Managers Real Estate (MMRE) in assessing, monitoring, and reporting on our investments' ESG performance. The table below presents the GRESB rating and scores of MMRE's flagship comingled products, as well as their underlying investment participation rate in the 2023 GRESB Real Estate Assessment. GRESB scores of MMRE's products shown below outperformed the GRESB benchmark average of 75 (equal-weighted) and 80 (GAV-weighted). MMRE's products' Management and Performance scores against the GRESB benchmark averages of 28 and 52 (GAV-weighted), respectively, are also shown in the table below.

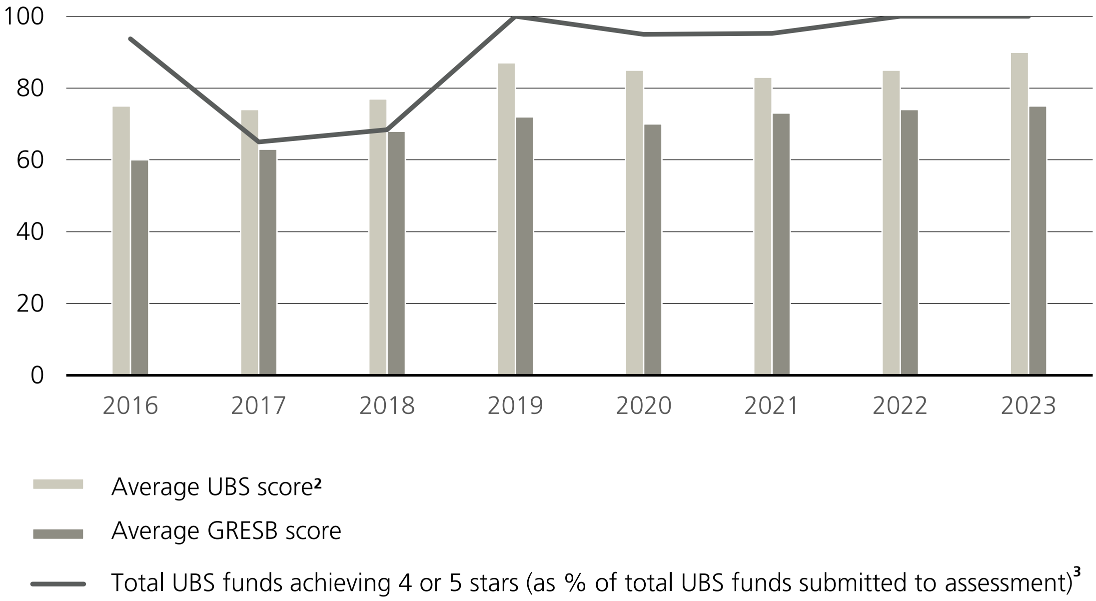
Product name	GRESB score[1]	GRESB rating	Management score (/30)	Performance score (/70)	% NAV[2] reported to GRESB	Risk profile
Global strategy	82	4 stars	29	52	98	Core
Swiss investment foundation	83	4 stars	29	53	98	Core
Global ex-Canada strategy	81	3 stars	29	52	95	Core
Global US strategy	80	3 stars	29	51	72	Core+

Notes: **1** GRESB rating and scores are weighted averages based on the sum of market value of underlying investments and undrawn open commitments (ex-cash allocation) as at 3Q23. Exclude investments in their GRESB 'Grace Period'. Calculated using FX rates as at end 3Q23. Past performance is not an indication for future results. **2** As at 3Q23 based on investments which participated in the 2023 GRESB Real Estate Assessment, including those in their 'Grace Period' and co-investments assessed within the main fund's participation in the 2023 GRESB Real Estate Assessment.

Long-standing performance

138 funds rated
4 or 5 Stars
since 2016[1]

