

UBS (Irl) ETF plc
32 Molesworth Street
Dublin 2

6 November 2020

Re: UBS (Irl) ETF plc (the "Company")
UBS (Irl) ETF plc – MSCI United Kingdom IMI Socially Responsible UCITS ETF
UBS (Irl) ETF plc – MSCI USA Socially Responsible UCITS ETF
UBS (Irl) ETF plc – MSCI World Socially Responsible UCITS ETF
(each a "Fund", together the "Funds")
- Notice to Shareholders

Dear Shareholder,

We are writing to you as a Shareholder to inform you of the following upcoming changes to the Funds.

Capitalised terms used herein, unless otherwise defined, shall have the same meaning as given to them in the prospectus of the Company (the "**Prospectus**").

1. Index Replacement

The board of directors of the Company hereby informs you as a Shareholder of a Fund that the underlying indices of the below Funds will be updated to the respective "**New Index**" as set out in the table below. To improve their climate risk profile, additional business activity exclusions will be applied to the constituents of the current indices, meaning that the companies which are inconsistent with any of the following business activities will be excluded from the future index:

- Thermal Coal Mining
- Unconventional Oil & Gas
- Oil Sands Extraction
- Conventional Oil & Gas
- Thermal Coal Power
- Oil & Gas Power
- Nuclear Power
- Fossil Fuel Reserves Ownership
- 10% highest carbon emitting companies

Sub-Fund	Current Index	New Index
UBS (Irl) ETF plc – MSCI United Kingdom IMI Socially Responsible UCITS ETF	MSCI UK IMI Extended SRI 5% Issuer Capped Index	MSCI UK IMI Extended SRI Low Carbon Select 5% Issuer Capped Index
UBS (Irl) ETF plc – MSCI USA Socially Responsible UCITS ETF	MSCI USA SRI 5% Issuer Capped Index	MSCI USA SRI Low Carbon Select 5% Issuer Capped Index
UBS (Irl) ETF plc – MSCI World Socially Responsible UCITS ETF	MSCI World SRI 5% Issuer Capped Index	MSCI World SRI Low Carbon Select 5% Issuer Capped Index

Registered in Ireland. Company Number 507439.

Registered Office: Asabove

An open-ended variable capital umbrella investment company with limited liability and with segregated liability between sub-funds.

Directors: Andreas Haberzeth (German – Swiss Resident), Ian Ashment (British), Frank Muesel (Swiss), Philip McEnroe, Robert Burke and Clemens Reuter (Swiss).

The above updates will be implemented as of 1 December 2020 for all active share classes of the UBS (Irl) ETF plc – MSCI United Kingdom IMI Socially Responsible UCITS ETF, UBS (Irl) ETF plc – MSCI USA Socially Responsible UCITS ETF and UBS (Irl) ETF plc – MSCI World Socially Responsible UCITS ETF.

2. **AMF Doctrine**

In March of this year, the French regulator (Autorité des Marchés Financiers ("**AMF**")) introduced enhanced measures for the purpose of ensuring that information provided to investors in relation to non-financial criteria (and in particular relating to sustainable investing) is proportionate to the actual importance of these factors in the investment process (the "**AMF Doctrine**").

The AMF Doctrine applies to UCITS which are authorised for marketing in France to retail investors and, as such, each of the Funds are required to comply with the requirements of the AMF Doctrine.

The supplements for each of the Funds have been revised to provide enhanced disclosure with respect to the non-financial criteria use in pursuing the investment objective of the relevant Fund.

Both the investment policy and the section entitled "Description of the Index" have been updated and extracts of each supplement setting out the amendments are enclosed at Appendix A hereto. The investment policy of each Fund has not changed and the amendments set out in Appendix A hereto have been made to comply with the AMF Doctrine.

3. **Rights of Shareholders and Procedural Aspects**

The replacement of each Current Index will enter into force as of the Effective Date. Shareholders who do not agree with the change have the right to request the redemption of their shares free of charge until and including Monday 30 November 2020 at 4.00 p.m. (Dublin time). After this deadline, the replacement of the relevant Current Index will be binding on all Shareholders who have not exercised their redemption right.

