UBS Asset Management Strategic Income Fund Quarterly Update: 3Q 2026

Market Review

We remain constructive on underlying fundamentals in the US bank loan and high yield markets, supported by a resilient economy. Issuers broadly delivered mid-to-high single-digit revenue and EBITDA growth in Q2, although performance varies by sector, issuer and credit rating. Strength extends beyond data center related-growth, with chemicals and energy sectors benefiting from developments affecting production and oil prices.

Higher inflation and interest rates remain important considerations. We expect the incremental impact of a modest rate increase to be manageable for most floating rate issuers, which have operated with elevated borrowing costs for several years. Nevertheless, higher debt service could pressure cash flow, particularly in interest-rate-sensitive markets such as autos, housing and discretionary consumption. Rising government bond yields, renewed tensions in Iran and higher energy prices challenged high yield markets in Q3, outweighing resilient economic growth. AI-related investment continued to support US growth, but the scale of associated financing needs added to market pressure from persistent inflation and renewed monetary tightening. Our expectation for limited additional rate increases is contingent on a resolution of the Middle East conflict.

During the third quarter, the Morningstar LSTA US Leveraged Loan Index returned 1.95%, continuing strength in Q2 2026 which returned 1.88%. Looking at loan technicals, while we have seen subdued primary loan issuance through August, September activity and the forward pipeline suggest a broader opportunity set. Potential transactions span leveraged buyouts, private-credit-to-broadly-syndicated-loan refinancings, cross-border deals, take-private transactions, carve-outs and AI infrastructure financing. New CLO issuance has lagged the prior year's, with compressed asset spreads and less proportionate tightening in liability costs weighing on issuance economics. Conversely, we have seen loan fund flows start to pick up modestly with the latest Fed rate hike.

The ICE BofA US High Yield Constrained Index returned -1.82% in Q3 2026, down from 2.45% in the prior quarter. Higher rates and wider credit spreads drove price declines that largely offset the asset class's coupon income, leaving year-to-date returns essentially flat. Despite elevated geopolitical risks, we view the recent weakness as more of a rates-led valuation adjustment than a broader deterioration in credit fundamentals. The US economy remains on solid footing, supported by resilient consumer activity and significant investment in artificial intelligence and related infrastructure. With fundamentals sound, capital markets open and technicals supportive, high yield's attractive coupon income and relatively low duration provide a cushion, while wider spreads create opportunities to selectively add risk.

Key risks include a prolonged Middle East conflict, a slowdown in AI investment or adoption, renewed weakness in software sentiment and more substantial rate increases. The 2028-2029 maturity wall also warrants attention, particularly among software issuers associated with the 2021-2022 buyout cycle.

This fund was formerly known as the Credit Suisse Strategic Income Fund and was renamed effective September 4, 2026.

UBS Asset Management Strategic Income Fund Performance

Performance: Average Annual Total Returns (%) *unless otherwise specified*

	Latest Month End: 9/30/2026						Latest Quarter End: 9/30/26		
	3 Month (cumulative)	YTD (cumulative)	1 Year	3 Years	5 Years	10 Years	1 Year	5 Years	10 Years
Class I	0.34	1.17	2.06	6.70	4.66	5.50	2.06	4.66	5.50
Class A (without sales charge)	0.28	0.98	1.81	6.43	4.40	5.23	1.81	4.40	5.23
Class A (with max. 4.75% sales charge)	(4.52)	(3.84)	(3.01)	4.72	3.38	4.72	(3.01)	3.38	4.72
Class C (without sales charge)	0.09	0.42	0.94	5.64	3.62	4.45	0.94	3.62	4.45
Class C (with max. 1.00% sales charge)	(0.90)	(0.54)	(0.01)	5.64	3.62	4.45	(0.01)	3.62	4.45
50/50 Morningstar LSTA US Leveraged Loan Index and ICE BofA US High Yield Constrained Index[A]	0.06	1.67	2.98	7.51	4.91	5.20	2.98	4.91	5.20

From time to time, the fund's investment adviser and co-administrators may waive some fees and/or reimburse some expenses at any time, without which performance would be lower. Waivers and/or reimbursements are subject to change. Returns represent past performance and include change in share price and reinvestment of dividends and capital gains. **Past performance does not predict future returns. Historical performance is not a reliable indicator for current or future performance. The current performance of the fund may be lower or higher than the figures shown. The fund's yield, returns and share price will fluctuate, and redemption value may be more or less than original cost. Performance information current to the most recent month-end is available at https://us-fund.ubs.com/en/home.**

