

UBS Investment Funds ICVC III

Annual Report & Accounts



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Introduction and Authorised Corporate Director's Report

We are pleased to present the report and accounts of UBS Investment Funds ICVC III for the year ended 30 September 2023.

We believe that our existing range of UK sub-funds across our four active ICVCs offers different investment objectives and a variety of risk profiles to suit investors' requirements. We have sub-funds aiming to achieve various objectives including: capital growth, income; outperformance of a benchmark and to achieve returns consistent with a benchmark.

In the following pages we will provide more information with regard to the global economy and the global markets together with individual sub-fund performance and outlook. We hope you find the report informative.

In accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority, we hereby certify the investment report and financial statements on behalf of the Directors of the Company.

During the year under review

- On 1 February 2023 a new Economies of Scale discount framework has been introduced for certain Class C Shares in our UK Fund range and the Authorised Corporate Director (ACD) will apply a discount to the ongoing charges of these Class C Shares to reflect the Economies of Scale generated by a significant growth of assets under management in the relevant Fund. As Funds become larger they typically benefit from a decline in fixed costs as part of the overall cost of holding the Fund. This framework was released as part of last year's Assessment of Value which reviews our UK Fund range across seven criteria, the full report can be found on the website of the ACD. The ACD has determined that Funds generally generate meaningful economies of scale when the Net Asset Value of the Fund reaches £1 billion. We will assess the size of the Funds that qualify for a discount on a daily basis and the applicable discount will be applied to the ongoing charges figure by the following Dealing Day. If the Net Asset Value of the Fund falls below the relevant threshold, the applicable discount will be reduced or removed from the Fund's ongoing charges figure. Details of which Class C Shares are included within the framework along with full details of the discount rates can be found in the relevant Fund's Prospectus. Class C Shares with an all-in-fixed fee approach are excluded as ongoing charges are already capped. Non-retail share classes are also excluded as they already have lower fees.

Since the year end the following has taken place

- As per investor mailings the ACD has decided to close the UBS Global Diversified Income Fund in the first half of 2024. The financial statements of the UBS Global Diversified Income Fund have been prepared on a break-up basis. The financial statements of the Company as a whole continue to be prepared on a going concern basis.

Ukraine/Russia Crisis

As a result of Russia's invasion of Ukraine, Russian stocks and bonds have been deleted from major indices. UBS Asset Management (UK) Ltd applies the policy and procedures as outlined in our offering documents and as approved by each fund's Board of Directors. Effective 3 March 2022, the UBS Asset Management Global Valuation Committee agreed to price all Russian equity local lines and ADRs/GDRs at zero. Currently there is no exposure to Russian instruments within this ICVC. UBS Asset Management Funds Ltd (The "ACD") complies with applicable legal and regulatory requirements across jurisdictions, including sanctions. The ACD continues to comply with the sanction regimes in all jurisdictions in which it operates. The ACD monitors the situation in Russia and Ukraine closely, to assess and mitigate any potential risk to the business and investors, where appropriate.

Other than the UBS Global Diversified Income Fund, mentioned above, there is no indication that the going concern assumption of the sub-funds is inappropriate.

No other events took place between the end of the Reporting Period and the date of the approval of these financial statements that would require disclosure in or adjustments to the amounts recognised in these financial statements.

We hope you will find the report and accounts useful. If you have any queries or comments please contact your financial adviser or alternatively contact us directly. Our broker desk will be happy to assist you on 0800 358 3012, or you can find additional information on our website at www.ubs.com/uk/en/assetmanagement.html

Statement of the Depositary's responsibilities in respect of the Scheme and Report of the Depositary to the shareholders of the UBS Investment Funds ICVC III ("the Company") for the year ended 30 September 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ("ACD") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the ACD:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee & Depositary Services Limited
250 Bishopsgate
London
EC2M 4AA

31 January 2024

Statement of the Authorised Corporate Director's ("ACD") responsibilities

The ACD is required by the Collective Investment Schemes Sourcebook ("COLL") and the Open Ended Investment Company ("OEIC") Regulations to prepare financial statements which give a true and fair view of the financial position of the Company at the end of each accounting period, the net revenue or expenses, the net gains or losses of the property of the Company and the movement in shareholders' funds for the year then ended. In preparing these financial statements, the ACD is required to:

- select suitable accounting policies and then apply them on a consistent basis;
- make judgements and estimates that are prudent and reasonable;
- comply with the Prospectus and applicable accounting standards subject to any material departures which are required to be disclosed and explained in the financial statements; and
- prepare the financial statements on the basis that the Company will continue in operation unless it is inappropriate to presume this.

For the reasons stated in the ACD's Report and Note (a) of the Accounting policies and risk profile, the financial statements of the UBS Global Diversified Income Fund have been prepared on a break-up basis as this Sub-Fund is not a going concern.

The ACD is also required to manage the Company in accordance with the Prospectus and the Regulations, maintain proper accounting records and take reasonable steps for the prevention and detection of fraud and other irregularities or errors.

Independent auditor's report to the members of the UBS Investment Funds ICVC III ("the Company")

Opinion

We have audited the financial statements of UBS Investment Funds ICVC III ("the Company") comprising each of its sub-funds, for the year ended 30 September 2023, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Company set out on pages 8 to 12, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 30 September 2023 and of the net revenue/expense and the net capital gains/losses on the scheme property of the Company comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's ("FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Financial Statements Prepared on a Break-up Basis

We draw attention to Note (a) of the financial statements which explains that the ACD intends to liquidate the UBS Global Diversified Income Fund and therefore does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements for this Sub-Fund only, have been prepared on a break-up basis as described in Note (a). The financial statements for the Company as a whole remain prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

The financial statements for the UBS Global Diversified Income Fund have been prepared on a break-up basis as disclosed in Note (a).

In auditing the financial statements of the remaining sub-funds, we have concluded that the ACD's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the remaining sub-funds' ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our audit report thereon. The ACD is responsible for the other information contained in the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our audit report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Companies, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

Responsibilities of ACD

As explained more fully in the ACDs responsibilities statement set out on page 4, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to wind up or terminate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Accounting Generally Accepted Accounting Practice, the Investment Management Association Statement of Recommended Practice (the "IMA SORP"), the FCA Collective Investment Schemes Sourcebook, the OEIC Regulations, the Company's Instrument of Incorporation and the Prospectus.
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators. We corroborated our enquiries through our review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. In response to our fraud risk, we tested the appropriateness of management's classification of material special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's Members, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
London

31 January 2024

Accounting policies, disclosures and risks of UBS Investment Funds ICVC III

Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Association (IA) in May 2014 and amended in June 2017, and in accordance with the United Kingdom Generally Accepted Accounting Practice as defined within FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements of the UBS Global Diversified Income Fund have been prepared on a break-up basis. Under this basis assets are recorded at their recoverable value and liabilities are recorded at their expected settlement value. Any additional costs in respect of the termination of the sub-funds will be borne by the ACD.

(b) Recognition of revenue

Dividends on equities and underlying funds are recognised when the security is quoted ex-dividend. Excess reportable income on offshore funds is recognised when reported. Revenue on debt securities is recognised on an effective interest rate basis. Deposit interest and interest on interest rate swaps is accounted for on an accruals basis. Fee rebates from investments in collective investment schemes are recognised on an accruals basis in capital or revenue, following the fee policy of the underlying Fund.

(c) Derivative accounting policy

In determining the accounting treatment for derivatives and forward foreign exchange contracts, consideration is given to the nature of the instrument itself and the sub-fund's objectives. Finance charges on interest rate swaps; dividends and finance charges on equity swaps; relevant revenue from property swaps and, depending on the underlying, total return swaps; and, interest on credit default swaps, are all taken to revenue. Option premiums on written covered calls on UBS Multi-Asset Income Fund only are also taken to revenue. If positions are to protect or enhance capital returns are treated as capital and included in gains/losses in the Statement of Total Return (SoTR). Similarly if to generate or protect income returns are included in net revenue in SoTR. Where positions generate total returns they will be apportioned between capital and revenue to reflect nature of transaction. Revenue is also recognised on bond futures. All other gains/losses from derivatives are taken to capital.

(d) Treatment of expenses

All expenses are initially charged in full against revenue, with the exception of transaction charges which are charged directly to capital.

The ACD may from time to time apply a ceiling to the fees charged within each sub-fund, in particular where the ratio of expenses to the value of the sub-fund are considered to be too high. A fee rebate, paid by the ACD back to the sub-fund, will be employed to reduce the net effect of fees in these cases. Where such rebates have been employed, these are shown in note 4 of the financial statements for the sub-fund.

(e) Stock dividends

Stock dividends are recognised as revenue and valued at the rate of the declared cash dividend and are included in the amount available for distribution. In the case of enhanced stock dividend, the value of the enhancement is taken to capital.

(f) Dividends from Real Estate Investment Trusts

Dividends from Real Estate Investment Trusts (REITs) are recognised when quoted ex-dividend. UK REIT dividends can be Property Income Distribution (PID) and non-PID for tax purposes. PID revenue is taxable in the sub-fund whereas non-PID revenue is treated in same way as dividends from UK companies.

(g) Special dividends

In accordance with the SORP, special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distribution. The tax treatment follows the accounting treatment of the principal amount.

(h) Underwriting commission

Underwriting commission is accounted for when the issue underwritten takes place. Where the sub-fund is required to take up all of the shares underwritten, the commission received is treated as a deduction from the cost of the shares taken up. Where the sub-fund is required to take up a proportion of the shares underwritten, the same proportion of the commission received is treated as a deduction from the cost of the shares taken up and the balance is taken to revenue.

(i) Allocation of revenue and expenses to multiple share classes

With the exception of the annual ACD charge and registration fees, which are directly attributable to individual share classes, all revenue and expenses are allocated to share classes pro rata to the value of the net assets of the relevant share classes on a daily basis.

(j) Distribution policy

Revenue produced by each sub-fund's investment decisions accumulates during each accounting period. If revenue exceeds expenses and taxation, taken together at the end of the accounting period, a distribution is available to be made to shareholders in accordance with the Regulations. Any revenue deficit will be borne by the capital account.

The sub-funds are not more than 60% invested in qualifying investments (as defined by the relevant regulation) and where applicable will pay a dividend distribution apart from the UBS Multi-Asset Income Fund which is more than 60% invested in qualifying investments and where applicable will pay an interest distribution. In the case of UBS Multi-Asset Income Fund all expenses are charged against capital for the purposes of calculating the amount available for distribution.

(k) Basis of valuation of investments

Listed investments, OEICs, Unit Trusts and offshore funds are valued at closing bid or single quoted price. Suspended securities have been valued at the lower of the suspended price or at a price which, in the opinion of the ACD, represents the likely realisable value of the security. Unlisted and transferable securities which are not approved have been valued at a price which, in the opinion of the ACD, represents the likely realisable value of the security. All the investments are valued close of business at 29 September 2023 being the last valuation point of the year.

The ACD uses available information to arrive at an estimated fair value for non-exchange traded derivatives held. The investment value of these contracts are determined through independent valuation techniques including price valuation models.

(l) Foreign exchange rates

Transactions in foreign currencies have been translated into Sterling at the exchange rate ruling on the day of the transaction. Assets and liabilities have been translated into Sterling at the closing exchange rates at 29 September 2023 being the last valuation point of the year.

(m) Taxation

The rate of corporation tax for the sub-funds is 20%. UBS Multi-Asset Income Fund pay interest distributions, which are utilized against taxable revenue arising. The charge for taxation is based on taxable income less expenses for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred taxation is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing difference will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(n) Dilution adjustment

The need to apply a dilution adjustment will depend on the volume of net purchases or redemptions of the shares. The ACD may charge a dilution adjustment on the purchase and redemption of such shares if, in its opinion, the existing/continuing shareholders might otherwise materially be adversely affected and if applying a dilution adjustment, so far as practicable, is fair to all existing and potential shareholders. In determining the rate of any dilution adjustment, the ACD may, in order to reduce volatility, take account of the trend of a sub-fund to expand or contract and the transaction in shares at a particular valuation point. Unless it is disadvantageous to shareholders, the dilution adjustment will normally be applied on a sub-fund experiencing large levels of net purchases or redemptions relative to its size. For these purposes, a large level of net dealing is defined as net purchases or redemptions of 3% (1% for UBS Global Diversified Income Fund) or more of the value of the sub-funds or in any other case where the ACD is of the opinion that the interests of existing/continuing shareholders or potential shareholders require the imposition of a dilution adjustment.

Risk profile

Market price risk

The main risk arising from each sub-funds' financial instruments is market price. Market price risk can be defined as the uncertainty about future price movements of the financial instruments the sub-funds are invested in. Market price risk arises mainly from economic factors and is not limited to interest rate and currency movements. This exposure to market price risk may result in substantial fluctuations in the share price from time to time, although there will be a close correlation in the movement of the share price to the markets the sub-funds are invested in. Investments in emerging markets may be more volatile than investments in more developed markets, as some of these markets have relatively unstable economies based on only a few industries and markets that trade only a limited number of securities. The sub-funds seek to minimise these risks by holding diversified portfolios of investments in line with the sub-funds' investment objectives. Adherence to the investment guidelines and to the investment and borrowing powers set out in the Prospectus, the COLL Sourcebook and the OEIC Regulations 2001 mitigates the risk of exposure to any particular type of security or issuer.

Currency risk

Foreign currency risk is the risk that the value of the sub-funds' investments will fluctuate as a result of changes in foreign exchange rates. For the sub-funds which invest in overseas securities the balance sheet can be affected by movements in foreign exchange rates. The sub-funds may not seek to avoid this foreign exchange movement risk on investments and revenue accrued but not yet received.

However, those sub-funds that do seek to avoid this risk may use currency forwards for the purposes of efficient portfolio management.

In respect of the purchase and sale of investments, the ACD normally reduces the risk by executing a foreign exchange transaction on the same day as the purchase or sale is undertaken.

Counterparty risk

The sub-funds' transactions in securities expose it to the risk that the counterparty will not deliver the investment for a purchase or the cash for a sale. To minimise this risk the sub-funds only deal with brokers pre-approved by UBS Credit Risk Control function.

Counterparty risk is also a feature of transactions in derivatives, so all derivative counterparties are also pre-approved. Exchange traded futures are subject to daily variation margin payments which reduces the credit risk to one day's movement in index value. Forwards and swaps are transacted with a limited number of counterparties to reflect the increased credit risk involved in over-the-counter derivatives.

Credit risk

Bonds are subject to both actual and perceived measures of creditworthiness. Bonds, and especially high yield bonds, could be affected by adverse publicity and investor perception, which may not be based on fundamental analysis, and would have a negative effect on the value and liquidity of the bond.

With investment in high yield bonds there is an increased risk to capital through default where bond issuers either fail to pay the interest or capital repayment due at maturity. Economic conditions and changes to interest rate levels may significantly affect the values of high yield bonds.

In the same way as equities, the sub-funds seek to minimise this risk by holding diversified portfolios of investments in line with the sub-funds' investment objectives. Adherence to the investment guidelines and to the investment and borrowing powers set out in the Prospectus, the COLL Sourcebook and the OEIC Regulations 2001 mitigates the risk of exposure to any particular type of security or issuer.

Liquidity risk

The assets of the Company are generally liquid and considered to be readily realisable. Sub-funds investing in smaller companies invest in transferable securities that may be less liquid than the securities of larger companies, as a result of inadequate trading volume or restrictions on trading. Prices on illiquid securities are regularly reviewed by the ACD. The sub-funds' main commitments are expenses and any cancellation of shares that investors may make. Assets from a sub-fund may need to be sold if insufficient cash is available to meet such liabilities.

Interest rate risk

Interest rate risk is the risk that the value of sub-funds' investments will fluctuate as a result of changes in interest rates. Some of the sub-funds may invest in fixed interest or floating rate investments. If interest rates rise, the income potential of the sub-funds also rise, but the value of fixed rate investments will decline. A decline in interest rates will in general have the opposite effect. Interest receivable on bank deposits and payable on bank overdrafts will also be affected by fluctuations in interest rates.

The numerical disclosures for market price, currency and interest rate risk of financial instruments and sensitivity analysis are shown in each of the relevant sub-fund's notes to the financial statements.

Derivatives

The ACD may use certain types of derivatives for the purposes of efficient portfolio management. Some sub-funds, however, can use derivatives for investment purposes. Further information on the types of derivatives and strategies can be found in the investment objective for each sub-fund and in the derivatives section of the Financial Instruments note to the accounts and in the derivatives section of the relevant sub-fund's notes to the accounts.

The ACD may invest in financial futures and currency forwards for the purposes of efficient portfolio management, in which case they will normally be traded on a recognised derivative market and must be fully covered. Daily exposure to futures and options will be monitored to ensure global coverage and ensure the sub-funds' exposure is within the limits set out by UBS, the scheme documents and the COLL Sourcebook. Daily exposure to options is also measured pre-trade.

With regard to those sub-funds that use derivatives as part of their investment capabilities, such instruments are inherently volatile and the sub-funds could potentially be exposed to additional risk and costs should the market move against them. In aiming to reduce volatility of the sub-funds we utilise a risk management process to monitor the level of risk in managing the portfolio, however, there is no guarantee that this process will work in all instances.