Shareholders may contact the manager of the Company, UBS Fund Management (Luxembourg) S.A. (the "**Manager**"), to obtain additional information on the intended change to the relevant index.

The Prospectus, together with the updated supplements relating to the Funds, the updated Key Investor Information Documents (KIIDs) for the Funds, and the Constitution of the Company will be available free of charge at the Company's registered office at 32 Molesworth Street, Dublin D02 Y512, Ireland, online at www.ubs.com/etf, and/or free of charge from the local representatives in the countries where the Company is registered, including in Switzerland from UBS Fund Management (Switzerland) AG, Aeschenplatz 6, 40552 Basel, Switzerland, which acts as Swiss Representative, and UBS Switzerland AG, Bahnhofstrasse 45, CH-8090 Zurich, Switzerland, which acts as the Swiss Paying Agent, as well as from the German Paying and Information Agent, UBS Europe SE, Brockenheimer Landstrasse 2-4, 60306, Frankfurt am Main, Germany, as well as from the Austrian Paying and Information Agent, Erste Bank der österreichischen Sparkassen AG, Am Belvedere 1, A-1100 Wien, Austria, and from the Distribution and Paying Agent in Liechtenstein, Liechtensteinische Landesbank AG, Städtle 44, 9490 Vaduz, Liechtenstein, and for investors in Italy on www.ubs.com/etf.

Yours faithfully

Director, for and on behalf of
UBS (Irl) ETF plc

Appendix A Supplement Extracts

UBS (Irl) ETF plc – MSCI United Kingdom IMI Socially Responsible UCITS ETF

Investment Policy

In order to achieve the objective, the investment policy of the Fund is to seek to track the performance of the MSCI UK IMI Extended SRI [Low Carbon Select](#) 5% Issuer Capped Index, (or any other index determined by the Directors from time to time to track substantially the same market as the MSCI UK IMI Extended SRI [Low Carbon Select](#) 5% Issuer Capped Index and which is considered by the Directors to be an appropriate index for the Fund to track, in accordance with the Prospectus (the "**Index**")), as closely as possible, while seeking to minimise as far as possible the difference in performance between the Fund and the Index. [The Fund seeks to achieve the objective by tracking the Index and, with regard to ESG criteria, giving exposure to UK-based companies with high ESG ratings and to exclude the ones with negative social or environmental impact.](#)

[The Fund invests at least 90% of its total net assets in securities that are constituents of the Index and the index provider applies ESG Ratings on all of the index constituents. The Index is eliminating at least 20% of the least well-rated securities as against the standard index universe. It is, therefore, expected that the Fund's resulting ESG rating will be higher than the ESG rating of a Fund tracking a standard index.](#)

DESCRIPTION OF THE INDEX

This section is a summary of the principal features of the MSCI UK IMI Extended SRI [Low Carbon Select](#) 5% Issuer Capped Index and is not a complete description of the Index.

General

The Index is an equity index calculated, maintained and published by international index supplier MSCI® and is denominated in GBP. It tracks the total return net dividend performance of small, mid and large capitalisation companies of the United Kingdom market.

The Index is a benchmark for investors seeking exposure to best-in-class ESG United Kingdom companies while avoiding products whose social or environmental impact is considered to be negative by investors.

The Index is part of the MSCI Global Socially Responsible (SRI) Index series. The constituent selection is ~~based on research provided by MSCI ESG Research which provides research, ratings and analysis of environmental, social and governance-related business practice. Further detail on MSCI ESG Research is provided on the MSCI website as detailed below~~ [made from the principal index, being the MSCI UK IMI Index \(the "**Parent Index**"\)](#)

[The Index is constructed in two stages. First, securities of companies involved in nuclear power, tobacco, alcohol, gambling, military weapons, civilian firearms, genetically modified organisms and adult entertainment are excluded. Then, MSCI's best-in-class selection process is applied to the remaining universe of securities in the Parent Index to target the top 25% companies in each sector according to their ESG ratings \(thus eliminating 75% of the least well-rated securities. These ESG ratings are provided by the MSCI \(the "MSCI ESG Ratings"\). The companies must have the following MSCI ESG Ratings: i\) an MSCI ESG rating above 'BBB' and ii\) the MSCI ESG controversies score greater than 3 to be considered as a high ESG ratings companies.](#)