Class I Gross Expense Ratio: 1.05%, Net Expense Ratio: 0.79%[B]
Class A Gross Expense Ratio: 1.30%, Net Expense Ratio: 1.04%[B]
Class C Gross Expense Ratio: 2.05%, Net Expense Ratio: 1.79%[B]

Performance Disclaimers:

A As of 10/1/2025, the Fund has changed benchmarks to a 50/50 blend of the Morningstar LSTA US Leveraged Loan Index and the ICE BofA US High Yield Constrained Index. The Morningstar LSTA US Leveraged Loan Index is a market-value weighted index designed to measure the performance of the US leveraged loan market. The ICE BofA US High Yield Constrained Index tracks the performance of USD denominated below investment grade corporate debt publicly issued in the US domestic market and caps issuer exposure at 2%. Investors cannot invest directly in an index.

B Estimated fees and expenses are taken from the prospectus dated 2/28/26. Net fees are reported net of fee waivers and expense reimbursements. Gross fees do not include these waivers or reimbursements. Waivers and expense reimbursements or credits will be in place until 2/28/27. Waivers are contractual.

Fund shares are not deposits or other obligations of UBS Asset Management, LLC or any affiliate, are not insured by the Federal Deposit Insurance Corporation and are not guaranteed by UBS Asset Management, LLC or any affiliate. Fund investments are subject to investment risks, including loss of your investment.

This is a traditional benchmark agnostic approach which seeks to generate a return in all circumstances. This does not constitute a guarantee by UBS Asset Management.

Performance Commentary

The UBS Asset Management Strategic Income Fund (I-share class) was up **0.34%** net vs. 0.06% for the 50/50 blend of Morningstar LSTA US Leveraged Loan Index and ICE BofA US High Yield Constrained Index over the three-month period ending September 30, 2026. From an asset class perspective, High Yield Bonds and Bank Loans both contributed to outperformance, specifically due to security selection. Looking at sectors, the **Technology & Electronics** and **Media** sectors were the top contributors, while **Consumer Goods** and **Professional Services** were the biggest laggards. From a ratings perspective, **B-, CCC- and NR names** added to relative performance while **CCC+ and CCC names** detracted from relative performance.

- **Contributors:** During Q3 2026, several sectors contributed positively to the Fund's outperformance, reflecting healthy underlying fundamentals and disciplined portfolio construction. The **Technology & Electronics** sector generated an uplift of 27 bps to relative returns. The **Media** sector also provided a positive contribution of 17 bps to outperformance, primarily attributed to selecting well-positioned credits in this space. Regarding ratings, **B-** names were the largest contributors followed by **CCC-** and **NR** credits.
- **Detractors**: During the period, the Fund faced several pockets of weakness that weighed on relative performance. The **Consumer Goods** sector was the most significant detractor, having a negative impact of -8 bps driven primarily by security selection. **Professional Services** also detracted from relative performance, resulting in -6 bps negative impact. From a ratings perspective, **CCC+** and **CCC** names were the largest detractors.

Fund Positioning

Our approach remains selective, with an emphasis on issuer quality and transaction structure. Strong secondary-market trading levels have increased our focus on primary issuance, but the expanding pipeline contains varying degrees of credit quality. We are also monitoring extensions and refinancings that address near-term maturities.

Outlook

Within AI-related debt, we favor GPU financings with amortization that better aligns with potential chip depreciation, limited mismatches between contract duration and financing tenor, high-quality contractual counterparties and conservative lending and draw requirements. Given the anticipated volume of future issuance, we do not believe participation in every transaction is necessary where risks fall outside our comfort level. Beyond the AI backdrop, geopolitical uncertainty, more restrictive monetary policy and US political developments may result in additional inflationary risk and volatility within rates, credit markets and governmental priorities more broadly. While elevated costs of capital and macro risks persist, rigorous bottom-up fundamental research remains critical. We expect idiosyncratic credit selection, rather than broad beta, to be the key driver of performance going forward.

Past performance does not predict future returns. Historical performance is not a reliable indicator for current or future performance.