Specific additional risk considerations not already covered, at instrument level:

Credit default swap (CDS). Where used, the sub-funds may undertake both long (selling protection) and short transactions (buying protection). Each position is assessed in terms of the credit spread risk it adds to the portfolio. The buyer of a credit default swap receives credit protection, whereas the seller of the swap guarantees to reimburse the buyer for any default by the underlying reference. By doing this, risk of default is transferred to the seller of the swap. For example, the buyer of a credit default swap will be entitled to the par value of the bond by the seller of the swap, should the bond default on its coupon payments. CDS are typically referenced against single name issuers or against an approved index.

Inflation swap/Interest rate swap. Where used, the sub-funds may undertake both long (pay fixed) and short (receive fixed) transactions. In theoretical terms (large negative/positive inflation or large negative/positive interest rates) one of these values has no upper or lower limit and the loss on the position could be very large. However, in the context of the sub-funds, in the event of an extreme situation arising the holdings in the portfolio should compensate for the large position in the derivative under the global cover requirements.

Total return equity swap. Where used, the sub-funds may undertake both long and short transactions referencing the total return of individual securities, basket of securities, indices or other reference obligations. In theoretical terms (large negative or large positive movements) one of these values has no upper or lower limit and the loss on the position could be very large. However, in the context of the sub-funds, in the event of an extreme situation arising the holdings in the portfolio should compensate for the large position in the derivative under the global cover requirements.

Statement of cross holding

There are no cross holdings as at 30 September 2023, the sub-funds year end.

UBS Global Allocation Fund (UK)

UBS Global Allocation Fund (UK)

Manager's report

Investment Objective

The sub-fund aims to grow the value of your investment over the medium to long term (3 to 5 years).

Investment Policy

The sub-fund invests in global equities, global bonds, warrants, money market instruments, deposits and cash or near cash. The sub-fund may invest in these assets directly or through investments in other funds. At times the sub-fund may be predominantly invested in other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options, and repurchase agreements for investment purposes or efficient portfolio management.

The other funds that the sub-fund may invest in include funds managed by the Investment Manager or its affiliates.

Investment Strategy

The sub-fund is actively managed, the strategy is flexible and will change depending on the relative view of different markets. The strategy can take active views on exchange rates.

Benchmark Information

The sub-fund is not managed by reference to a benchmark, however a composite benchmark comprising: 40% MSCI ACWI Index, 20% MSCI ACWI Index hedged to GBP and 40% FTSE World Government Bond Index hedged to GBP is an appropriate comparator as it reflects the principal assets and geographical scope that the sub-fund will invest in. The sub-fund may hold some or all of the constituents of the comparator indices.

Market Environment

The financial year from October 1, 2022 to September 30, 2023 was marked by a tapestry of challenges and opportunities, shaped by central bank policy action, varying paths of inflation normalization across regions, as well as the impact of advancements in artificial intelligence. The strong performance of mega-cap stocks, often driven by hopes in the future potential of artificial intelligence, has been a defining feature of the first half of 2023, while at the same time in the US, investors have grappled with a regional bank crisis that has sent ripples through financial markets even beyond the US market. Regulatory response paired with industry support managed to mitigate the short-term impact and eventually subsided to the stronger market focus on central bank policy, corporate earnings trajectory, and inflation normalization. While inflation remains at above average levels, the fine-tuning of monetary policy took centre stage as central banks continue to seek to strike a balance between getting inflation back to target and avoiding a deeper cut in economic growth. Towards the end of the financial year, key central banks stated that more work may need to be done to bring inflation back to their long-term target and, as result, they are prepared to hold rates at (or slightly higher than) current levels for longer. This statement contributed to weakness in most major equity and bond markets in the third calendar quarter of 2023 as investors aligned their expectation with the higher for longer outlook for interest rates.

Sub-fund Performance

The sub-fund delivered a return of 3.02% on C share class, compared to comparator return of 7.55%.

Positive performance over the financial year was mainly driven by equities, whereas allocations to fixed income were marginally negative performance contributors. Within equities, the strongest positive contributor were US, UK and European regions, followed by Japanese and Emerging Market stocks. Fixed Income on aggregate was slightly negative but heterogeneous in nature. On the one hand, global government bonds and futures contributed negatively while allocations in investment grade and high yield contributed positively to performance.

UBS Global Allocation Fund (UK)

Outlook

Economic growth is resilient and has room to slow from a high level. Most importantly, the US labour market is in a strong position. Initial and continuing jobless claims are low and aggregate income growth is positive in real terms. This should fuel continued gains in consumer spending. And while China's economic reopening lost momentum, there are tentative signs that policy support is driving a modest improvement in growth. The European economy is particularly exposed to the stagnation in the global goods sector, but labour markets remain tight. We expect global manufacturing activity, which has been stagnating, to catch up to services, rather than services catch down to manufacturing. The lagged effects of aggressive monetary tightening, as well as banking stress in US regional banks, and to a lesser extent in Europe, are catalysts for slower growth going forward. The drag from tighter credit is real, but other potential headwinds have failed to materialize. The US economy faces temporary challenges in Q4, including a major auto workers' strike and the resumption of student loan payments. In our view, the risk-reward proposition for global equities is attractive. The probability of a soft landing for the US economy has increased meaningfully. Decelerating inflation has reduced a chief threat to the expansion and asset valuations, while tight labour markets may continue to support solid growth in consumer spending. Outside of a small handful of US stocks, valuations for global equities are fair. Importantly, earnings estimates are trending higher. Risks to markets are two-sided. Rising interest rates amid a solid economic backdrop may continue to put negative pressure on multiples. Potential headwinds to global activity are still present following banking stress and the lagged impact of the significant global monetary tightening delivered since the start of 2022. Long-term bonds play an important role in balanced portfolios in hedging against downside risk to the economic cycle. Yields should be volatile and rangebound as robust labour market data, resilient economies, and elevated issuance of bonds square up against the fact that central bank tightening cycles are at or near their ends and disinflationary forces are becoming more well-established. Central banks' commitment to keeping policy in restrictive territory and reluctance to reverse course amid above-target inflation should keep yield curves inverted until a contraction in economic activity is at hand.

Percentage growth

	30.09.22 to 30.09.23 %	30.09.21 to 30.09.22 %	30.09.20 to 30.09.21 %	30.09.19 to 30.09.20 %	30.09.18 to 30.09.19 %
C Accumulation shares	3.02	-12.00	20.45	-7.88	4.27

Source: Performance is based on NAV prices with income reinvested net of basic rate tax and in sterling terms.

Launch date: C Accumulation: 15 August 2012.

UK Climate Report

The use of derivatives is integral to the investment strategy of this sub-fund to meet its investment objective. However, due to there being no appropriate metrics currently available to accurately reflect the carbon impact of these instruments within the portfolio, UBS Asset Management is not able to accurately report on the sub-funds overall carbon and forward looking climate risk characteristics. UBS Asset Management will continue to evaluate developments in industry best practice for derivative climate metric disclosure and seek to align our reports in future.

UBS Asset Management Funds Ltd
31 January 2024

UBS Global Allocation Fund (UK)

1. Comparative Tables (unaudited)

Financial year to 30 September	C Accumulation shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	83.24	95.11	79.05
Return before operating charges	3.93	(11.13)	16.81
Operating charges	(0.71)	(0.74)	(0.75)
Return after operating charges*	3.22	(11.87)	16.06
Distributions	(1.70)	(1.50)	(1.27)
Retained distributions	1.70	1.50	1.27
Closing net asset value	86.46	83.24	95.11
*after direct transaction costs of	(0.02)	(0.02)	(0.04)

Performance

Return after charges (%)	3.87	(12.48)	20.32
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Other information

Closing net asset value (£)	110,272,408	114,455,078	142,021,787
Closing number of shares	127,539,909	137,504,814	149,318,099
Operating charges (%)	0.82	0.84	0.83
Direct transaction costs (%)	0.02	0.02	0.04

Prices

Highest dealing price	90.85p	97.62p	96.62p
Lowest dealing price	84.62p	84.01p	78.10p

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

Share Class	2023	2022
	%	%
C Accumulation shares	0.82	0.84

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Global Allocation Fund (UK)

Portfolio Statement (unaudited)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Collective Investment Schemes 45.07% (47.19%)				
SPDR S&P 400 U.S. Mid Cap ETF	USD	45,243	2,832,715	2.57
UBS (Lux) Bond - Global Corporates (USD), class U-X-dist [†]	USD	521	4,411,493	4.00
UBS (Lux) Bond - USD Corporates (USD), unit class U-X-acc [†]	USD	289	2,372,118	2.15
UBS (Lux) Bond - USD High Yield (USD), class U-X-acc [†]	USD	513	8,833,364	8.01
UBS (Lux) Emerging Economies Fund - Global Bonds (USD), class U-X-acc [†]	USD	413	4,084,350	3.71
UBS (Lux) Equity Fund - European Opportunity Sustainable (EUR), class U-X-acc [†]	EUR	332	9,980,651	9.05
UBS Global Emerging Markets Equity Fund, class K Acc [†]	GBP	31,078	6,826,967	6.19
UBS Investment Funds ICVC - Sterling Corporate Bond Indexed class K Acc (Gross) [†]	GBP	57,017	6,939,946	6.29
Xtrackers S&P 500 Equal Weight ETF Share Class: 1C	USD	54,604	3,421,949	3.10
Collective Investment Schemes total			49,703,553	45.07
Equities 49.35% (45.30%)				
Bermuda 0.74% (0.65%)				
Bunge	USD	7,345	651,184	0.59
Lancashire Holdings	GBP	28,670	169,153	0.15
			820,337	0.74
Canada 0.87% (0.34%)				
Canadian Pacific Kansas City	CAD	9,133	557,936	0.51
Tourmaline Oil 'A'	CAD	9,736	402,672	0.36
			960,608	0.87
Denmark 0.22% (0.23%)				
Genmab	DKK	839	244,968	0.22
			244,968	0.22
Finland 0.21% (0.31%)				
Metso Outotec	EUR	27,221	235,605	0.21
			235,605	0.21
France 0.87% (1.19%)				
AXA	EUR	18,645	455,684	0.41
Danone	EUR	11,218	507,856	0.46
			963,540	0.87
Hong Kong 0.38% (0.43%)				
AIA Group	HKD	61,800	412,467	0.38
			412,467	0.38
Ireland 1.11% (0.39%)				
AIB Group	EUR	179,229	661,990	0.60
DCC	GBP	7,362	339,315	0.31
James Hardie Industries, CDI	AUD	10,329	222,785	0.20
			1,224,090	1.11
Japan 2.15% (1.52%)				
FANUC	JPY	10,300	219,701	0.20

UBS Global Allocation Fund (UK)

Portfolio Statement (unaudited) (continued)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Equities 49.35% (45.30%) (continued)				
Japan 2.15% (1.52%) (continued)				
Keyence	JPY	800	243,729	0.22
Mitsubishi UFJ Financial Group	JPY	52,300	364,246	0.33
NEC	JPY	7,500	340,129	0.31
Nippon Telegraph & Telephone	JPY	593,300	574,939	0.52
SoftBank Group	JPY	10,400	361,215	0.33
Sony Group	JPY	4,000	268,700	0.24
			2,372,659	2.15
Jersey 2.03% (1.88%)				
Aptiv	USD	6,230	503,229	0.46
Glencore	GBP	243,950	1,146,199	1.04
IWG	GBP	118,041	167,028	0.15
Man Group	GBP	187,299	418,426	0.38
			2,234,882	2.03
Netherlands 1.29% (0.92%)				
Koninklijke Philips	EUR	38,895	639,623	0.58
OCI	EUR	23,026	526,105	0.48
Universal Music Group	EUR	11,719	251,291	0.23
			1,417,019	1.29
Norway 0.00% (0.40%)				
South Korea 0.51% (0.40%)				
Samsung Electronics	KRW	13,632	566,134	0.51
			566,134	0.51
Spain 0.47% (0.08%)				
Banco de Sabadell	EUR	538,197	513,771	0.47
			513,771	0.47
Switzerland 1.18% (0.90%)				
Alcon	CHF	8,362	531,275	0.48
Novartis	CHF	9,179	771,686	0.70
			1,302,961	1.18
United Kingdom 17.23% (17.62%)				
3i Group	GBP	41,309	856,336	0.78
Anglo American	GBP	23,591	534,454	0.48
AstraZeneca	GBP	11,927	1,323,897	1.20
Balfour Beatty	GBP	41,342	132,708	0.12
Barclays	GBP	405,451	644,424	0.58
BP	GBP	265,820	1,412,567	1.28
British American Tobacco	GBP	37,669	970,542	0.88
BT Group	GBP	178,509	208,231	0.19
Currys	GBP	276,738	133,941	0.12
Diageo	GBP	4,052	122,938	0.11
easyJet	GBP	94,803	405,093	0.37
GSK	GBP	56,599	844,344	0.77
Haleon	GBP	186,124	634,124	0.58

UBS Global Allocation Fund (UK)

Portfolio Statement (unaudited) (continued)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Equities 49.35% (45.30%) (continued)				
United Kingdom 17.23% (17.62%) (continued)				
Hargreaves Lansdown	GBP	29,269	226,308	0.21
HSBC Holdings	GBP	259,006	1,670,330	1.51
Imperial Brands	GBP	15,634	260,619	0.24
Intu Properties, REIT^	GBP	301,988	–	–
ITV	GBP	356,721	251,916	0.23
Legal & General Group	GBP	309,729	689,147	0.62
LivaNova	USD	5,300	229,361	0.21
Lloyds Banking Group	GBP	878,029	389,581	0.35
London Stock Exchange Group	GBP	6,559	539,937	0.49
Melrose Industries	GBP	58,473	274,297	0.25
NatWest Group	GBP	180,903	426,207	0.39
Pagegroup	GBP	40,525	169,881	0.15
Prudential	GBP	56,965	506,305	0.46
Rio Tinto	GBP	10,098	522,470	0.47
Shell	GBP	79,761	2,078,572	1.88
SIG	GBP	187,771	67,691	0.06
Spectris	GBP	24,565	833,736	0.76
SThree	GBP	13,443	50,277	0.05
Synthomer	GBP	8,830	20,397	0.02
Synthomer Rights 'A' 12/10/2023	GBP	52,980	15,894	0.01
Taylor Wimpey	GBP	85,068	99,785	0.09
Tesco	GBP	199,313	526,585	0.48
Unilever	GBP	9,798	397,946	0.36
Unilever	EUR	8,181	332,542	0.30
Whitbread	GBP	5,677	196,651	0.18
			19,000,034	17.23
United States of America 20.09% (18.04%)				
AbbVie	USD	3,030	370,139	0.34
Adobe	USD	981	409,841	0.37
Advanced Micro Devices	USD	4,088	344,376	0.31
Alphabet 'A'	USD	8,176	876,246	0.80
Amazon.com	USD	13,781	1,435,175	1.30
Ameriprise Financial	USD	2,286	617,448	0.56
APA	USD	20,065	675,656	0.61
Avantor	USD	13,371	230,929	0.21
Bio-Rad Laboratories 'A'	USD	1,031	302,783	0.28
Broadcom	USD	572	388,911	0.35
Brunswick	USD	5,179	334,998	0.30
Cadence Design Systems	USD	3,415	655,524	0.59
Comcast 'A'	USD	13,694	497,474	0.45
Dollar Tree	USD	5,843	509,500	0.46
Estee Lauder 'A'	USD	3,449	408,551	0.37
Fidelity National Information Services	USD	11,939	540,534	0.49

UBS Global Allocation Fund (UK)

Portfolio Statement (unaudited) (continued)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Equities 49.35% (45.30%) (continued)				
United States of America 20.09% (18.04%) (continued)				
Hess	USD	6,079	762,421	0.69
IAC	USD	8,135	335,651	0.30
Ingersoll Rand	USD	13,762	718,346	0.65
Las Vegas Sands	USD	5,730	215,248	0.20
Lyft 'A'	USD	71,214	614,965	0.56
Marsh & McLennan	USD	1,802	280,971	0.26
Mastercard 'A'	USD	1,823	591,372	0.54
Micron Technology	USD	7,434	414,350	0.38
Microsoft	USD	2,781	719,339	0.65
Moderna	USD	2,442	206,696	0.19
Mondelez International 'A'	USD	11,625	661,088	0.60
MSA Safety 'A'	USD	2,327	300,181	0.27
NIKE 'B'	USD	3,429	268,662	0.24
ON Semiconductor	USD	5,783	440,352	0.40
Prologis, REIT	USD	3,510	322,832	0.29
Regal Rexnord	USD	3,798	444,570	0.40
Salesforce	USD	2,463	409,158	0.37
ServiceNow	USD	1,871	856,946	0.78
SLM	USD	25,161	280,975	0.26
Take-Two Interactive Software	USD	8,563	985,003	0.89
TJX	USD	9,362	681,891	0.62
UnitedHealth Group	USD	2,409	995,219	0.90
Vertex Pharmaceuticals	USD	1,646	468,953	0.43
Voya Financial	USD	5,134	279,551	0.25
Wells Fargo	USD	17,854	597,693	0.54
Williams	USD	14,661	404,678	0.37
Zebra Technologies 'A'	USD	1,515	293,591	0.27
			22,148,787	20.09
Equities total			54,417,862	49.35
Government Bonds 4.59% (0.00%)				
United Kingdom 4.59% (0.00%)				
UK Treasury Bill 0.00% 30/10/2023	GBP	3,100,000	3,087,433	2.80
UK Treasury Bill 0.00% 22/01/2024	GBP	2,000,000	1,967,796	1.79
Government Bonds total			5,055,229	4.59
Forward Currency Contract (2.03)% ((1.61)%)				
Buy AUD 4,895,000 sell GBP 2,552,180 dated 20/10/2023			41,447	0.04
Buy BRL 25,850,000 sell USD 5,285,005 dated 20/10/2023			(134,297)	(0.12)
Buy CAD 500,000 sell GBP 289,502 dated 20/10/2023			14,149	0.01
Buy CNY 26,166,509 sell GBP 2,860,000 dated 20/10/2023			108,877	0.10
Buy CNY 5,815,000 sell USD 795,611 dated 20/10/2023			11,291	0.01
Buy COP 8,868,608,000 sell USD 2,179,924 dated 20/10/2023			(6,508)	(0.01)