[The MSCI ESG Rating calculates a weighted average key issue score for each company based on the risks, opportunities and controversies identified for the company. The weights of selected key issues are determined by the industry's impact on environmental and social factors and the expected timeframe for risks and opportunities to materialise. Each company's final industry-adjusted score corresponds to a rating between best \(AAA\) and worst \(CCC\). The factors used to rate a company are, amongst others,](#)

carbon emissions, water stress, biodiversity and land use, labour management, human capital development, board diversity, etc. (non-exhaustive list).

At least 90% of the securities have an ESG rating.

As the investment policy of the Fund is to track the Index, the portfolio management of the fund is passive. As a result, the approach taken in relation to the consideration of ESG criteria is the one taken by MSCI and therefore dependent on the approach and methodology defined by a third party.

The consideration of ESG criteria varies from one asset to the other because material key issues are industry-specific and do not affect all the assets equally. Consequently, MSCI sets the weights that determine each key issue's contribution to the overall ESG rating, based on the level of contribution of the industry to environmental or social impact and the expected time frame for risk/opportunity to materialise.

The Index rebalances on a quarterly basis. The rebalancing frequency will have minimal impact on the transaction costs associated with the Fund as any rebalancing is not anticipated to require any higher frequency of position turnover in the Fund than would otherwise be the case were the Index to be static.

It is not anticipated that the composition of the Index will be adjusted to the extent that tracking is not possible within the scope of standard UCITS investment restrictions.

Further details of the Index composition and its calculation methodology (including information on the procedure to be adopted by the index sponsor should the weighting of any particular stock exceed the permitted investment restrictions) can be found at the website set out below. The Investment Manager monitors the investment restrictions applicable to the Fund. As soon as the Investment Manager becomes aware that the weighting of any particular stock in the Index exceeds the permitted investment restrictions, the Investment Manager will seek to either unwind that particular position or reduce the Fund's exposure to that stock to ensure that the Fund at all times operates within the permitted investment restrictions and complies with the requirements of the UCITS Regulations.

UBS (Irl) ETF plc – MSCI USA Socially Responsible UCITS ETF

Investment Policy

In order to achieve the objective, the investment policy of the Fund is to seek to track the performance of the MSCI USA SRI [Low Carbon Select](#) 5% Issuer Capped Index, (or any other index determined by the Directors from time to time to track substantially the same market as the MSCI USA SRI [Low Carbon Select](#) 5% Issuer Capped Index and which is considered by the Directors to be an appropriate index for the Fund to track, in accordance with the Prospectus (the "**Index**")), as closely as possible, while seeking to minimise as far as possible the difference in performance between the Fund and the Index. [The Fund seeks to achieve the objective by tracking the Index and, with regard to ESG criteria, giving exposure to US-based companies with high ESG ratings and to exclude the ones with negative social or environmental impact \(the "Fund Investment Universe"\).](#)

[The Fund invests at least 90% of its total net assets in securities that are constituents of the Index and the index provider applies ESG Ratings on all of the index constituents. The Index is eliminating at least 20% of the least well-rated securities as against the standard index universe. It is, therefore, expected that the Fund's resulting ESG rating will be higher than the ESG rating of a Fund tracking a standard index.](#)

DESCRIPTION OF THE INDEX

This section is a summary of the principal features of the MSCI USA SRI [Low Carbon Select](#) 5% Issuer Capped Index and is not a complete description of the Index.

General

The Index is a sub-set of the MSCI USA Index, being an equity index calculated, maintained and published by international index supplier MSCI® and denominated in USD. It tracks the total return net dividend performance of large and mid-cap global stocks across developed markets countries.