The bar is rising but UBS strategies keep outperforming the average over time



Real Estate

90 /100 vs Avg. 75

GRESB score

30 /30 vs Avg. 27

Management score

60 /70 vs Avg. 48

Performance score

Infrastructure

94 /100 vs Avg. 83

GRESB score

30 /30 vs Avg. 28

Management score

64 /70 vs Avg. 55

Performance score

Source: UBS Asset Management, Real Estate & Private Markets (REPM), scores based on 2012-2023 GRESB Assessment data, October 2023; Notes: **1** The GRESB Star Rating, revised in 2016, is based on the GRESB Score and its quintile position relative to the GRESB universe. If an entity is placed in the top quintile, it will be a GRESB 5-Star rated entity; if it ranks in the bottom quintile, it will be a GRESB 1-Star rated entity. As the GRESB Rating is calculated relative to the global performance of reporting entities, it shows an entity's position on a global scale; Prior to 2016, GRESB scores were based on a Green Star designation, which was only provided for Real Estate Assessment participants scoring higher than 50% of the points allocated to each relevant component. In 2020, the GRESB Assessment structure fundamentally changed, establishing a new baseline for measuring Performance. GRESB advises against a direct comparison between 2020 GRESB Scores and prior year results. **2** Represents the mean (unweighted) average of GRESB scores of UBS real estate funds. **3** 20 strategies includes total number of submissions made to GRESB in 2023, 4 submissions were non-discretionary mandates and 1 in grace period and therefore excluded from the table.

Our targets and progress

In our last brochure, we stated our intention to review our targets, which were set over five years ago in a different world to the one we operate in today. Since then, we reassessed each target considering market practice, client requirements and available benchmarks and data. The result is outlined below; we have set 2030 interim targets to support our ambition towards our 2050 net zero goal in terms of energy and emissions, validating them against industry current best practice (including CRREM). In a number of funds in Europe and Switzerland, these net zero ambitions have been reflected in legal documentation whilst for our other funds, the practical and commercial implications of including net zero targets as legally binding elements at asset level are being assessed. Additionally, we track and target progress across all regions on additional key metrics, including water, waste, data coverage, renewables proportion and certification, also shown below.

Real Estate 2030 targets[1] (vs baseline)	REPM aggregated change 2022 vs 2021[2]
-50% GHG emissions intensity (Kg CO_2/m2)	-7%
-36% Energy intensity (kWh/m2)	-4%

2022 Highlights[3]

+0.3%

Water intensity (dm3/m2) 2022 vs 2021

38%

Waste diverted

49%

Of assets are Green Certified Buildings

18%

Renewable energy consumption

96%

Data coverage (GHG scope 1+2)

56%

Data coverage (GHG scope 3)

74%

Data coverage (energy)

Source: Targets and performance figures only cover GRESB submitted direct real estate funds under UBS Asset Management as at 31 December 2022 and over which we have discretion. The targets and progress are monitored internally and formally pursued in a number of European funds (where legal commitments towards net zero have been made), while informally considered internally for other funds that have not yet legally committed to these pathways. **1** Baseline year is set as 2021. Aggregated global targets are a weighted average of regional targets based on area (square meters). For all funds excluding Swiss ones, GHG emissions (Scope 1,2,3) intensity and energy intensity targets were developed in line with asset-specific decarbonization pathways developed by Carbon Risk Real Estate Monitor (CRREM). To calculate comprehensive GHG emissions and energy intensity targets which account for all our real estate assets (including those with incomplete data coverage), targets were scaled up using proxies. Specifically, targets represent either reported data grossed up to 100% (where coverage is less than 100% but more than 50%) or the CRREM benchmark as a proxy where coverage, days of data availability, or occupancy is less than 50%. All Swiss funds' targets are based on pre-existing legally binding targets communicated to investors and based on governments' directives: -50% GHG emissions (Scope 1,2) intensity by 2030 baseline 2019, and -30% energy intensity by 2040 baseline 2019. Here adapted to baseline 2021 and target 2030 to be consistent with global targets. **2** Aggregated and regional progress between 2021 and 2022 of GHG, energy, and water intensity are calculated using actual performance data for assets where data coverage is greater than 50% (i.e. excludes assets where coverage, days of data availability or occupancy is less than 50%). This performance data is sourced from each fund's GRESB submission in most cases. Regional progress for Switzerland specifically is based on data submitted and compliant to local market standard Reida Methodology. Averages for GHG, energy intensity, water intensity and associated data coverage figures are weighted based on area (square meters). **3** Diverted waste performance is weighted based on total waste consumption (as submitted in GRESB for each fund). Real estate assets in Switzerland are excluded from waste diversion performance calculations due to market differences in the collection of waste data. Renewable energy consumption is weighted based on kWh consumption and represents renewable energy sourced on- or off-site that is consumed in kWh divided by the total reported energy consumption in kWh; Green building certification percentage is calculated based on the total number of assets considered and refers both to design and operational certificates.

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