UBS Global Allocation Fund (UK)

Portfolio Statement (unaudited) (continued)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Forward Currency Contract (2.03)% ((1.61)% (continued))				
Buy EUR 2,625,000 sell CZK 64,478,663 dated 20/10/2023			(15,414)	(0.01)
Buy GBP 231,230 sell AUD 445,000 dated 20/10/2023			(4,554)	–
Buy GBP 243,232 sell CAD 415,000 dated 20/10/2023			(8,799)	(0.01)
Buy GBP 6,533,818 sell CNY 60,825,000 dated 20/10/2023			(367,446)	(0.33)
Buy GBP 293,192 sell DKK 2,530,000 dated 20/10/2023			(511)	–
Buy GBP 1,036,293 sell EUR 1,200,000 dated 20/10/2023			(2,991)	–
Buy GBP 246,630 sell HKD 2,520,000 dated 20/10/2023			(15,760)	(0.01)
Buy GBP 235,947 sell HUF 105,000,000 dated 20/10/2023			4,104	–
Buy GBP 242,023 sell JPY 44,000,000 dated 20/10/2023			812	–
Buy GBP 4,444,436 sell NZD 9,220,000 dated 20/10/2023			(95,754)	(0.09)
Buy GBP 28,915,373 sell USD 37,750,000 dated 20/10/2023			(1,856,041)	(1.68)
Buy HUF 105,000,000 sell USD 291,033 dated 20/10/2023			(5,371)	–
Buy IDR 4,480,200,000 sell USD 291,319 dated 20/10/2023			(1,382)	–
Buy INR 28,730,000 sell USD 345,557 dated 20/10/2023			98	–
Buy JPY 824,900,000 sell GBP 4,627,511 dated 20/10/2023			(105,353)	(0.10)
Buy JPY 409,523,743 sell USD 2,940,000 dated 20/10/2023			(151,290)	(0.14)
Buy MXN 67,460,000 sell GBP 3,022,047 dated 20/10/2023			122,837	0.11
Buy NOK 29,810,000 sell USD 2,976,284 dated 20/10/2023			(128,860)	(0.12)
Buy SEK 6,550,000 sell GBP 492,981 dated 20/10/2023			763	–
Buy TWD 4,800,000 sell USD 150,202 dated 20/10/2023			(556)	–
Buy USD 2,894,971 sell AUD 4,405,000 dated 20/10/2023			25,626	0.02
Buy USD 5,097,852 sell EUR 4,615,000 dated 20/10/2023			160,881	0.15
Buy USD 760,000 sell GBP 590,920 dated 20/10/2023			28,538	0.03
Buy USD 295,987 sell IDR 4,480,200,000 dated 20/10/2023			5,187	–
Buy USD 2,888,805 sell JPY 412,900,000 dated 20/10/2023			91,054	0.08
Buy USD 1,452,277 sell MXN 24,800,000 dated 20/10/2023			27,579	0.02
Buy USD 2,956,574 sell TWD 94,038,660 dated 20/10/2023			22,237	0.02
Forward Currency Contracts total			(2,235,407)	(2.03)
Futures (0.11)% (1.07%)				
Australia 10 Year Bond 15/12/2023	AUD	88	(140,593)	(0.13)
EURO STOXX 50 Index 15/12/2023	EUR	(106)	43,093	0.04
EURO STOXX Bank Index 15/12/2023	EUR	660	92,368	0.08
S&P 500 Emini Index 15/12/2023	USD	(40)	296,434	0.27
SPI 200 Index 21/12/2023	AUD	(7)	17,237	0.02
Swiss Market Index 15/12/2023	CHF	(6)	617	–
TOPIX Index 07/12/2023	JPY	36	(59,529)	(0.05)
US 10 Year Note 19/12/2023	USD	262	(375,420)	(0.34)
Futures total			(125,793)	(0.11)
Investment assets (including Investment liabilities)			106,815,444	96.87
Net other assets			3,456,964	3.13
Net assets			110,272,408	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 30 September 2022.

† A related party to the sub-fund.

^ Unlisted, suspended or delisted security.

UBS Global Allocation Fund (UK)

Portfolio Movement (unaudited) For the year ended 30 September 2023

Largest purchases	Cost £
UBS (Lux) Emerging Economies Fund - Global Bonds (USD), class U-X-acc [†]	10,220,794
UK Treasury Bill 0.00% 30/10/2023	8,806,067
UK Treasury Bill 0.00% 15/05/2023	3,948,069
UK Treasury Bill 0.00% 30/05/2023	3,941,301
Xtrackers S&P 500 Equal Weight ETF Share Class: 1C	3,390,439
UBS (Lux) Bond - USD High Yield (USD), class U-X-acc [†]	2,858,962
SPDR S&P 400 U.S. Mid Cap ETF	2,808,605
UBS (Lux) Bond - USD Corporates (USD), unit class U-X-acc [†]	2,399,385
UK Treasury Bill 0.00% 08/05/2023	1,975,560
UK Treasury Bill 0.00% 22/01/2023	1,945,670
Xtrackers CSI300 Swap Fund Share class: 1C USD	1,136,914
ServiceNow	858,773
Alphabet 'A'	710,974
Amazon.com	509,519
Lyft 'A'	495,728
Legal & General Group	490,943
Take-Two Interactive Software	470,405
Haleon	421,842
Zebra Technologies 'A'	385,946
Fidelity National Information Services	383,295
Total for the year	58,126,738

Largest sales	Proceeds £
UBS MSCI World Minimum Volatility Index Fund E Accumulation [†]	11,724,526
UBS (Lux) Emerging Economies Fund - Global Bonds (USD), class U-X-acc [†]	5,933,455
UK Treasury Bill 0.00% 30/10/2023	5,811,337
UK Treasury Bill 0.00% 15/05/2023	3,952,178
UBS China Fixed Income (RMB) Fund class (USD hedged) U-X-acc [†]	3,359,447
UBS (Lux) Equity Fund - European Opportunity Sustainable (EUR), class U-X-acc [†]	2,657,454
UBS (Lux) Bond - USD High Yield (USD), class U-X-acc [†]	2,466,704
UK Treasury Bill 0.00% 08/05/2023	1,977,114
Microsoft	1,113,783
Xtrackers CSI300 Swap Fund Share class: 1C USD	1,084,589
UBS Global Emerging Markets Equity Fund, class K Acc [†]	988,244
World Wrestling Entertainment 'A'	744,401
Netflix	585,903
VMware 'A'	436,843
Las Vegas Sands	412,254
Spirit AeroSystems Holdings 'A'	403,754
Societe Generale	399,169
Sage Group	393,149
AstraZeneca	372,893
Madison Square Garden Sports 'A'	368,101
Total for the year	61,924,791

[†] A related party to the Fund.

UBS Global Allocation Fund (UK)

Financial Statements

Statement of Total Return

For the year ended 30 September 2023

	Notes	£	2023 £	£	2022 £
Income					
Net capital gains/(losses)	2		2,233,683		(18,972,169)
Revenue	3	3,483,970		3,316,772	
Expenses	4	(1,046,375)		(1,065,475)	
Net revenue before taxation		2,437,595		2,251,297	
Taxation	5	(160,494)		(109,621)	
Net revenue after taxation			2,277,101		2,141,676
Total return before distributions			4,510,784		(16,830,493)
Distributions	6		(2,281,203)		(2,146,338)
Change in net assets attributable to shareholders from investment activities			2,229,581		(18,976,831)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 September 2023

	£	2023 £	£	2022 £
Opening net assets attributable to shareholders		114,455,078		142,021,787
Amounts receivable on issue of shares	1,851,791		3,632,566	
Amounts payable on cancellation of shares	(10,494,774)		(14,324,373)	
		(8,642,983)		(10,691,807)
Dilution adjustment		1		138
Change in net assets attributable to shareholders from investment activities		2,229,581		(18,976,831)
Retained distribution on accumulation shares		2,230,731		2,101,791
Closing net assets attributable to shareholders		110,272,408		114,455,078

UBS Global Allocation Fund (UK)

Financial Statements

Balance sheet

As at 30 September 2023

	Notes	2023 £	2022 £
Assets			
Fixed assets			
Investments	7	110,291,873	111,325,880
Current assets			
Debtors	8	614,756	1,248,486
Cash and bank balances	9	3,913,299	8,205,609
Total assets		114,819,928	120,779,975
Liabilities			
Investment liabilities	7	(3,476,429)	(6,084,545)
Creditors			
Other creditors	10	(1,071,091)	(240,352)
Total liabilities		(4,547,520)	(6,324,897)
Net assets attributable to shareholders		110,272,408	114,455,078

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

1. Accounting policies

Accounting policies of the Fund, applicable to the sub-fund are set out on pages 8 to 11.

2. Net capital gains/(losses)

	2023 £	2022 £
Derivative contracts	(2,894,310)	(1,916,250)
Foreign currency gains	267,959	224,891
Forward foreign currency contracts	2,023,070	(5,365,630)
Non-derivative securities	2,839,516	(11,904,849)
Transaction costs	(2,552)	(10,331)
Net capital gains/(losses)	2,233,683	(18,972,169)

3. Revenue

	2023 £	2022 £
Bank interest	98,886	10,658
Franked distributions	355,540	271,604
Interest distributions	1,368,614	952,645
Interest on debt securities	199,730	284,180
Net revenue return from derivative contracts	(74,899)	202,833
Overseas dividends	688,721	680,109
UK dividends	847,378	914,743
Total revenue	3,483,970	3,316,772

4. Expenses

	2023 £	2022 £
Payable to the ACD, associates of the Authorised Corporate Director and agents of either of them:		
ACD fees	865,736	977,362
Registrar fees	4,659	37,861
	870,395	1,015,223
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	16,657	20,653
Interest payable	142,128	13,770
	158,785	34,423
Other expenses:		
Administration charge	4,778	949
Audit fee	8,423	8,377
Other expenses	–	859
Safe custody fees	1,693	3,737
Taxation fee	2,301	1,907
	17,195	15,829
Total expenses	1,046,375	1,065,475

The audit fee for the year, excluding VAT, was £7,000 (2022: £7,000).

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

5. Taxation

(a) Analysis of the tax charge for the year

	2023	2022
	£	£
Corporation tax	109,191	75,679
Double tax relief	(659)	–
Overseas withholding tax	51,962	33,942
Total current tax (Note 5(b))	160,494	109,621

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2022: 20%). The differences are explained below.

	2023	2022
	£	£
Net revenue before taxation	2,437,595	2,251,297
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	487,519	450,259
Effects of:		
Revenue not subject to corporation tax	(378,328)	(374,580)
Double tax relief	(659)	–
Irrecoverable overseas withholding tax	51,962	33,942
Current tax charge for the year (Note 5(a))	160,494	109,621

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023	2022
	£	£
Interim dividend distribution	1,465,492	1,070,505
Final dividend distribution	765,239	1,031,286
	2,230,731	2,101,791
Add: Revenue deducted on cancellation of shares	60,594	61,302
Deduct: Revenue received on issue of shares	(10,122)	(16,755)
Distributions	2,281,203	2,146,338
Net revenue after taxation	2,277,101	2,141,676
Add: Undistributed revenue brought forward	6,360	11,022
Deduct: Undistributed revenue carried forward	(2,258)	(6,360)
Distributions	2,281,203	2,146,338

Details of the distributions per share are set out in the Distribution Tables on page 34.

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

Basis of valuation	2023		2022	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: Quoted prices	61,122,275	(434,949)	54,918,440	(1,842,496)
Level 2: Observable market data	49,169,598	(3,041,480)	56,407,440	(4,242,049)
Level 3: Unobservable data	–	–	–	–
Total	110,291,873	(3,476,429)	111,325,880	(6,084,545)

8. Debtors

	2023 £	2022 £
Accrued revenue	75,423	83,931
Amounts receivable for issue of shares	150	9,189
Overseas withholding tax recoverable	76,052	64,550
Sales awaiting settlement	463,131	1,090,816
Total debtors	614,756	1,248,486

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

9. Cash and bank balances

	2023	2022
	£	£
Amounts held at futures clearing houses and brokers	1,429,885	2,279,766
Cash and bank balances	2,483,414	5,925,843
Total cash and bank balances	3,913,299	8,205,609

10. Other creditors

	2023	2022
	£	£
Accrued expenses	174,482	149,157
Amounts payable for cancellation of shares	234,236	65,516
Corporation tax payable	36,566	25,679
Purchases awaiting settlement	625,807	–
Total other creditors	1,071,091	240,352

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2022: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 30 September 2023 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £137,389 and £17,949 respectively (2022: £72,890 and £54,686).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holding Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 10 to 12 and in relation to the sub-fund are included below.

(a) Value at risk

The sub-fund is permitted to invest in forward foreign exchange, forward and future contracts, swaps, options and repurchase agreements. The sub-fund will use derivatives as part of its investment capabilities and are used to manage market exposure inherent in an invested portfolio. The derivatives overlay is designed to remove unwanted market risk and allow tactical asset allocation and currency views to be expressed efficiently. However, such instruments are inherently volatile and the sub-fund could be potentially exposed to additional risk and costs should the market move against it. The ACD also assesses the market risk of the sub-fund's investments, including any derivative exposures, using a Value at Risk (VaR) methodology. This process provides the ACD with an estimate of the maximum potential loss that could be expected to occur as a result of changes in the market prices over a given year of time in all but a given percentage of circumstances.

The ACD calculates global exposure using the relative VaR approach. "Relative VaR" is the VaR of a sub-fund divided by the VaR of a benchmark or reference portfolio (i.e. a portfolio similar to the sub-fund's portfolio but which does not include derivatives).

The sub-fund's reference portfolio used in relative VaR calculations is the composite benchmark comprising: 40% MSCI ACWI Index, 20% MSCI ACWI Index hedged to GBP and 40% FTSE World Government Bond Index hedged to GBP.

Specific details of the measures are as follows:

	30.09.23 %	30.09.22 %
Calculation Model:	Risk Metrics	Historical Simulation Model
Confident Level:	99%	99%
Holding Period:	20 days	20 days
Data History:	2Y of daily data	2Y of daily data
Lowest:	2.82%	2.46%
Highest:	7.21%	23.53%
Average:	4.91%	11.15%
Lowest utilisation of VaR limit:	32.94%	33.37%
Highest utilisation of VaR limit:	109.56%	101.88%
Average utilisation of VaR limit:	55.33%	68.00%

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

(b) Leverage

Average leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach (CESR/10-788)) divided by the net asset value.

The sub-fund's leverage level is expected to be 130% of the sub-fund's total Net Asset Value based on the sum of notional exposures of financial derivative instruments in the investment portfolio including those held for risk reduction purposes. This level of leverage will vary over time and may increase under certain market conditions.

For the year under review:

	30.09.23 %	30.09.22 %
Leverage:	123%	198%
The lowest leverage was:	101%	110%
The highest leverage was:	296%	326%
The average leverage was:	143%	159%

14. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

2023	Principal £	Commissions £	Taxes £	Total cost £	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	20,616,666	–	–	20,616,666	–	–
Equities	20,835,159	2,496	16,238	20,853,893	0.01	0.08
Funds	16,656,179	–	–	16,656,179	–	–
	58,108,005	2,496	16,238	58,126,738		

Sales						
Bonds	15,740,629	–	–	15,740,629	–	–
Equities	19,057,713	(3,036)	(345)	19,054,332	0.02	0.00
Funds	27,129,830	–	–	27,129,830	–	–
	61,928,172	(3,036)	(345)	61,924,791		

Total cost of the Fund's average net asset value (%)

– 0.02%

2022	Principal £	Commissions £	Taxes £	Total cost £	Commissions % of principal	Taxes % of principal
Purchases						
Equities	13,826,661	2,706	23,364	13,852,731	0.02	0.17
Funds	22,495,727	–	–	22,495,727	–	–
	36,322,388	2,706	23,364	36,348,458		

Sales						
Bonds	4,061,310	–	–	4,061,310	–	–
Equities	24,094,810	(4,687)	(692)	24,089,431	0.02	0.00
Funds	18,771,860	–	–	18,771,860	–	–
	46,927,980	(4,687)	(692)	46,922,601		

Total cost of the Fund's average net asset value (%)

0.01% 0.01%

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.03% (2022: 0.04%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

The ACD believes this spread to be representative of the typical spread throughout the year.