The Index is a free float-adjusted market capitalization weighted index that is designed to reflect the performance of companies that have above average Environmental, Social and Governance (ESG) ratings relative to its sector peers. Additionally, the Index excludes companies that are involved in controversies or in controversial business activities. These business activities cover a wide range of values- and climate change-based screens, including controversial weapons, tobacco, and fossil fuels. The Index is a benchmark for investors seeking exposure to global best-in-class ESG companies while avoiding products whose social or environmental impact is considered to be negative by investors.

The Index is part of the MSCI Global Socially Responsible (SRI) Index series. ~~The constituent selection is made from the principal index, being the MSCI USA Index, is based on research provided by MSCI ESG Research LLC which provides in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. The ESG data and analysis from MSCI ESG Research LLC assesses how well companies manage environmental, social and governance risks and opportunities, with such information being used in the construction of the Index. The MSCI ESG ratings provided by MSCI ESG Research LLC provides an overall company ESG rating – a seven-point scale from 'AAA' to 'CCC', again driving decisions regarding inclusion in the Index. In addition, the product provides scores and percentiles indicating how well a company manages each key issue relative to industry peers. Further detail on MSCI ESG Research is provided on the MSCI website as detailed below. (the "Parent Index").~~

[The Index is constructed in two stages. First, securities of companies involved in nuclear power, tobacco, alcohol, gambling, military weapons, civilian firearms, genetically modified organisms and adult entertainment are excluded. Then, MSCI's best-in-class selection process is applied to the remaining universe of securities in the Parent Index to target the top 25% companies in each sector according to their ESG ratings \(thus eliminating 75% of the least well-rated securities. These ESG ratings are provided by the MSCI \(the "MSCI ESG Ratings"\). The companies must have the following MSCI ESG Ratings: i\) an MSCI ESG rating above 'BBB' and ii\) the MSCI ESG controversies score greater than 3 to be considered as a high ESG ratings companies.](#)

The MSCI ESG Rating calculates a weighted average key issue score for each company based on the risks, opportunities and controversies identified for the company. The weights of selected key issues are determined by the industry's impact on environmental and social factors and the expected timeframe for risks and opportunities to materialise. Each company's final industry-adjusted score corresponds to a rating between best (AAA) and worst (CCC). The factors used to rate a company are, amongst others, carbon emissions, water stress, biodiversity and land use, labour management, human capital development, board diversity, etc. (non-exhaustive list).

At least 90% of the securities have an ESG rating.

As the investment policy of the Fund is to track the Index, the portfolio management of the fund is passive. As a result, the approach taken in relation to the consideration of ESG criteria is the one taken by MSCI and therefore dependent on the approach and methodology defined by a third party.

The consideration of ESG criteria varies from one asset to the other because material key issues are industry-specific and do not affect all the assets equally. Consequently, MSCI sets the weights that determine each key issue's contribution to the overall ESG rating, based on the level of contribution of the industry to environmental or social impact and the expected time frame for risk/opportunity to materialise.

The Index rebalances on a quarterly basis. The rebalancing frequency will have minimal impact on the transaction costs associated with the Fund as any rebalancing is not anticipated to require any higher frequency of position turnover in the Fund than would otherwise be the case were the Index to be static.

It is not anticipated that the composition of the Index will be adjusted to the extent that tracking is not possible within the scope of standard UCITS investment restrictions.

Further details of the Index composition and its calculation methodology (including information on the procedure to be adopted by the index sponsor should the weighting of any particular stock exceed the permitted investment restrictions) can be found at the website set out below. The Investment Manager monitors the investment restrictions applicable to the Fund. As soon as the Investment Manager becomes aware that the weighting of any particular stock in the Index exceeds the permitted investment restrictions, the Investment Manager will seek to either unwind that particular position or reduce the Fund's exposure to that stock to ensure that the Fund at all times operates within the permitted investment restrictions and complies with the requirements of the UCITS Regulations.