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

15. Counterparty exposure

The types of derivatives held at the balance sheet date were forward exchange contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £	Credit default swaps £	Commodity index swaps £	Contract for difference £	Interest rate swaps £	Total return swaps £	Inflation linked swaps £	Options contracts £	Swaption contracts £	Total £
Bank of America										
2023	(88,813)	–	–	–	–	–	–	–	–	(88,813)
2022	146,110	–	–	–	–	–	–	–	–	146,110
Barclays										
2023	41,447	–	–	–	–	–	–	–	–	41,447
2022	(28,633)	–	–	–	–	–	–	–	–	(28,633)
Canadian Imperial Bank of Commerce										
2023	–	–	–	–	–	–	–	–	–	–
2022	425,114	–	–	–	–	–	–	–	–	425,114
Citibank										
2023	(149,731)	–	–	–	–	–	–	–	–	(149,731)
2022	(3,562,344)	–	–	–	–	–	–	–	–	(3,562,344)
Goldman Sachs										
2023	(484,486)	–	–	–	–	–	–	–	–	(484,486)
2022	131,296	–	–	–	–	–	–	–	–	131,296
HSBC										
2023	–	–	–	–	–	–	–	–	–	–
2022	34,204	–	–	–	–	–	–	–	–	34,204
J.P. Morgan										
2023	292,024	–	–	–	–	–	–	–	–	292,024
2022	353,858	–	–	–	–	–	–	–	–	353,858
Morgan Stanley										
2023	(89,804)	–	–	–	–	–	–	–	–	(89,804)
2022	387,972	–	–	–	–	–	–	–	–	387,972
Standard Chartered										
2023	(1,835,628)	–	–	–	–	–	–	–	–	(1,835,628)
2022	329,452	–	–	–	–	–	–	–	–	329,452
State Street										
2023	79,585	–	–	–	–	–	–	–	–	79,585
2022	(57,656)	–	–	–	–	–	–	–	–	(57,656)

UBS Global Allocation Fund (UK)

Notes to the Financial Statements for the year ended 30 September 2023

The collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

Counterparty	2023 £	2022 £
J.P. Morgan	1,484,042	2,279,766
Total	1,484,042	2,279,766

The nature of collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

	2023 £	2022 £
Cash	1,484,042	2,279,766
Total	1,484,042	2,279,766

16. Shares in issue reconciliation

	Number of shares in issue 30.9.22	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 30.9.23
C Accumulation shares	137,504,814	2,141,784	(12,106,689)	–	127,539,909

UBS Global Allocation Fund (UK)

Distribution Tables

Interim distribution for the six months ended 31 March 2023

Group 1 Shares purchased prior to 1 October 2022

Group 2 Shares purchased on or after 1 October 2022

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.05.23 per share	Distribution paid 31.5.22 per share
C Accumulation shares				
Group 1	1.1000p	–	1.1000p	0.7500p
Group 2	0.6000p	0.5000p	1.1000p	0.7500p

Final distribution for the six months ended 30 September 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased on or after 1 April 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 30.11.23 per share	Distribution paid 30.11.22 per share
C Accumulation shares				
Group 1	0.6000p	–	0.6000p	0.7500p
Group 2	0.0000p	0.6000p	0.6000p	0.7500p

UBS Global Diversified Income Fund

UBS Global Diversified Income Fund

Manager's report

Investment Objective

The sub-fund aims to achieve an income of 4.5% in any 12 months period.

Investment Policy

The sub-fund invests at least 80% in global equities, global bonds, warrants, money market instruments, deposits and cash or near cash.

The sub-fund may also invest up to 20% in alternative assets, including real estate, infrastructure, private debt, insurance linked securities, mortgage linked securities, bank loans and REITs.

The sub-fund may invest in these assets directly or through investments in other funds (including closed ended funds). At times the sub-fund may be predominantly invested in other funds.

The sub-fund may also use derivatives to invest in these assets including forward and future contracts, swaps, options, and repurchase agreements for investment purposes or efficient portfolio management.

The other funds that the sub-fund may invest in include funds which are managed by the Investment Manager or its affiliates.

Investment Strategy

The sub-fund is actively managed, the strategy is to invest in a wide range of income producing assets. The strategy can take active views on exchange rates.

Benchmark Information

The sub-fund is not managed by reference to a benchmark, nor does the Manager use a benchmark to assess the Fund's performance. Investors may however assess the sub-fund's performance by comparing the income provided by the Fund in each year with the income target.

Market Environment

The period from October 2022 to September 2023 was marked by combination of both opportunities and challenges, shaped by central bank policy action, China's reopening, receding global recession fears, as well as an increase in confidence for a potential soft landing. Another theme, throughout the period, was the strong performance of mega-cap stocks, partly driven by optimism over the potential of artificial intelligence. During the same time, US investors also grappled with a regional banking crisis that had sent ripples through financial markets even beyond the US market. Regulatory response paired with industry support managed to mitigate the short-term impact of the crisis, and led to a stronger market focus on central bank policy, corporate earnings trajectory, and inflation normalization. The period also witnessed economic momentum China soften after its post-COVID reopening, weighing on global manufacturing. While Europe avoided a recession over the winter, manufacturing weakness spread into services over the period, while monetary policy remained tight throughout. Despite some signs of easing inflationary pressures towards the end of the period, many central banks stressed that more work may need to be done to bring inflation back to their targets and, as result, they are prepared to hold rates at (or slightly higher than) current levels for longer. In this environment, both risk assets and government bond yields struggled for traction amid a positive stock-bond correlation.

Sub-Fund Performance

The sub-fund delivered a return of 1.76% on C income share class, and a current yield of 6.41% for the period in line with expectations.

Positive performance was seen from equity allocations, while both fixed income and listed alternatives detracted. Within equities, core income equity positioning in developed markets drove positive performance, with emerging market and Japanese exposures also adding value. In fixed income, emerging market bonds were the largest detractor, with developed market bond exposures also detracting. High yield allocations were the only major positive contributor within fixed income, with US exposures driving performance. Elsewhere, within listed alternatives, REITs were the main detractor.

UBS Global Diversified Income Fund

Outlook

We view economic growth as resilient, but has room to slow from a high level, with a key feature being a strong US labour market. Initial and continuing jobless claims are low and aggregate income growth is positive in real terms. This should fuel continued gains in consumer spending. US inflation is downshifting to a softer trend as well, and falling inflation should help protect household spending power in real terms, and support consumption. We expect price pressures to moderate, but this process will not be a straight line, nor do we expect core inflation will quickly fall all the way back to 2% or below. The US economy faces temporary challenges in Q4, including a major auto workers' strike and the resumption of student loan payments. However, in our view, the probability of a soft landing for the US economy has increased meaningfully. Decelerating inflation has reduced a chief threat to the expansion and asset valuations, while tight labour markets may continue to support solid growth in consumer spending. The European economy is particularly exposed to the stagnation in the global goods sector, but labour markets remain tight. We expect global manufacturing activity, which has been stagnating, to catch up to services, rather than services catch down to manufacturing. While China's economic reopening has lost momentum, there are tentative signs that policy support is driving a modest improvement in growth. Given depressed sentiment, the measured policy support to date, and likely further incremental steps to support growth, we believe China's economy has more scope to improve into year-end.

Overall, we view the risk-reward proposition for global equities as attractive and should we see a stabilisation in bond yields, the stock market may start to better reflect the steady improvement in fundamentals and decrease in inflation risk. We continue to look for relative value opportunities within global equity markets, currently favouring Japan and the US. We continue to see value in government bonds given the rerating higher in yields, but are cognizant of entry points given the negative momentum seen towards the end of the period. Credit remains useful from an all-in-yield perspective, but we do see limited scope for yield compression from these levels. Within credit, we prefer higher quality segments.

Notice of Sub-fund Closure

As per investor mailings the ACD has decided to close the UBS Global Diversified Income Fund in the first half of 2024.

Percentage growth

	30/09/22 to 30/09/23 %	30/09/21 to 30/09/22 %	30/09/20 to 30/09/21 %	30/09/19 to 30/09/20 %	Launch to 30/09/19 %
C Accumulation Shares	1.70	-17.95	12.32	-5.96	6.00
C Income Shares	1.76	-17.96	12.29	-6.16	6.07
R Accumulation Shares	1.96	-17.69	12.85	-4.44*	-
R Income Shares	1.96	-17.69	12.71	-9.22*	-
K Accumulation Shares	-	-2.69**	13.01	-5.37	6.38

Source: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

Launch date: Class C & K Shares 27 February 2019; Class R Income shares 20 February 2020; Class R Accumulation 2 March 2020.
*covers period from launch.

Closure date; Class K Accumulation 26 January 2022.
**covers period to closure.

UK Climate Report

The use of derivatives is integral to the investment strategy of this sub-fund to meet its investment objective. However, due to there being no appropriate metrics currently available to accurately reflect the carbon impact of these instruments within the portfolio, UBS Asset Management is not able to accurately report on the sub-funds overall carbon and forward looking climate risk characteristics. UBS Asset Management will continue to evaluate developments in industry best practice for derivative climate metric disclosure and seek to align our reports in future.

UBS Asset Management Funds Ltd
31 January 2024

UBS Global Diversified Income Fund

1. Comparative Tables

Financial year to 30 September	C Accumulation shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	45.97	55.98	49.82
Return before operating charges	1.23	(9.81)	6.69
Operating charges	(0.44)	(0.20)	(0.53)
Return after operating charges*	0.79	(10.01)	6.16
Distributions	(2.61)	(2.73)	(2.75)
Retained distributions	2.61	2.73	2.75
Closing net asset value	46.76	45.97	55.98
*after direct transaction costs of	–	–	(0.01)
Performance			
Return after charges (%)	1.72	(17.88)	12.36
Other information			
Closing net asset value (£)	183,708	140,029	72,843
Closing number of shares	392,876	304,629	130,118
Operating charges (%)	0.92	0.92	0.97
Direct transaction costs (%)	0.01	–	0.01
Prices			
Highest dealing price	49.16p	56.81p	57.44p
Lowest dealing price	46.18p	45.93p	49.30p

UBS Global Diversified Income Fund

1. Comparative Tables

Financial year to 30 September	C Income shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	38.04	48.92	45.80
Return before operating charges	1.07	(8.37)	6.08
Operating charges	(0.35)	(0.14)	(0.49)
Return after operating charges*	0.72	(8.51)	5.59
Distributions	(2.10)	(2.37)	(2.47)
Closing net asset value	36.63	38.04	48.92
*after direct transaction costs of	–	–	(0.01)
Performance			
Return after charges (%)	1.89	(17.40)	12.21
Other information			
Closing net asset value (£)	415,969	314,319	26,883
Closing number of shares	1,135,513	826,341	54,956
Operating charges (%)	0.92	0.92	0.97
Direct transaction costs (%)	0.01	–	0.01
Prices			
Highest dealing price	40.06p	49.49p	50.92p
Lowest dealing price	36.87p	38.60p	45.32p

UBS Global Diversified Income Fund

1. Comparative Tables

Financial year to 30 September	R Accumulation shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	44.40	53.91	47.76
Return before operating charges	1.07	(9.52)	6.27
Operating charges	(0.25)	0.01	(0.12)
Return after operating charges*	0.82	(9.51)	6.15
Distributions	(2.43)	(2.62)	(2.64)
Retained distributions	2.43	2.62	2.64
Closing net asset value	45.22	44.40	53.91
*after direct transaction costs of	–	–	(0.01)
Performance			
Return after charges (%)	1.85	(17.64)	12.88
Other information			
Closing net asset value (£)	863,452	1,408,861	1,377,355
Closing number of shares	1,909,395	3,173,138	2,554,695
Operating charges (%)	0.55	0.55	0.22
Direct transaction costs (%)	0.01	–	0.01
Prices			
Highest dealing price	47.54p	54.75p	55.30p
Lowest dealing price	44.67p	44.38p	47.27p

UBS Global Diversified Income Fund

1. Comparative Tables

Financial year to 30 September	R Income shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	36.76	47.09	43.91
Return before operating charges	0.96	(8.13)	5.65
Operating charges	(0.20)	0.01	(0.11)
Return after operating charges*	0.76	(8.12)	5.54
Distributions	(2.07)	(2.21)	(2.36)
Closing net asset value	35.45	36.76	47.09
* after direct transaction costs of	–	–	–

Performance

Return after charges (%)	2.07	(17.24)	12.62
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Other information

Closing net asset value (£)	4,248,118	3,562,768	2,653,233
Closing number of shares	11,983,983	9,693,214	5,634,497
Operating charges (%)	0.55	0.55	0.22
Direct transaction costs (%)	0.01	–	0.01

Prices

Highest dealing price	38.73p	47.65p	48.94p
Lowest dealing price	35.68p	37.23p	43.47p

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the Fund's annual operating expenses (excluding overdraft interest) to the average net assets of the Fund. It covers all aspects of operating the Fund during the year, including fees paid for investment management, administration, safeguarding the Fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the Fund invests in other Funds, the figure includes the impact of the charges made in those other funds.

Share Class	2023	2022
	%	%
C Accumulation shares	0.92	0.92
C Income shares	0.92	0.92
R Accumulation shares	0.55	0.55
R Income shares	0.55	0.55

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Global Diversified Income Fund

Portfolio Statement (unaudited)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Collective Investment Schemes 86.86% (66.34%)				
Amundi Index FTSE EPRA NAREIT Global ETF DR	EUR	3,074	128,165	2.24
SPDR S&P 400 U.S. Mid Cap ETF	USD	1,464	91,663	1.61
UBS (Irl) ETF - Factor MSCI USA Quality ESG (USD) A-dis [†]	GBP	4,103	131,583	2.30
UBS (Lux) Bond - Asian High Yield (USD), class I-X-dist [†]	USD	2,779	99,771	1.75
UBS (Lux) Bond - China Fixed Income (RMB), unit class U-X-UKdist-mdist, CNY [†]	CNY	22	259,423	4.54
UBS (Lux) Bond - Global Corporates (USD), unit class U-X-UKdist-mdist [†]	USD	92	742,334	13.00
UBS (Lux) Bond - USD High Yield (USD), unit class U-X-UKdist-mdist [†]	USD	39	267,164	4.68
UBS (Lux) Bond Fund - Asia Flexible (USD), unit class U-X-UKdist-mdist [†]	USD	18	118,816	2.08
UBS (Lux) Bond Fund - Euro High Yield (EUR), unit class U-X-UKdist-mdist [†]	EUR	46	358,440	6.27
UBS (Lux) Emerging Economies Fund - Global Bonds (USD), unit class U-X-UKdist-mdist UX [†]	USD	67	396,827	6.95
UBS (Lux) Equity - Euro Countries Income Sustainable (EUR), unit class U-X-UKdist-mdist [†]	EUR	37	219,682	3.85
UBS (Lux) Equity - Global High Dividend Sustainable (USD), unit class U-X-UKdist-mdist [†]	USD	71	575,396	10.07
UBS (Lux) Equity - Small Caps Europe Sustainable (EUR), unit class U-X-acc [†]	EUR	6	68,001	1.19
UBS (Lux) Equity - US Income Sustainable (USD), unit class U-X-UKdist-mdist [†]	USD	79	695,140	12.17
UBS (Lux) Fund Solutions - Factor MSCI EMU Quality ESG ETF, class (EUR) A-dis [†]	GBP	2,195	43,250	0.76
UBS (Lux) Key Selection - Global Equities (USD), class I-X-acc IX [†]	USD	826	199,815	3.50
UBS UK Equity Income Fund, class K [†]	GBP	513	474,398	8.31
Xtrackers S&P 500 Equal Weight ETF Share Class: 1C	USD	1,451	90,932	1.59
Collective Investment Schemes total			<u>4,960,800</u>	<u>86.86</u>
Equities 0.58% (14.05%)				
Guernsey 0.00% (4.11%)				
Jersey 0.00% (2.05%)				
Luxembourg 0.00% (0.85%)				
United Kingdom 0.58% (7.04%)				
Home REIT [^]	GBP	115,021	32,824	0.58
			<u>32,824</u>	<u>0.58</u>
Equities total			<u>32,824</u>	<u>0.58</u>
Government Bonds 10.35% (4.47%)				
United States of America 10.35% (4.47%)				
US Treasury Bill 0.00% 02/11/2023	USD	40,000	32,623	0.57
US Treasury Bill 0.00% 28/12/2023	USD	90,000	72,789	1.28
US Treasury Bill 0.00% 25/01/2024	USD	225,000	181,215	3.17
US Treasury Bill 0.00% 22/02/2024	USD	310,000	248,629	4.35
US Treasury Bill 0.00% 21/03/2024	USD	70,000	55,902	0.98
			<u>591,158</u>	<u>10.35</u>
Government Bonds total			<u>591,158</u>	<u>10.35</u>

UBS Global Diversified Income Fund

Portfolio Statement (unaudited) (continued)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Swaps 0.09% ((0.23)%)				
Credit Default Swap Citigroup Global Markets Sell CDX.NA.HY.40-V1 20/06/2028	USD	340,000	5,049	0.09
Credit Default Swap Citigroup Global Markets Sell CDX.NA.HY.40-V1 20/06/2028	USD	(340,000)	–	–
Swaps total			5,049	0.09
Forward Currency Contract (1.42)% ((1.74)%)				
Buy BRL 284,500 sell USD 58,112 dated 20/10/2023			(1,161)	(0.02)
Buy CNY 100,000 sell GBP 11,231 dated 20/10/2023			3	–
Buy COP 255,535,200 sell USD 64,312 dated 20/10/2023			(1,192)	(0.02)
Buy EUR 138,200 sell CZK 3,396,482 dated 20/10/2023			(916)	(0.02)
Buy EUR 14,700 sell GBP 12,772 dated 20/10/2023			(12)	–
Buy GBP 6,814 sell AUD 13,100 dated 20/10/2023			(117)	–
Buy GBP 39,024 sell CAD 65,500 dated 20/10/2023			(674)	(0.01)
Buy GBP 107,648 sell CNY 972,600 dated 20/10/2023			(1,613)	(0.03)
Buy GBP 911,462 sell EUR 1,061,400 dated 20/10/2023			(9,795)	(0.17)
Buy GBP 230,216 sell NZD 483,300 dated 20/10/2023			(7,678)	(0.14)
Buy GBP 4,137,916 sell USD 5,143,300 dated 20/10/2023			(75,559)	(1.32)
Buy INR 4,025,800 sell USD 48,507 dated 17/10/2023			(50)	–
Buy JPY 64,915,700 sell GBP 354,727 dated 20/10/2023			2,716	0.05
Buy NOK 3,309,900 sell GBP 248,645 dated 20/10/2023			6,300	0.11
Buy USD 534,647 sell CNY 3,854,000 dated 20/10/2023			5,033	0.09
Buy USD 190,312 sell GBP 154,385 dated 20/10/2023			1,521	0.03
Buy USD 76,800 sell GBP 63,232 dated 20/10/2023			(317)	(0.01)
Buy USD 48,449 sell INR 4,025,800 dated 17/10/2023			2	–
Buy USD 294,800 sell TWD 9,392,033 dated 20/10/2023			2,634	0.04
Forward Currency Contracts total			(80,875)	(1.42)
Futures (0.56)% ((0.79)%)				
Australia 10 Year Bond 15/12/2023	AUD	1	(1,768)	(0.03)
Euro-Bund 07/12/2023	EUR	1	(2,013)	(0.04)
EURO STOXX 50 Index 15/12/2023	EUR	(4)	2,481	0.04
EURO STOXX Bank Index 15/12/2023	EUR	25	2,831	0.05
FTSE 100 Index 15/12/2023	GBP	(3)	(2,130)	(0.04)
Long Gilt 27/12/2023	GBP	1	(650)	(0.01)
S&P 500 Micro E-Mini Index 15/12/2023	USD	2	(1,755)	(0.03)
TOPIX Index 07/12/2023	JPY	1	(1,661)	(0.03)
TOPIX Mini Index 07/12/2023	JPY	9	(1,431)	(0.02)
US 5 Year Note 29/12/2023	USD	14	(11,329)	(0.20)
US Ultra Bond 19/12/2023	USD	2	(14,389)	(0.25)
Futures total			(31,814)	(0.56)
Investment assets (including Investment liabilities)			5,477,142	95.90
Net other assets			234,105	4.10
Net assets			5,711,247	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 30 September 2022.