UBS (Irl) ETF plc – MSCI World Socially Responsible UCITS ETF

Investment Policy

In order to achieve the objective, the investment policy of the Fund is to seek to track the performance of the MSCI World SRI [Low Carbon Select](#) 5% Issuer Capped Index, (or any other index determined by the Directors from time to time to track substantially the same market as the MSCI World SRI [Low Carbon Select](#) 5% Issuer Capped Index and which is considered by the Directors to be an appropriate index for the Fund to track, in accordance with the Prospectus (the "**Index**")), as closely as possible, while seeking to minimise as far as possible the difference in performance between the Fund and the Index. [The Fund seeks to achieve the objective by tracking the Index and, with regard to ESG criteria, giving exposure to global companies with high ESG ratings and to exclude the ones with negative social or environmental impact \(the "Fund Investment Universe"\)](#).

[The Fund invests at least 90% of its total net assets in securities that are constituents of the Index and the index provider applies ESG Ratings on all of the index constituents. The Index is eliminating at least 20% of the least well-rated securities as against the standard index universe. It is, therefore, expected that the Fund's resulting ESG rating will be higher than the ESG rating of a Fund tracking a standard index.](#)

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This section is a summary of the principal features of the MSCI World SRI [Low Carbon Select](#) 5% Issuer Capped Index and is not a complete description of the Index.

General

The Index is a sub-set of the MSCI World Index, being an equity index calculated, maintained and published by international index supplier MSCI® and denominated in USD. It tracks the total return net dividend performance of large and mid-cap global stocks across developed markets countries.

The Index is a free float-adjusted market capitalization weighted index that is designed to reflect the performance of companies that have above average Environmental, Social and Governance (ESG) ratings relative to its sector peers. Additionally, the Index excludes companies that are involved in controversies or in controversial business activities. These business activities cover a wide range of values- and climate change-based screens, including controversial weapons, tobacco, and fossil fuels. The Index is a benchmark for investors seeking exposure to global best-in-class ESG companies while avoiding products whose social or environmental impact is considered to be negative by investors.

The Index is part of the MSCI Global Socially Responsible (SRI) Index series. ~~The constituent selection is made from the principal index, being the MSCI World Index, is based on research provided by MSCI ESG Research LLC which provides in-depth research, ratings and analysis of environmental, social and governance-related business practices to companies worldwide. The ESG data and analysis from MSCI ESG Research LLC assesses how well companies manage environmental, social and governance risks and opportunities, with such information being used in the construction of the Index. The MSCI ESG ratings provided by MSCI ESG Research LLC provides an overall company ESG rating – a seven-point scale from 'AAA' to 'CCC', again driving decisions regarding inclusion in the Index. In addition, the product provides scores and percentiles indicating how well a company manages each key issue relative to industry peers. Further detail on MSCI ESG Research is provided on the MSCI website as detailed below. (the "Parent Index").~~

[The Index is constructed in two stages. First, securities of companies involved in nuclear power, tobacco, alcohol, gambling, military weapons, civilian firearms, genetically modified organisms and adult entertainment are excluded. Then, MSCI's best-in-class selection process is applied to the remaining universe of securities in the Parent Index to target the top 25% companies in each sector according to their ESG ratings \(thus eliminating 75% of the least well-rated securities. These ESG ratings are provided by the MSCI \(the "MSCI ESG Ratings"\). The companies must have the following MSCI ESG Ratings: i\) an MSCI ESG rating above 'BBB' and ii\) the MSCI ESG controversies score greater than 3 to be considered as a high ESG ratings companies.](#)

The MSCI ESG Rating calculates a weighted average key issue score for each company based on the risks, opportunities and controversies identified for the company. The weights of selected key issues are determined by the industry's impact on environmental and social factors and the expected timeframe for risks and opportunities to materialise. Each company's final industry-adjusted score corresponds to a rating between best (AAA) and worst (CCC). The factors used to rate a company are, amongst others, carbon emissions, water stress, biodiversity and land use, labour management, human capital development, board diversity, etc. (non-exhaustive list).

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The Index rebalances on a quarterly basis. The rebalancing frequency will have minimal impact on the transaction costs associated with the Fund as any rebalancing is not anticipated to require any higher frequency of position turnover in the Fund than would otherwise be the case were the Index to be static.

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