† A related party to the Fund.

^ Unlisted, suspended or delisted security.

UBS Global Diversified Income Fund

Portfolio Movement (unaudited)

For the year ended 30 September 2023

	Cost £
Largest purchases	
US Treasury Bill 0.00% 18/05/2023	874,265
UBS Global Corporates (USD) Fund - Class U-X-UKdist-mdist [†]	759,289
UBS Global Corporates (USD) Fund - Class I-X-Ukdist-mdist [†]	593,615
UBS Lux Equity SICAV - Global High Dividend Sustainable USD [†]	592,547
US Treasury Bill 0.00% 11/02/2023	327,363
UBS UK Equity Income Fund - Class K Inc [†]	324,472
US Treasury Bill 0.00% 12/10/2023	320,896
US Treasury Bill 0.00% 22/02/2024	298,971
US Treasury Bill 0.00% 10/08/2023	293,817
UBS Emerging Economies Global Bonds (USD) Fund - Class U-X-UKdist-mdist [†]	285,260
US Treasury Bill 0.00% 28/12/2023	271,175
US Treasury Bill 0.00% 25/01/2024	270,073
UBS Euro High Yield (EUR) Fund - Class U-X-UKdist-mdist [†]	232,540
UBS China Fixed Income (RMB) Fund - Class U-X-UKdist-mdist [†]	219,637
UBS Lux Bond SICAV - Global Corporates USD [†]	211,102
UBS US Income Sustainable (USD) Fund - Class U-X-UKdist-mdist [†]	196,316
Vanguard S&P 500 UCITS ETF	145,695
UBS Irl ETF plc - Factor MSCI USA Quality ESG Fund [†]	134,312
AMUNDI INDEX FTSE EPRA NAREIT GLOBAL UCITS ETF DR	133,544
UBS USD High Yield (USD) Fund - Class U-X-UKdist-mdist [†]	132,419
Total for the year	7,067,551

	Proceeds £
Largest sales	
UBS Global Corporates (USD) Fund class I-X-Ukdist-mdist [†]	787,136
UBS US Income Sustainable (USD) Fund - Class U-X-UKdist-mdist [†]	464,561
UBS Emerging Economies Global Bonds (USD) Fund - Class U-X-UKdist-mdist [†]	416,365
UBS Global Opportunity Sustainable (USD) Fund - Class U-X-acc [†]	315,451
US Treasury Bill 0.00% 12/10/2023	313,874
US Treasury Bill 0.00% 10/08/2023	298,705
US Treasury Bill 0.00% 11/02/2023	292,717
US Treasury Bill 0.00% 28/12/2023	205,284
iShares plc - iShares Core FTSE 100 UCITS ETF	200,591
UBS Euro Countries Income Sustainable (EUR) Fund - Class U-X-UKdist-mdist [†]	192,456
Vanguard S&P 500 UCITS ETF	162,192
UBS UK Equity Income Fund - Class K Inc [†]	154,350
UBS (Lux) Asia Flexible Fund unit class U-X-UKdist-mdist, USD [†]	117,399
US Treasury Bill 0.00% 25/01/2024	95,964
International Public Partnerships	84,317
Sequoia Economic Infrastructure Income Fund	80,267
Supermarket Income REIT	79,777
Sdcl Energy Efficiency Income Trust	73,801
Target Healthcare REIT	68,652
3i Infrastructure	66,333
Total for the year	5,939,097

[†] A related party to the Fund.

UBS Global Diversified Income Fund

Financial Statements

Statement of Total Return

For the year ended 30 September 2023

	Notes	£	2023 £	£	2022 £
Income					
Net capital losses	2		(213,841)		(1,827,524)
Revenue	3	363,254		486,917	
Expenses	4	(30,893)		(24,698)	
Net revenue before taxation		332,361		462,219	
Taxation	5	(32,585)		(37,566)	
Net revenue after taxation			299,776		424,653
Total return before distributions			85,935		(1,402,871)
Distributions	6		(318,391)		(442,160)
Change in net assets attributable to shareholders from investment activities			(232,456)		(1,845,031)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 September 2023

	£	2023 £	£	2022 £
Opening net assets attributable to shareholders		5,425,977		15,503,406
Amounts receivable on issue of shares	1,961,461		3,047,033	
Amounts payable on cancellation of shares	(1,513,547)		(11,476,550)	
		447,914		(8,429,517)
Dilution adjustment		2,348		17,228
Change in net assets attributable to shareholders from investment activities		(232,456)		(1,845,031)
Retained distribution on accumulation shares		67,464		179,891
Closing net assets attributable to shareholders		5,711,247		5,425,977

UBS Global Diversified Income Fund

Financial Statements

Balance sheet

As at 30 September 2023

	Notes	2023 £	2022 £
Assets			
Fixed assets			
Investments	7	5,613,352	4,666,756
Current assets			
Debtors	8	89,354	119,762
Cash and bank balances	9	243,555	985,686
Total assets		5,946,261	5,772,204
Liabilities			
Investment liabilities	7	(136,210)	(211,897)
Creditors			
Bank overdrafts		–	(4,668)
Distributions payable		(41,352)	(49,629)
Other creditors	10	(57,452)	(80,033)
Total liabilities		(235,014)	(346,227)
Net assets attributable to shareholders		5,711,247	5,425,977

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 8 to 10.

2. Net capital losses

	2023	2022
	£	£
Derivative contracts	(133,582)	(390,287)
Foreign currency gains	107,417	123,295
Forward foreign currency contracts	43,485	(597,842)
Non-derivative securities	(228,519)	(961,230)
Transaction costs	(2,642)	(1,460)
Net capital losses	(213,841)	(1,827,524)

3. Revenue

	2023	2022
	£	£
Bank interest	2,268	2,151
Franked distributions	167,725	252,402
Interest distributions	129,141	126,751
Interest on amounts held at futures clearing houses and brokers	3,686	–
Interest on debt securities	34,547	31,801
Net revenue return from derivative contracts	14,860	10,484
Overseas dividends	694	17,757
Real estate income distributions	7,729	20,047
Scrip dividends	–	16,296
UK dividends	2,604	9,228
Total revenue	363,254	486,917

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

4. Expenses

	2023 £	2022 £
Payable to the ACD, associates of the Authorised Corporate Director and agents of either of them:		
ACD fees	35,898	16,362
Expense fee rebate	(45,060)	(44,209)
Registrar fees	273	11,856
	(8,889)	(15,991)
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	8,976	9,009
Interest payable	6,269	2,752
	15,245	11,761
Other expenses:		
Administration charge	13,665	18,450
Audit fee	9,324	9,275
Safe custody fees	54	203
Taxation fee	1,494	1,000
	24,537	28,928
Total expenses	30,893	24,698

The audit fee for the year, excluding VAT, was £7,770 (2022: £7,750).

5. Taxation

(a) Analysis of the tax charge for the year

	2023 £	2022 £
Corporation tax	28,298	33,307
Overseas withholding tax	317	820
Prior year adjustment	–	3,439
Total current tax (Note 5(b))	28,615	37,566
Deferred tax (Note 5(c))	3,970	–
Total taxation	32,585	37,566

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2022: 20%). The differences are explained below.

	2023 £	2022 £
Net revenue before taxation	332,361	462,219
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	66,473	92,444
Effects of:		
Revenue not subject to corporation tax	(34,205)	(59,137)
Deferred tax (Note (5c))	(3,970)	–
Irrecoverable overseas withholding tax	317	820
Prior year adjustment	–	3,439
Current tax charge for the year (Note 5(a))	28,615	37,566

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

(c) Factors that may affect future tax charges

	2023 £	2022 £
Movement in deferred tax for the year (Note 5(a))	3,970	–
Deferred tax asset at the end of the year	3,970	–

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023 £	2022 £
Interim - First monthly dividend distribution	22,551	45,956
Interim - Second monthly dividend distribution	19,460	46,661
Interim - Third monthly dividend distribution	22,811	47,586
Interim - Fourth monthly dividend distribution	23,352	16,903
Interim - Fifth monthly dividend distribution	24,649	17,978
Interim - Sixth monthly dividend distribution	24,230	18,561
Interim - Seventh monthly dividend distribution	24,579	18,975
Interim - Eighth monthly dividend distribution	24,646	19,640
Interim - Ninth monthly dividend distribution	25,727	20,632
Interim - Tenth monthly dividend distribution	25,738	21,670
Interim - Eleventh monthly dividend distribution	25,501	22,293
Final dividend distribution	57,483	79,873
	320,727	376,728
Add: Revenue deducted on cancellation of shares	11,849	81,550
Deduct: Revenue received on issue of shares	(14,185)	(16,118)
Distributions	318,391	442,160
Net revenue after taxation	299,776	424,653
Add: ACD fee taken to capital	35,898	16,362
Add: Equalisation on conversions	(950)	–
Add: Expenses taken to capital	(11,275)	1,186
Add: Tax on capital items	(4,925)	–
Add: Undistributed revenue brought forward	408	367
Deduct: Undistributed revenue carried forward	(541)	(408)
Distributions	318,391	442,160

Details of the distributions per share are set out in the Distribution Tables on pages 58 to 63.

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker-priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

Basis of valuation	2023		2022	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: Quoted prices	5,312	(37,126)	985,820	(74,590)
Level 2: Observable market data	5,575,216	(99,084)	3,680,936	(137,307)
Level 3: Unobservable data	32,824	–	–	–
Total	5,613,352	(136,210)	4,666,756	(211,897)

8. Debtors

	2023 £	2022 £
Accrued ACD's rebates	45,060	44,209
Accrued revenue	36,625	38,337
Amounts receivable for issue of shares	5,701	35,412
Amounts receivable on derivative contracts	348	–
Income tax recoverable	–	992
Prepaid expenses	1,620	812
Total debtors	89,354	119,762

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

9. Cash and bank balances

	2023	2022
	£	£
Amounts held at futures clearing houses and brokers	130,703	113,716
Cash and bank balances	112,855	871,970
Total cash and bank balances	243,555	985,686

10. Other creditors

	2023	2022
	£	£
Accrued expenses	22,162	44,544
Amounts payable for cancellation of shares	1,171	331
Corporation tax payable	34,119	35,158
Total other creditors	57,452	80,033

11. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2022: Nil).

12. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 30 September 2023 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £4,327 and £5,286 respectively (2022: £2,086 and £13,697) and the amount included in debtors in respect of ACD fee rebate due from the ACD is £45,060 (2022: £44,209).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 10.

All dealing in the investment portfolio of the fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holding Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

13. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 10 to 12 and in relation to the sub-fund are included below.

(a) Value at risk

The sub-fund is permitted to invest in forward foreign exchange, forward and future contracts, swaps, options and repurchase agreement. The sub-fund will use derivatives as part of its investment capabilities and are used to manage market exposure inherent in an invested portfolio. The derivatives overlay is designed to remove unwanted market risk and allow tactical asset allocation and currency views to be expressed efficiently. However, such instruments are inherently volatile and the sub-fund could be potentially exposed to additional risk and costs should the market move against it. The ACD also assesses the market risk of the sub-fund's investments, including any derivative exposures, using a Value at Risk (VaR) methodology with a 99% confidence level and one month time horizon. This process provides the ACD with an estimate of the maximum potential loss that could be expected to occur as a result of changes in the market prices over a given year of time in all but a given percentage of circumstances.

The ACD calculates global exposure using the relative VaR approach. "Relative VaR" is the VaR of a sub-fund divided by the VaR of a benchmark or reference portfolio (i.e. a portfolio similar to the sub-fund's portfolio but which does not include derivatives).

The Fund's reference portfolio used in relative VaR calculations is 60% MSCI All Country World Index (hedged to GBP) and 40% Barclays Global Aggregate Index (hedged to GBP).

Specific details of the measures are as follows:

	30.09.23 %	30.09.22 %
Calculation Model:	Risk Metrics Historical	Simulation Model
Confident Level:	99%	99%
Holding Period:	20 Days	20 Days
Data History	1Y of daily data	1Y of daily data
Lowest:	4.47%	2.87%
Highest:	6.36%	53.72%
Average:	5.68%	10.85%
Lowest utilisation of VaR limit:	19.17%	24.93%
Highest utilisation of VaR limit:	84.38%	151.37%
Average utilisation of VaR limit:	45.96%	47.65%

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

(b) Leverage

Average leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach (CESR/10-788)) divided by the net asset value.

The sub-fund's leverage level is expected to be 200% of the sub-fund's total Net Asset Value based on the sum of notional exposures of financial derivative instruments in the investment portfolio including those held for risk reduction purposes. This level of leverage will vary over time and may increase under certain market conditions.

For the year under review:

	30.09.23 %	30.09.22 %
Leverage:	175%	155%
The lowest leverage was:	124%	107%
The highest leverage was:	419%	605%
The average leverage was:	178%	175%

14. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

2023	Principal £	Commissions £	Taxes £	Total cost £	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	2,711,066	–	–	2,711,066	–	–
Equities	699,849	–	–	699,849	–	–
Funds	3,656,636	–	–	3,656,636	–	–
	7,067,551	–	–	7,067,551		
Sales						
Bonds	2,359,357	–	–	2,359,357	–	–
Equities	1,000,797	(336)	(24)	1,000,437	0.03	0.00
Funds	2,579,302	–	–	2,579,302	–	–
	5,939,457	(336)	(24)	5,939,097		

Total cost of the Fund's average net asset value (%)

0.00% 0.00%

2022	Principal £	Commissions £	Taxes £	Total cost £	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	512,065	–	–	512,065	–	–
Equities	282,555	9	307	282,571	0.00	0.11
Funds	4,679,344	–	–	4,679,344	–	–
	5,473,664	9	307	5,473,980		
Sales						
Bonds	960,376	–	–	960,376	–	–
Equities	2,576,704	(190)	(11)	2,576,503	0.01	0.00
Funds	11,483,513	–	–	11,483,513	–	–
	15,020,393	(190)	(11)	15,020,392		

Total cost of the Fund's average net asset value (%)

0.00% 0.00%

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.03% (2022: 0.07%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price. The ACD believes this spread to be representative of the typical spread throughout the year.

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

15. Counterparty exposure

The types of derivatives held at the balance sheet date were forward exchange contracts and swaps. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £	Credit default swaps £	Commodity index swaps £	Contract for difference £	Interest rate swaps £	Total return swaps £	Inflation linked swaps £	Options contracts £	Swaption contracts £	Total £
Canadian Imperial Bank of Commerce										
2023	2,667	–	–	–	–	–	–	–	–	2,667
2022	(606)	–	–	–	–	–	–	–	–	(606)
Citibank										
2023	(9,793)	5,049	–	–	–	–	–	–	–	(4,744)
2022	(1,971)	(12,338)	–	–	(265)	–	–	–	–	(14,574)
HSBC										
2023	3	–	–	–	–	–	–	–	–	3
2022	–	–	–	–	–	–	–	–	–	–
J.P. Morgan										
2023	1,702	–	–	–	–	–	–	–	–	1,702
2022	(260,096)	–	–	–	–	–	–	–	–	(260,096)
Morgan Stanley										
2023	(75,559)	–	–	–	–	–	–	–	–	(75,559)
2022	1,390	–	–	–	–	–	–	–	–	1,390
Standard Chartered										
2023	104	–	–	–	–	–	–	–	–	104
2022	–	–	–	–	–	–	–	–	–	–

The collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

Counterparty	2023 £	2022 £
Citibank	33,684	63,894
J.P. Morgan	96,238	109,048
Total	129,922	172,942

The nature of collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

	2023 £	2022 £
Cash	129,922	172,942
Total	129,922	172,942

UBS Global Diversified Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

16. Shares in issue reconciliation

	Number of shares in issue 30.9.22	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 30.9.23
C Accumulation shares	304,629	299,292	(211,045)	–	392,876
C Income shares	826,341	777,491	(468,319)	–	1,135,513
R Accumulation shares	3,173,138	546,194	(1,066,166)	(743,771)	1,909,395
R Income shares	9,693,214	3,435,442	(2,061,510)	916,837	11,983,983

UBS Global Diversified Income Fund

Distribution Tables

Distribution for the month ended 31 October 2022

Group 1 Shares purchased prior to 1 October 2022

Group 2 Shares purchased on or after 1 October 2022

	Net revenue 2022 per share	Equalisation 2022 per share	Distribution paid 30.11.22 per share	Distribution paid 30.11.21 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0200p	0.1400p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0900p	0.0700p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0900p	0.0700p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0600p	0.1000p	0.1600p	0.1600p

Distribution for the month ended 30 November 2022

Group 1 Shares purchased prior to 1 November 2022

Group 2 Shares purchased on or after 1 November 2022

	Net revenue 2022 per share	Equalisation 2022 per share	Distribution paid 31.12.22 per share	Distribution paid 31.12.21 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0400p	0.1200p	0.1600p	0.1600p
C Income shares				
Group 1	0.1300p	–	0.1300p	0.1600p
Group 2	0.0600p	0.0700p	0.1300p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.1000p	0.0600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1300p	–	0.1300p	0.1500p
Group 2	0.1000p	0.0300p	0.1300p	0.1500p

UBS Global Diversified Income Fund

Final distribution for the month ended 31 December 2022

Group 1 Shares purchased prior to 1 December 2022

Group 2 Shares purchased on or after 1 December 2022

	Net revenue 2022 per share	Equalisation 2022 per share	Distribution paid 31.1.23 per share	Distribution paid 31.1.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0100p	0.1500p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0500p	0.1100p	0.1600p	0.1600p

Distribution for the month ended 31 January 2023

Group 1 Shares purchased prior to 1 January 2023

Group 2 Shares purchased on or after 1 January 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 28.2.23 per share	Distribution paid 28.2.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p

UBS Global Diversified Income Fund

Distribution for the month ended 28 February 2023

Group 1 Shares purchased prior to 1 February 2023

Group 2 Shares purchased on or after 1 February 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.3.23 per share	Distribution paid 31.3.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0200p	0.1400p	0.1600p	0.1600p

Distribution for the month ended 31 March 2023

Group 1 Shares purchased prior to 1 March 2023

Group 2 Shares purchased on or after 1 March 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 30.4.23 per share	Distribution paid 30.4.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p

UBS Global Diversified Income Fund

Distribution for the month ended 30 April 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased on or after 1 April 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.5.23 per share	Distribution paid 31.5.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p

Distribution for the month ended 31 May 2023

Group 1 Shares purchased prior to 1 May 2023

Group 2 Shares purchased on or after 1 May 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 30.6.23 per share	Distribution paid 30.6.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p

UBS Global Diversified Income Fund

Interim distribution for the month ended 30 June 2023

Group 1 Shares purchased prior to 1 June 2023

Group 2 Shares purchased on or after 1 June 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.7.23 per share	Distribution paid 31.7.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p

Distribution for the month ended 31 July 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased on or after 1 July 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.8.23 per share	Distribution paid 31.8.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p

UBS Global Diversified Income Fund

Distribution for the month ended 31 August 2023

Group 1 Shares purchased prior to 1 August 2023

Group 2 Shares purchased on or after 1 August 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 30.9.23 per share	Distribution paid 30.9.22 per share
C Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
C Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Accumulation shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p
R Income shares				
Group 1	0.1600p	–	0.1600p	0.1600p
Group 2	0.0000p	0.1600p	0.1600p	0.1600p

Final distribution for the month ended 30 September 2023

Group 1 Shares purchased prior to 1 October 2023

Group 2 Shares purchased on or after 1 October 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.10.23 per share	Distribution paid 31.10.22 per share
C Accumulation shares				
Group 1	0.8500p	–	0.8500p	0.9200p
Group 2	0.1600p	0.6900p	0.8500p	0.9200p
C Income shares				
Group 1	0.3700p	–	0.3700p	0.5500p
Group 2	0.0700p	0.3000p	0.3700p	0.5500p
R Accumulation shares				
Group 1	0.6700p	–	0.6700p	0.8300p
Group 2	0.0000p	0.6700p	0.6700p	0.8300p
R Income shares				
Group 1	0.3100p	–	0.3100p	0.4700p
Group 2	0.0900p	0.2200p	0.3100p	0.4700p

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

UBS Multi-Asset Income Fund

UBS Multi-Asset Income Fund

Manager's report

Investment objective

The sub-fund aims to achieve an income return of 1 month compounded SONIA +3% in any 12 month period.

Investment policy

The sub-fund invests at least 80% in global equities, global bonds, warrants, money market instruments, deposits and cash or near cash.

The sub-fund may also invest up to 20% in alternative assets, including real estate, infrastructure, private debt, insurance linked securities, mortgage linked securities, bank loans and REITs.

The sub-fund can invest in any country globally.

The sub-fund may invest in these assets directly or through investments in other funds. At times, the sub-fund may be predominantly invested in other funds.

The sub-fund may use derivatives to invest in these assets including forward and future contracts, swaps, options, and repurchase agreements for investment purposes or efficient portfolio management.

The other funds that the sub-fund may invest in include funds which are managed by the Investment Manager or its affiliates.

Investment strategy

The sub-fund is actively managed, the strategy is to invest in a wide range of income producing assets.

Benchmark information

The sub-fund is not managed by reference to a benchmark, nor does the Manager use a benchmark to assess the sub-fund's performance. Investors may however assess the sub-fund's performance by comparing the income provided by the sub-fund in a year with the income target.

Market environment

The period from October 2022 to September 2023 was marked by combination of both opportunities and challenges, shaped by central bank policy action, China's reopening, receding global recession fears, as well as an increase in confidence for a potential soft landing. Another theme, throughout the period, was the strong performance of mega-cap stocks, partly driven by optimism over the potential of artificial intelligence. During the same time, US investors also grappled with a regional banking crisis that had sent ripples through financial markets even beyond the US market. Regulatory response paired with industry support managed to mitigate the short-term impact of the crisis, and led to a stronger market focus on central bank policy, corporate earnings trajectory, and inflation normalization. The period also witnessed economic momentum China soften after its post-COVID reopening, weighing on global manufacturing. While Europe avoided a recession over the winter, manufacturing weakness spread into services over the period, while monetary policy remained tight throughout. Despite some signs of easing inflationary pressures towards the end of the period, many central banks stressed that more work may need to be done to bring inflation back to their targets and, as result, they are prepared to hold rates at (or slightly higher than) current levels for longer. In this environment, both risk assets and government bond yields struggled for traction amid a positive stock-bond correlation.

Sub-fund performance

The sub-fund delivered a return of 1.39%, C Income share class. Its minimum income objective was achieved with an underlying yield of 4.58%.

Positive performance was seen from both equities and fixed income, while listed alternative exposures detracted. Within equities, global and UK income equities drove performance, with UK and emerging market allocations also adding value. Some negative contributions were seen across exposures to European, Chinese and Japanese futures during the period. In fixed income, high yield and emerging market exposures drove performance, while inflation-linked and floating rate bonds also contributed positively to performance. Allocations to global credit and developed market duration detracted from performance amid rising yields. Listed alternatives were the largest detractor of performance, with UK REITs in particular underperforming, while listed infrastructure also contributed negatively.

UBS Multi-Asset Income Fund

Outlook

We view economic growth as resilient, but has room to slow from a high level, with a key feature being a strong US labour market. Initial and continuing jobless claims are low and aggregate income growth is positive in real terms. This should fuel continued gains in consumer spending. US inflation is downshifting to a softer trend as well, and falling inflation should help protect household spending power in real terms, and support consumption. We expect price pressures to moderate, but this process will not be a straight line, nor do we expect core inflation will quickly fall all the way back to 2% or below. The US economy faces temporary challenges in Q4, including a major auto workers' strike and the resumption of student loan payments. However, in our view, the probability of a soft landing for the US economy has increased meaningfully. Decelerating inflation has reduced a chief threat to the expansion and asset valuations, while tight labour markets may continue to support solid growth in consumer spending. The European economy is particularly exposed to the stagnation in the global goods sector, but labour markets remain tight. We expect global manufacturing activity, which has been stagnating, to catch up to services, rather than services catch down to manufacturing. While China's economic reopening has lost momentum, there are tentative signs that policy support is driving a modest improvement in growth. Given depressed sentiment, the measured policy support to date, and likely further incremental steps to support growth, we believe China's economy has more scope to improve into year-end.

Overall, we view the risk-reward proposition for global equities as attractive and should we see a stabilisation in bond yields, the stock market may start to better reflect the steady improvement in fundamentals and decrease in inflation risk. We continue to look for relative value opportunities within global equity markets, currently favouring Japan and the US. We continue to see value in government bonds given the rerating higher in yields, but are cognizant of entry points given the negative momentum seen towards the end of the period. Credit remains useful from an all-in-yield perspective, but we do see limited scope for yield compression from these levels. Within credit, we prefer higher quality segments.

Percentage growth

	30/09/22 to 30/09/23 %	30/09/21 to 30/09/22 %	30/09/20 to 30/09/21 %	30/09/19 to 30/09/20 %	30/09/18 to 30/09/19 %
C Accumulation Gross shares	1.40	-16.76	7.63	-2.51	5.15
C Income Gross shares	1.39	-16.77	7.65	-2.50	5.16
L Accumulation Gross shares	1.57	-16.63	7.80	-2.37	5.27
L Income Gross shares	1.60	-16.64	7.79	-2.35	5.27

Source: Performance is based on NAV mid prices with income reinvested net of basic rate tax and in sterling terms.

Launch date: C Accumulation (Gross) shares, C Income (Gross) shares: 15 August 2012; L Accumulation (Gross) shares, L Income (Gross) shares: 25 June 2013.

UK Climate Report

The use of derivatives is integral to the investment strategy of this sub-fund to meet its investment objective. However, due to there being no appropriate metrics currently available to accurately reflect the carbon impact of these instruments within the portfolio, UBS Asset Management is not able to accurately report on the sub-funds overall carbon and forward looking climate risk characteristics. UBS Asset Management will continue to evaluate developments in industry best practice for derivative climate metric disclosure and seek to align our reports in future.

UBS Asset Management Funds Ltd
31 January 2024

UBS Multi-Asset Income Fund

1. Comparative Tables

Financial year to 30 September	C Accumulation (Gross) shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	55.40	66.66	61.78
Return before operating charges	1.69	(10.81)	5.47
Operating charges	(0.44)	(0.45)	(0.59)
Return after operating charges*	1.25	(11.26)	4.88
Distributions	(3.83)	(3.25)	(2.89)
Retained distributions	3.83	3.25	2.89
Closing net asset value	56.65	55.40	66.66
*after direct transaction costs of	–	–	–
Performance			
Return after charges (%)	2.26	(16.89)	7.90
Other information			
Closing net asset value (£)	432,937	471,849	663,309
Closing number of shares	764,195	851,664	994,993
Operating charges (%)	0.85	0.84	0.90
Direct transaction costs (%)	0.01	–	–
Prices			
Highest dealing price	59.16p	67.20p	68.12p
Lowest dealing price	56.35p	55.34p	62.07p

UBS Multi-Asset Income Fund

1. Comparative Tables

Financial year to 30 September	C Income (Gross) shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	35.58	45.18	43.74
Return before operating charges	1.10	(7.13)	3.86
Operating charges	(0.28)	(0.30)	(0.41)
Return after operating charges*	0.82	(7.43)	3.45
Distributions	(2.40)	(2.17)	(2.01)
Closing net asset value	34.00	35.58	45.18
* after direct transaction costs of	–	–	–
Performance			
Return after charges (%)	2.30	(16.45)	7.89
Other information			
Closing net asset value (£)	324,933	544,614	718,861
Closing number of shares	955,579	1,530,856	1,590,975
Operating charges (%)	0.85	0.84	0.89
Direct transaction costs (%)	0.01	–	–
Prices			
Highest dealing price	37.35p	45.55p	46.77p
Lowest dealing price	34.33p	36.05p	43.94p

UBS Multi-Asset Income Fund

1. Comparative Tables

Financial year to 30 September	L Accumulation (Gross) shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	55.25	66.38	61.43
Return before operating charges	1.68	(10.77)	5.41
Operating charges	(0.34)	(0.36)	(0.46)
Return after operating charges*	1.34	(11.13)	4.95
Distributions	(3.81)	(3.25)	(2.87)
Retained distributions	3.81	3.25	2.87
Closing net asset value	56.59	55.25	66.38
*after direct transaction costs of	–	–	–
Performance			
Return after charges (%)	2.43	(16.77)	8.06
Other information			
Closing net asset value (£)	4,072,235	4,057,337	4,656,939
Closing number of shares	7,195,575	7,343,289	7,015,048
Operating charges (%)	0.69	0.69	0.70
Direct transaction costs (%)	0.01	–	–
Prices			
Highest dealing price	59.02p	66.94p	67.82p
Lowest dealing price	56.30p	55.19p	61.73p

UBS Multi-Asset Income Fund

1. Comparative Tables

Financial year to 30 September	L Income (Gross) shares		
	2023 p per share	2022 p per share	2021 p per share
Change in net asset value			
Opening net asset value	36.65	46.47	44.93
Return before operating charges	1.15	(7.35)	3.94
Operating charges	(0.22)	(0.24)	(0.33)
Return after operating charges*	0.93	(7.59)	3.61
Distributions	(2.47)	(2.23)	(2.07)
Closing net asset value	35.11	36.65	46.47
* after direct transaction costs of	–	–	–
Performance			
Return after charges (%)	2.54	(16.33)	8.03
Other information			
Closing net asset value (£)	25,147,144	26,253,053	33,286,821
Closing number of shares	71,626,460	71,626,460	71,626,460
Operating charges (%)	0.69	0.69	0.70
Direct transaction costs (%)	0.01	–	–
Prices			
Highest dealing price	38.51p	46.87p	48.10p
Lowest dealing price	35.45p	37.14p	45.14p

Please refer to the Direct transaction costs note on page 83 for more detail regarding the nature transaction costs and how they arise for different types of investment.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

UBS Multi-Asset Income Fund

2. Ongoing Charges Figure

The ongoing charges figure (OCF) is the ratio of the sub-fund's annual operating expenses (excluding overdraft interest) to the average net assets of the sub-fund. It covers all aspects of operating the sub-fund during the year, including fees paid for investment management, administration, safeguarding the sub-fund's assets, depositary services and audit (net of any fee rebates if applicable). Where the sub-fund invests in other funds, the figure includes the impact of the charges made in those other funds.

Share Class	2023	2022
	%	%
C Accumulation (Gross) shares	0.85	0.84
C Income (Gross) shares	0.85	0.84
L Accumulation (Gross) shares	0.69	0.69
L Income (Gross) shares	0.69	0.69

The Operating charges as disclosed in the Comparative Tables are calculated on an ex-post basis and as such may vary from the OCF where:

- (a) Changes to the fee rates were made during the year and the OCF has been amended to be future proofed for this change.
- (b) The OCF has been annualised for a share class that has not been in existence for a full year.

UBS Multi-Asset Income Fund

Portfolio Statement (unaudited)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Collective Investment Schemes 81.99% (63.17%)				
Amundi Index FTSE EPRA NAREIT Global ETF DR	EUR	16,944	706,452	2.36
iShares \$ Corp Bond ETF USD (Dist) Share Class	USD	4,240	334,358	1.11
SPDR Bloomberg 10+ Year U.S. Corporate Bond ETF (Dist)	USD	73,710	1,520,037	5.07
SPDR S&P 400 U.S. Mid Cap ETF	USD	7,328	458,814	1.53
UBS (Lux) Bond - Asian High Yield (USD) Fund Class I-X-dist [†]	USD	11,287	447,670	1.49
UBS (Lux) Bond - China Fixed Income (RMB), unit class U-X-UKdist-mdist [†]	CNY	167	1,948,915	6.50
UBS (Lux) Bond - Floating Rate Income (USD), unit class U-X-UKdist-mdist [†]	USD	113	929,560	3.10
UBS (Lux) Bond - Global Corporates (USD), unit class U-X-UKdist-mdist [†]	USD	536	4,329,460	14.44
UBS (Lux) Bond - USD High Yield (USD), unit class U-X-UKdist-mdist [†]	USD	211	1,460,107	4.87
UBS (Lux) Bond Fund - Asia Flexible (USD), class U-X-UKdist-mdist [†]	USD	176	1,184,552	3.95
UBS (Lux) Bond Fund - Euro High Yield (EUR), unit class U-X-UKdist-mdist [†]	EUR	218	1,698,144	5.67
UBS (Lux) Emerging Economies Fund - Global Bonds (USD), class U-X-UKdist-mdist [†]	USD	481	2,870,071	9.58
UBS (Lux) Equity - Global Income Sustainable (USD), class (GBP hedged) I-B-UKdist-mdist [†]	GBP	72,563	4,563,460	15.22
UBS UK Equity Income Fund, class K [†]	GBP	1,782	1,647,532	5.50
Xtrackers S&P 500 Equal Weight ETF Share Class: 1C	USD	7,649	479,351	1.60
Collective Investment Schemes total			24,578,483	81.99
Equities 0.59% (12.77%)				
Guernsey 0.00% (6.01%)				
United Kingdom 0.59% (6.76%)				
Home REIT [^]	GBP	617,400	176,190	0.59
Equities total			176,190	0.59
Government Bonds 15.81% (12.66%)				
United States of America 15.81% (12.66%)				
US Treasury Bill 0.00% 02/11/2023	USD	1,700,000	1,386,470	4.62
US Treasury Bill 0.00% 22/02/2024	USD	600,000	481,218	1.61
US Treasury Inflation Indexed 3.88% 15/04/2029	USD	1,751,200	2,871,208	9.58
Government Bonds total			4,738,896	15.81
Swaps 0.08% ((0.21)%)				
Credit Default Swap Citigroup Sell CDX.NA.HY.40-V1 20/06/2028	USD	1,770,000	26,154	0.08
Swaps total			26,154	0.08

UBS Multi-Asset Income Fund

Portfolio Statement (unaudited) (continued)

As at 30 September 2023

Investment	Currency	Holding	Market Value £	% of Net Assets
Forward Currency Contract (1.05)% ((2.41)%)				
Buy GBP 1,655,234 sell CNY 14,955,000 dated 20/10/2023			(41,574)	(0.14)
Buy GBP 2,180,588 sell EUR 2,539,300 dated 20/10/2023			(17,166)	(0.06)
Buy GBP 19,691,244 sell USD 24,475,600 dated 20/10/2023			(258,264)	(0.86)
Buy USD 1,121,884 sell CNY 8,087,100 dated 20/10/2023			(3,148)	(0.01)
Buy USD 580,000 sell GBP 468,134 dated 20/10/2023			4,611	0.02
Forward Currency Contracts total			(315,541)	(1.05)
Futures (0.21)% ((0.77)%)				
Euro-Bund 07/12/2023	EUR	(4)	10,501	0.03
EURO STOXX Bank Index 15/12/2023	EUR	88	12,578	0.04
FTSE 100 Index 15/12/2023	GBP	(11)	(12,348)	(0.04)
Long Gilt 27/12/2023	GBP	8	(6,200)	(0.02)
MSCI Emerging Markets Index 15/12/2023	USD	15	(12,441)	(0.04)
S&P 500 Emini Index 15/12/2023	USD	3	(22,245)	(0.07)
TOPIX Index 07/12/2023	JPY	2	(2,487)	(0.01)
US 5 Year Note 29/12/2023	USD	57	(38,568)	(0.13)
US 10 Year Note 19/12/2023	USD	(6)	9,243	0.03
Futures total			(61,967)	(0.21)
Investment assets (including Investment liabilities)			29,142,215	97.21
Net other assets			835,034	2.79
Net assets			29,977,249	100.00

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

The comparative percentage figures in brackets are as at 30 September 2022.

† A related party to the sub-fund.

^ Unlisted, suspended or delisted security.

UBS Multi-Asset Income Fund

Portfolio Movement (unaudited)

For the year ended 30 September 2023

	Cost £
Largest purchases	
UBS (Lux) Bond - Global Corporates USD Fund Class I-X-UKdist [†]	4,669,945
UBS (Lux) Bond - Global Corporates (USD), unit class U-X-UKdist-mdist, USD [†]	4,321,709
US Treasury Bill 0.00% 02/11/2023	4,020,675
UBS UK Equity Income Fund, class K [†]	985,051
UBS (Lux) Emerging Economies Fund - Global Bonds (USD), class U-X-UKdist-mdist [†]	822,333
US Treasury Bill 0.00% 26/01/2023	794,355
US Treasury Bill 0.00% 23/03/2023	788,647
Amundi Index FTSE EPRA NAREIT Global ETF DR	735,337
Xtrackers S&P 500 Equal Weight ETF Share Class: 1C	474,930
SPDR S&P 400 U.S. Mid Cap ETF	468,386
US Treasury Bill 0.00% 22/02/2024	450,112
Xtrackers CSI300 Swap UCITS ETF Share Class: 1C	315,396
UBS (Lux) Bond - China Fixed Income (RMB), unit class U-X-UKdist-mdist, CNY [†]	158,688
UBS (Lux) Bond - Asian High Yield (USD) Fund Class I-X-dist [†]	59,109
UBS (Lux) Bond Fund - Euro High Yield (EUR), unit class U-X-UKdist-mdist [†]	1,815
UBS (Lux) Bond Fund - Asia Flexible (USD), class U-X-UKdist-mdist [†]	1,333
Total for the year	19,067,821

	Proceeds £
Largest sales	
UBS (Lux) Bond - Global Corporates USD Fund Class I-X-UKdist [†]	4,503,992
US Treasury Bill 0.00% 02/11/2023	2,647,353
International Public Partnerships	816,269
US Treasury Inflation Indexed 3.88% 15/04/2029	797,213
US Treasury Bill 0.00% 23/03/2023	772,107
US Treasury Bill 0.00% 26/01/2023	766,655
UBS (Lux) Equity - Global Income Sustainable (USD), class (GBP hedged) I-B-UKdist-mdist [†]	738,450
Sequoia Economic Infrastructure Income Fund	621,087
SDCL Energy Efficiency Income Trust	536,555
Supermarket Income REIT	473,476
Hipgnosis Songs Fund	403,161
UBS (Lux) Bond - Floating Rate Income (USD), unit class U-X-UKdist-mdist [†]	386,091
UBS (Lux) Emerging Economies Fund - Global Bonds (USD), class U-X-UKdist-mdist [†]	331,405
UBS (Lux) Bond - USD High Yield (USD), unit class U-X-UKdist-mdist [†]	319,165
Xtrackers CSI300 Swap UCITS ETF Share Class: 1C	289,647
UBS (Lux) Bond Fund - Euro High Yield (EUR), unit class U-X-UKdist-mdist [†]	272,056
Target Healthcare REIT	253,908
UBS UK Equity Income Fund, class K [†]	231,438
UBS (Lux) Bond Fund - Asia Flexible (USD), class U-X-UKdist-mdist [†]	176,777
Total for the year	15,336,805

[†] A related party to the sub-fund.

UBS Multi-Asset Income Fund

Financial Statements

Statement of Total Return

For the year ended 30 September 2023

	Notes	£	2023 £	£	2022 £
Income					
Net capital losses	2		(1,149,388)		(8,168,640)
Revenue	3	2,170,492		1,924,549	
Expenses	4	(229,749)		(214,030)	
Net revenue before taxation		1,940,743		1,710,519	
Taxation	5	(1,704)		(18,467)	
Net revenue after taxation			1,939,039		1,692,052
Total return before distributions			789,651		(6,476,588)
Distributions	6		(2,108,977)		(1,899,946)
Change in net assets attributable to shareholders from investment activities			(1,319,326)		(8,376,534)

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 30 September 2023

	£	2023 £	£	2022 £
Opening net assets attributable to shareholders		31,326,853		39,325,930
Amounts receivable on issue of shares	79,846		420,114	
Amounts payable on cancellation of shares	(417,377)		(311,937)	
		(337,531)		108,177
Dilution adjustment		(3)		7
Change in net assets attributable to shareholders from investment activities		(1,319,326)		(8,376,534)
Retained distribution on accumulation shares		307,256		269,273
Closing net assets attributable to shareholders		29,977,249		31,326,853

UBS Multi-Asset Income Fund

Financial Statements

Balance sheet

As at 30 September 2023

	Notes	2023 £	2022 £
Assets			
Fixed assets			
Investments	7	29,556,656	27,919,743
Current assets			
Debtors	8	47,999	91,073
Cash and bank balances	9	1,936,184	5,319,358
Total assets		31,540,839	33,330,174
Liabilities			
Investment liabilities	7	(414,441)	(1,226,093)
Creditors			
Bank overdrafts	10	(716,300)	(284,703)
Distributions payable		(384,494)	(387,581)
Other creditors	11	(48,355)	(104,944)
Total liabilities		(1,563,590)	(2,003,321)
Net assets attributable to shareholders		29,977,249	31,326,853

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

1. Accounting policies

Accounting policies of the Company, applicable to the sub-fund are set out on pages 8 to 10.

2. Net capital losses

	2023	2022
	£	£
Derivative contracts	(460,295)	(843,273)
Foreign currency gains	25,230	691,583
Forward foreign currency contracts	1,733,800	(4,165,928)
Non-derivative securities	(2,446,764)	(3,850,076)
Transaction costs	(1,359)	(946)
Net capital losses	(1,149,388)	(8,168,640)

3. Revenue

	2023	2022
	£	£
Bank interest	47,056	4,157
Franked distributions	663,821	634,724
Interest distributions	946,934	771,588
Interest on amounts held at futures clearing houses and brokers	5,586	–
Interest on debt securities	378,500	219,783
Net revenue return from derivative contracts	72,296	53,020
Overseas dividends	–	58,304
Real estate income distributions	37,555	69,685
Scrip dividends	–	59,359
UK dividends	18,744	53,929
Total revenue	2,170,492	1,924,549

4. Expenses

	2023	2022
	£	£
Payable to the ACD, associates of the Authorised Corporate Director and agents of either of them:		
ACD fees	142,458	167,655
Registrar fees	5,045	16,207
	147,503	183,862
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	8,976	9,001
Interest payable	58,695	6,569
	67,671	15,570
Other expenses:		
Administration charge	2,979	3,803
Audit fee	9,324	9,275
Safe custody fees	437	520
Taxation fee	1,835	1,000
	14,575	14,598
Total expenses	229,749	214,030

The audit fee for the year, excluding VAT, was £7,770 (2022: £7,750).

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

5. Taxation

(a) Analysis of the tax charge for the year	2023	2022
	£	£
Corporation tax	–	13,937
Overseas withholding tax	1,704	4,530
Total current tax (Note 5(b))	1,704	18,467
Total taxation	1,704	18,467

(b) Factors affecting the tax charge for the year

The tax charged for the year is lower than the standard 20% rate of corporation tax applicable to the net revenue before taxation, received by open-ended investment companies (2022: 20%). The differences are explained below.

	2023	2022
	£	£
Net revenue before taxation	1,940,743	1,710,519
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	388,149	342,104
Effects of:		
Revenue not subject to corporation tax	(136,513)	(160,372)
Interest distributions deductible for tax purposes	(251,636)	(181,732)
Irrecoverable overseas withholding tax	1,704	4,530
Tax on Real estate income	–	13,937
Current tax charge for the year (Note 5(a))	1,704	18,467

Open-ended investment companies are exempt from tax on capital gains, therefore, any capital returns are not included in the above reconciliation.

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2023	2022
	£	£
Quarterly interest distribution	537,976	349,371
Interim interest distribution	443,365	417,930
Quarterly interest distribution	673,631	680,684
Final interest distribution	451,356	452,321
	2,106,328	1,900,306
Add: Revenue deducted on cancellation of shares	3,392	2,510
Deduct: Revenue received on issue of shares	(743)	(2,870)
Distributions	2,108,977	1,899,946
Net revenue after taxation	1,939,039	1,692,052
ACD fee taken to capital	142,458	167,655
Expenses taken to capital	28,511	39,806
Add: Undistributed revenue brought forward	2,621	3,054
Deduct: Undistributed revenue carried forward	(3,652)	(2,621)
Distributions	2,108,977	1,899,946

Details of the distributions per share are set out in the Distribution Tables on pages 87 to 88.

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

7. Fair value hierarchy

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Fair value based on an unadjusted quoted price in an active market for identical instruments (level 1) includes exchange-traded instruments unless there is persistently insufficient activity to regard the market as active. Examples typically include equities, depositary receipts, warrants, rights, money market instruments, exchange-traded derivatives, exchange-traded products (including exchange-traded funds) and some highly liquid exchange traded debt securities.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Fair value based on a valuation technique using observable market data (level 2) includes over-the-counter instruments, instruments priced via multi-broker quotes or evaluated pricing techniques, exchange-traded instruments where the market is persistently not active and instruments subject to fair value pricing adjustments made by reference to observable market data. Examples typically include OTC derivatives, debt securities, convertible bonds, mortgage-backed securities, asset-backed securities and open-ended funds.

Level 3: Valuation techniques using unobservable inputs.

Fair value based on a valuation technique that relies significantly on unobservable data (level 3) typically includes single broker priced instruments, suspended/unquoted securities, private equity, unlisted closed-ended funds and open-ended funds with restrictions on redemption rights.

Basis of valuation	2023		2022	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: Quoted prices	3,531,334	(94,289)	6,209,689	(373,129)
Level 2: Observable market data	25,849,132	(320,152)	21,710,054	(852,964)
Level 3: Unobservable data	176,190	–	–	–
Total	29,556,656	(414,441)	27,919,743	(1,226,093)

8. Debtors

	2023	2022
	£	£
Accrued revenue	46,195	90,820
Amounts receivable on derivative contracts	1,804	–
Prepaid expenses	–	253
Total debtors	47,999	91,073

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

9. Cash and bank balances

	2023	2022
	£	£
Amounts held at futures clearing houses and brokers	1,177,330	975,711
Cash and bank balances	758,854	4,343,647
Total cash and bank balances	1,936,184	5,319,358

10. Bank overdrafts

	2023	2022
	£	£
Amounts overdrawn at futures clearing houses and brokers	716,300	284,703
Total bank overdrafts	716,300	284,703

11. Other creditors

	2023	2022
	£	£
Accrued expenses	47,970	55,325
Amounts payable for cancellation of shares	385	35,682
Corporation tax payable	–	13,937
Total other creditors	48,355	104,944

12. Contingent liabilities

There were no contingent liabilities at the balance sheet date (2022: Nil).

13. Related party transactions

UBS Asset Management Funds Ltd, as the ACD, is considered to be a related party. Both the ACD fees and the registration fees charged by the ACD are shown in note 4.

At 30 September 2023 the amounts included in creditors in respect of ACD fees and registration fees due to the ACD are £22,762 and £9,498 respectively (2022: £12,459 and £27,875).

UBS Asset Management Funds Ltd acts as principal in respect of all transactions of shares in the sub-fund. The aggregated monies received through issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders and note 6. Amounts receivable for issue of shares and amounts payable for cancellation of shares are disclosed in notes 8 and 11.

All dealing in the investment portfolio of the sub-fund was carried out through UBS Asset Management (UK) Ltd. During the year no dealing commission was paid to UBS Asset Management (UK) Ltd.

The ACD has appointed UBS Asset Management (UK) Ltd to provide investment management services to the ACD in respect of the sub-fund.

UBS Asset Management Funds Ltd is a subsidiary of UBS Asset Management Holding Ltd.

Investments considered to be related parties have been identified in the portfolio statement where held at the year end.

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

14. Financial instruments

The ACD's policy and approach to managing the risks associated with financial instruments are set out in pages 10 to 12 and in relation to the sub-fund are included below.

(a) Value at risk

The sub-fund is permitted to invest in exchange traded bond, deposit, consumer price index and currency futures, currency forwards, credit default swaps, total return swaps, interest rate swaps and inflation swaps. The sub-fund will use derivatives as part of its investment capabilities and are used to manage market exposure inherent in an invested portfolio. The derivatives overlay is designed to remove unwanted market risk and allow tactical asset allocation and currency views to be expressed efficiently. However, such instruments are inherently volatile and the sub-fund could be potentially exposed to additional risk and costs should the market move against it. The ACD also assesses the market risk of the sub-fund's investments, including any derivative exposures, using a Value at Risk (VaR) methodology with a 99% confidence level and one month time horizon. This process provides the ACD with an estimate of the maximum potential loss that could be expected to occur as a result of changes in the market prices over a given year of time in all but a given percentage of circumstances.

The ACD calculates global exposure using the relative VaR approach. "Relative VaR" is the VaR of a sub-fund divided by the VaR of a benchmark or reference portfolio (i.e. a portfolio similar to the sub-fund's portfolio but which does not include derivatives).

The Fund's reference portfolio used in relative VaR calculations is 45% MSCI All Country World Index (hedged to GBP) and 55% Barclays Global Aggregate Index (hedged to GBP).

Specific details of the measures are as follows

	30.09.23	30.09.22
	%	%
Calculation Model:	Risk Metrics	Historical Simulation Model
Confident Level:	99.00%	99.00%
Holding Period:	20 days	20 days
Data History:	2Y of daily data	2Y of daily data
Lowest:	2.82%	2.52%
Highest:	7.21%	17.91%
Average:	4.91%	8.57%
Limit	180.00%	180.00%

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

(b) Leverage

Average leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach (CESR/10-788)) divided by the net asset value.

The sub-fund's leverage level is expected to be 135% of the sub-fund's total Net Asset Value based on the sum of notional exposures of financial derivative instruments in the investment portfolio including those held for risk reduction purposes. This level of leverage will vary over time and may increase under certain market conditions.

For the year under review:

	30.09.23 %	30.09.22 %
Leverage:	119%	124%
The lowest leverage was:	89%	77%
The highest leverage was:	284%	256%
The average leverage was:	123%	104%

15. Debt securities

	2023 £	2022 £
Investment grade securities	4,738,896	3,967,056
Total debt securities	4,738,896	3,967,056

16. Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the sub-fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

Comparing portfolio transaction costs for a range of sub-funds may give a false impression of the relative costs of investing in them for the following reasons:

- Transaction costs do not necessarily reduce returns. The net impact of dealing is the combination of the effectiveness of the ACD's investment decisions in improving returns and the associated cost of investment.
- Historic transaction costs are not an effective indicator of the future impact on performance.
- Transaction costs for buying and selling investments due to other investors joining or leaving the sub-fund may be recovered from those investors.
- Transaction costs vary from country to country.
- Transaction costs vary depending on the types of investment in which a sub-fund invests.
- As the ACD's investment decisions are not predictable, transaction costs are also not predictable.

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

2023	Principal £	Commissions £	Taxes £	Total cost £	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	6,053,789	–	–	6,053,789	–	–
Funds	13,014,032	–	–	13,014,032	–	–
	19,067,821	–	–	19,067,821		

Sales						
Bonds	4,983,327	–	–	4,983,327	–	–
Equities	1,264,649	(695)	(16)	1,263,938	0.04	–
Funds	9,090,647	(1,089)	(18)	9,089,540	0.01	–
	15,338,623	(1,784)	(34)	15,336,805		

Total cost of the Fund's average net asset value (%)

0.01 –

2022	Principal £	Commissions £	Taxes £	Total cost £	Commissions % of principal	Taxes % of principal
Purchases						
Equities	153,775	–	–	153,775	–	–
Funds	542,585	–	–	542,585	–	–
	696,360	–	–	696,360		

Sales						
Bonds	1,494,521	–	–	1,494,521	–	–
Equities	1,060,587	(127)	(1)	1,060,459	0.01	–
Funds	4,741,043	–	–	4,741,043	–	–
	7,296,151	(127)	(1)	7,296,023		

Total cost of the Fund's average net asset value (%)

– –

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.04% (2022: 0.13%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

The ACD believes this spread to be representative of the typical spread throughout the year.

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

17. Counterparty exposure

The types of derivatives held at the balance sheet date were forward exchange contracts and swaps. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £	Credit default swaps £	Commodity index swaps £	Contract for difference £	Interest rate swaps £	Total return swaps £	Inflation linked swaps £	Options contracts £	Swaption contracts £	Total £
Citibank										
2023	(17,165)	–	–	–	–	–	–	–	–	(17,165)
2022	–	–	–	–	–	–	–	–	–	–
Citigroup										
2023	–	26,154	–	–	–	–	–	–	–	26,154
2022	(12,276)	(64,789)	–	–	–	–	–	–	–	(77,065)
J.P. Morgan										
2023	1,463	–	–	–	–	–	–	–	–	1,463
2022	17,625	–	–	–	–	–	–	–	–	17,625
Morgan Stanley										
2023	(258,264)	–	–	–	–	–	–	–	–	(258,264)
2022	(75,397)	–	–	–	–	–	–	–	–	(75,397)
Standard Chartered										
2023	(41,574)	–	–	–	–	–	–	–	–	(41,574)
2022	(29,149)	–	–	–	–	–	–	–	–	(29,149)
State Street										
2023	–	–	–	–	–	–	–	–	–	–
2022	(657,400)	–	–	–	–	–	–	–	–	(657,400)

The collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

Counterparty	2023 £	2022 £
Bank of America Merrill Lynch	337,253	691,008
Citibank	123,776	167,286
Total	461,029	858,294

The nature of collateral held/(pledged) by the Fund on behalf of the counterparties at the balance sheet date was as follows:

	2023 £	2022 £
Cash	461,029	858,294
Total	461,029	858,294

The collateral value is positive where the sub-fund has provided collateral to the counterparty or negative where the counterparty has provided collateral to the sub-fund.

Exchange-traded derivatives are securities with standardized financial contracts that trade on regulated exchanges. Exchange-traded derivatives settle through a clearinghouse and are guaranteed, therefore are not considered to generate counterparty risk.

UBS Multi-Asset Income Fund

Notes to the Financial Statements for the year ended 30 September 2023

18. Shares in issue reconciliation

	Number of shares in issue 30.9.22	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue 30.9.23
C Accumulation (Gross) shares	851,664	63,327	(150,796)	–	764,195
C Income (Gross) shares	1,530,856	123,272	(698,549)	–	955,579
L Accumulation (Gross) shares	7,343,289	–	(147,714)	–	7,195,575
L Income (Gross) shares	71,626,460	–	–	–	71,626,460

UBS Multi-Asset Income Fund

Distribution Tables

Quarterly distribution for the three months ended 31 December 2022

Group 1 Shares purchased prior to 1 October 2022

Group 2 Shares purchased on or after 1 October 2022

	Net revenue 2022 per share	Equalisation 2022 per share	Distribution paid 28.2.23 per share	Distribution paid 28.2.22 per share
C Accumulation (Gross) shares				
Group 1	0.9700p	–	0.9700p	0.5900p
Group 2	0.6816p	0.2884p	0.9700p	0.5900p
C Income (Gross) shares				
Group 1	0.6200p	–	0.6200p	0.4000p
Group 2	0.3642p	0.2558p	0.6200p	0.4000p
L Accumulation (Gross) shares				
Group 1	0.9600p	–	0.9600p	0.5900p
Group 2	0.9600p	0.0000p	0.9600p	0.5900p
L Income (Gross) shares				
Group 1	0.6300p	–	0.6300p	0.4100p
Group 2	0.6300p	0.0000p	0.6300p	0.4100p

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Interim distribution for the three months ended 31 March 2023

Group 1 Shares purchased prior to 1 January 2023

Group 2 Shares purchased on or after 1 January 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.5.23 per share	Distribution paid 31.5.22 per share
C Accumulation (Gross) shares				
Group 1	0.7900p	–	0.7900p	0.7100p
Group 2	0.2900p	0.5000p	0.7900p	0.7100p
C Income (Gross) shares				
Group 1	0.5000p	–	0.5000p	0.4800p
Group 2	0.2600p	0.2400p	0.5000p	0.4800p
L Accumulation (Gross) shares				
Group 1	0.7900p	–	0.7900p	0.7100p
Group 2	0.7900p	0.0000p	0.7900p	0.7100p
L Income (Gross) shares				
Group 1	0.5200p	–	0.5200p	0.4900p
Group 2	0.5200p	0.0000p	0.5200p	0.4900p

As the distributions are accounted for gross to shareholders, no income tax is deducted.

UBS Multi-Asset Income Fund

Quarterly distribution for the three months ended 30 June 2023

Group 1 Shares purchased prior to 1 April 2023

Group 2 Shares purchased on or after 1 April 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution paid 31.8.23 per share	Distribution paid 31.8.22 per share
C Accumulation (Gross) shares				
Group 1	1.2300p	–	1.2300p	1.1600p
Group 2	0.7400p	0.4900p	1.2300p	1.1600p
C Income (Gross) shares				
Group 1	0.7700p	–	0.7700p	0.7700p
Group 2	0.3100p	0.4600p	0.7700p	0.7700p
L Accumulation (Gross) shares				
Group 1	1.2200p	–	1.2200p	1.1600p
Group 2	1.2200p	0.0000p	1.2200p	1.1600p
L Income (Gross) shares				
Group 1	0.7900p	–	0.7900p	0.8000p
Group 2	0.7900p	0.0000p	0.7900p	0.8000p

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Final distribution for the three months ended 30 September 2023

Group 1 Shares purchased prior to 1 July 2023

Group 2 Shares purchased on or after 1 July 2023

	Net revenue 2023 per share	Equalisation 2023 per share	Distribution payable 30.11.23 per share	Distribution paid 31.11.22 per share
C Accumulation (Gross) shares				
Group 1	0.8400p	–	0.8400p	0.7900p
Group 2	0.4700p	0.3700p	0.8400p	0.7900p
C Income (Gross) shares				
Group 1	0.5100p	–	0.5100p	0.5200p
Group 2	0.1200p	0.3900p	0.5100p	0.5200p
L Accumulation (Gross) shares				
Group 1	0.8400p	–	0.8400p	0.7900p
Group 2	0.8400p	0.0000p	0.8400p	0.7900p
L Income (Gross) shares				
Group 1	0.5300p	–	0.5300p	0.5300p
Group 2	0.5300p	0.0000p	0.5300p	0.5300p

As the distributions are accounted for gross to shareholders, no income tax is deducted.

Equalisation applies to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of Group 2 shares and is refunded to the holders of these shares as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Details of the Company and other information

Authorised status

UBS Investment Funds ICVC III is an open-ended investment company with variable capital incorporated in England and Wales under registered number IC000333 and authorised by the Financial Conduct Authority with effect from 1 October 2004. The Company is an Undertakings for Collective Investments in Transferable Securities ("UCITS") scheme. The Company has an unlimited duration.

Structure of the Company

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority. The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund.

Liability of the Company and Sub-Funds

Under the OEIC Regulations, each Fund is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Fund. Whilst the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance.

Changes to the Prospectus

Since the last report, the following changes have been made to the Prospectus:

- Changes to Board of Directors
- Economies of Scale Framework

Remuneration Policy

The Board of Directors (BoD) of UBS Asset Management Funds Ltd approved the Remuneration Policy in January 2023. A document explaining the policy in full is available at:

<https://www.ubs.com/uk/en/assetmanagement/funds/application-forms-supplementary-documents.html>

The remuneration disclosure has been prepared in line with regulatory requirements under the UCITS V Directive ("UCITS V") taking into consideration European Securities and Markets Authority ("ESMA") and Financial Conduct Authority ("FCA") guidelines, as well as industry best practice. For the purposes of complying with UCITS V disclosure requirements, Senior Managers and Other Risk Takers have been identified in line with the Directive.

The entities to which the investment management functions have been delegated (the Delegates) have their own remuneration policies. However, UBS Asset Management Funds Ltd has ensured that these Delegates are either subject to regulatory requirements on remuneration that are equally as effective as those applicable under the UCITS V, or that appropriate contractual arrangements have been entered into force with the relevant Delegates in order to ensure that their remuneration will fulfil and apply remuneration rules in line with the remuneration requirements defined under the UCITS V with respect to the remuneration paid to their own Remuneration Code Staff as compensation for the performance of investment management activities on behalf of the Management Company as a result of the delegation of its investment management functions.

As market or regulatory practice develops UBS Asset Management may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other UBS fund disclosures in that same year.

Note: Identified staff includes senior management, risk takers, and control functions whose professional activities have a material impact on the risk profiles of the management companies or of the funds that they manage. Identified staff may include staff members of third-party firms who are used for portfolio management services and are deemed to have a material say in the management of the UCITS, but they may not form part of the "all staff" disclosure.

Note: that the UCITS do not make any payments directly.

	Paid by the Management Company/Investment Company			
	All staff Man Co Funds Ltd	Senior Managers Man Co Funds Ltd	Other risk takers Man Co Funds Ltd	UBS Investment Funds ICVC III (the "Company") Identified staff
2022				
Number of staff	76	4	25	15
Total fixed remuneration (GBP)	1,012,311	99,167	415,387	77,720
Total Incentive (GBP)	598,570	51,667	377,980	54,913
Total compensation (GBP)	1,610,881	150,834	793,367	132,633

Buying and selling shares

Dealing is on a forward basis and share prices are calculated daily as at 12 p.m except for the UBS Global Diversified Income Fund which are calculated daily at 11.59 p.m.

All shares in the Funds, where they are available, can be bought either by sending a completed application form (which must be accompanied by all required information including a completed FATCA/CRS self-certification form) to the transfer agent Northern Trust Global Services Limited, or by telephoning Northern Trust Global Services Limited on 0800 358 3012.

Synthetic Risk and Reward Indicator (SRRI)

The SRRI is a numerical indicator of the risk and return profile of the Fund. This indicator is disclosed in the Key Investor Information document (KIID) for each shareclass which can be found on the website

www.ubs.com/uk/en/assetmanagement.html

The values range from 1 through to 7 in a non-linear manner, where 1 denotes the lowest risk and therefore typically the lower rewards, while a 7 denotes the highest risk and therefore typically higher rewards.

The SRRI is based on return volatility over the last five years. Historical data may not be a reliable indication for the future. The risk category shown is not guaranteed and may vary over time. The lowest category does not mean 'risk free'.

	Current SRRI
UBS Global Allocation Fund (UK)	5
UBS Global Diversified Income Fund	4
UBS Multi-Asset Income Fund	4

SRRI's at sub-fund level above are consistent across share classes within each sub-fund.

Minimum investments

		Minimum initial lump-sum investment £	Minimum subsequent investment £
UBS Global Allocation Fund (UK)	Class C shares	£1,000	£500
UBS Global Diversified Income Fund	Class C shares	£1000	£500
	Class R shares	£100,000	£10,000
UBS Multi-Asset Income Fund	Class C shares	£1000	£500
	Class L shares	£1,000,000	£100,000

Minimum holdings

Class C Shares - The minimum holding is £500.

Class K Shares - The minimum holding is £50,000. Class K shares are restricted to companies within the UBS AG Group and to clients of companies within the UBS AG Group (and others at the discretion of the ACD).

Class L shares - The minimum holding is £500,000. Investments in Class L shares are restricted to Local Authorities, Corporate Treasurers and institutional investors at the discretion of the ACD.

Class R shares - Available only for the Global Diversified Income Fund. Minimum investment is £100,000, minimum subsequent investment £10,000 and minimum holding £100,000, minimums are applied at the platform level. Investment in this class is restricted to intermediaries investing via distributors and distribution platforms which have an agreement with the ACD or distributor.

The ACD may at its discretion accept subscriptions and/or holdings lower than the minimum amounts.

If following a redemption a holding in any class of share should fall below the minimum holding for that class, the ACD has a discretion to require redemption of that shareholder's entire holding in that class of share.

The ACD may at its discretion accept subscriptions and/or holdings lower than the minimum amounts.

Shareholder funds

Several classes of share may be issued in respect of each sub-fund. The annual management charge on each share class is shown below.

		Management fee (%)
UBS Global Allocation Fund (UK)	Class C shares	0.75
UBS Global Diversified Income Fund	Class C shares	0.75
	Class R shares	0.38
UBS Multi-Asset Income Fund	Class C shares	0.50
	Class L shares	0.45

For all sub-funds (with the exception of UBS Multi-Asset Income Fund, UBS Global Diversified Income Fund) the annual management fee is taken from income.

The net asset value of each share class in issue, the net asset value per share and the number of shares in each share class in issue are shown in the Comparative tables of the respective sub-funds.

Dealing charges

Initial charge

The ACD may impose a charge on the purchase of shares in each Class. At present no initial charge is levied on purchases of any class of shares.

Redemption charge

The ACD may make a charge on the redemption of Shares in each Class. At present no redemption charge is levied on any class of Shares. The ACD may introduce a redemption charge on any class of Shares or vary the rate or method of calculation of any redemption charge only in accordance with the FCA Rules and after the ACD has made available a revised version of the Prospectus showing the rate of charge and its commencement. Any redemption charge introduced will apply only to Shares sold since its introduction but not to shares previously in issue.

Charges on switching

On the switching of Shares between Funds or Classes in the Company the Instrument of Incorporation authorises the Company to impose a charge on switching. At present no charge is levied on switches between any classes of Shares. Switching into or between J or K Class Shares is restricted to companies within the UBS Group and to clients of companies within the UBS Group. Switching into Class L Shares is available only to local authorities, corporate treasurers and institutional investors at the discretion of the ACD. Switching into Class R Shares is restricted to intermediaries investing via distributors and distribution platforms which have an agreement with the ACD or distributor.

For details of charges in relation to switching into funds of other UBS Asset Management ICVCs, please contact the ACD.

FCA Value Assessment

The Financial Conduct Authority (FCA) requires UK authorised fund managers (AFMs) to conduct an assessment of value at least annually for each share class of each UK authorised fund they manage, and publish a report of the result.

The UBS Asset Management Funds Ltd assessment is now available and can be viewed at below.

<https://www.ubs.com/uk/en/assetmanagement/funds/application-forms-supplementary-documents.html>

Portfolio Turnover Ratio (PTR)

In order to meet EU SDR II regulation on requirements to calculate a PTR for our Funds this can be viewed in the DCPT reporting at the below.

<https://www.ubs.com/uk/en/assetmanagement/funds/regulatory-data-information.html>

Directors of UBS Asset Management Funds Ltd

L Bean

L Taylor

A Wood

R Bichard (Non-Exec)

The Company and Head Office

UBS Investment Funds ICVC III

5 Broadgate

London EC2M 2QS

Authorised Corporate Director

UBS Asset Management Funds Ltd

5 Broadgate

London EC2M 2QS

Authorised and regulated by the Financial Conduct Authority

Transfer Agent and Registrar for all Shares

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Canary Wharf

London E14 5NT

Depository

NatWest Trustee and Depository Services Limited

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London

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All telephone calls are recorded

Custodian and Fund Administrator

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