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Index Definitions:

Morningstar LSTA US Leveraged Loan Index is a capitalization-weighted syndicated loan index based upon market weightings, spreads and interest payments. The Morningstar LSTA US Leveraged Loan Index (USLLI) covers the US market back to 1997 and currently calculates on a daily basis.

ICE BofA US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of $250 million. In addition, qualifying securities must have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe. The

ICE BofA US High Yield Constrained Index is composed of U.S. dollar-denominated, high yield corporate bonds that have at least $250 million of outstanding face value, have an original maturity date of at least 18 months; and have at least one year to maturity. The Index contains all securities in the BofA Merrill Lynch US High Yield Index but caps issuer exposure at 2%. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%.

Term Definitions:

CLO: A Collateralized Loan Obligation is a type of security that is backed by collateral, or a pool of leveraged loans, and is structured into various tranches of different risk/return profiles.

Ratings: Corporate debt ratings are assigned by ratings agencies such as Moody's, S&P, and Fitch, and represent an issuer's ability to meet its financial obligations. Non-Investment Grade ratings range from BB/Ba, B/B, CCC/Caa, CC/Ca, C, to Default (D). NR = Not Rated.

Risk Considerations:

Below Investment Grade Securities Risk – Below investment grade securities are regarded as being predominantly speculative as to the issuer's ability to make payments of principal and interest. **Collateralized Loan Obligations Risk** – CLOs are subject to the risk of substantial losses due to actual defaults, decrease of market value due to collateral defaults and disappearance of subordinate tranches, market anticipation of defaults, and investor aversion to CLO securities as a class. **Conflict of Interest Risk** – Affiliates of Credit Suisse may act as underwriter, lead agent or administrative agent for loans and participate in the secondary market for loans. **Convertible Securities Risk** – The market value of a convertible security performs like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. **Credit Risk** – The issuer of a security, the borrower of a loan or the counterparty to a contract, including derivatives contracts, may default or otherwise become unable to honor a financial obligations. **Derivatives Risk** – Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, instrument or index. **Extension Risk** – An unexpected rise in interest rates may extend the life of a mortgage-backed security beyond the expected prepayment time, typically reducing the security's value. Foreign Securities Risk – Investing outside the U.S. carries additional risks that include: **Currency Risk** – Fluctuations in exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment. **Information Risk** – Key information about an issuer, security or market may be inaccurate or unavailable. **Political Risk** – Foreign governments may expropriate assets, impose capital or currency controls, impose punitive taxes, or nationalize a company or industry. **Futures Contracts Risk** – The risks associated with the fund's use of futures contracts include the risk that: (i) changes in the price of a futures contract may not always track the changes in the market value of the underlying reference asset; (ii) trading restrictions or limitations may be imposed by an exchange, and government regulations may restrict trading in futures contracts; and (iii) if the fund has insufficient cash to meet margin requirements, the fund may need to sell other investments, including at disadvantageous times. **Hedged Exposure Risk** – The fund's hedging activities could multiply losses generated by a derivative used for hedging purposes. **Interest Rate Risk** – Changes in interest rates may cause a decline

in the market value of an investment. **Liquidity Risk** – Certain portfolio holdings may be difficult or impossible to sell at the time and the price that the fund would like. **Market Risk** – The market value of an instrument may fluctuate, sometimes rapidly and unpredictably. **Mortgage- and Asset-Backed Securities Risks** – The value of the fund's mortgage backed securities can fall if the owners of the underlying mortgages pay off their mortgages sooner than expected, which could happen when interest rates fall, or later than expected, which could happen where interest rates rise. **Prepayment Risk** – In a declining interest rate environment, prepayment of loans and other fixed income instruments with high stated interest rates may increase. **Senior Loans Risk** – Senior Loans are subject to the risk that a court could subordinate a Senior Loan, which typically holds the most senior position in the issuer's capital structure, to presently existing or future indebtedness or take other action detrimental to the holders of Senior Loans. **Short Position Risk** – Taking short positions involves leverage of the fund's assets and presents various risks. U.S. **Government Securities Risk** – Obligations of U.S. Government agencies and authorities are supported by varying degrees of credit but generally are not backed by the full faith and credit of the U.S. Government. **Valuation Risk** – The lack of an active trading market may make it difficult to obtain an accurate price for an instrument held by the fund. For a detailed discussion of these and other risks, please refer to the fund's Prospectus, which should be read carefully before you invest.

Fund shares are not deposits or other obligations of UBS Asset Management, LLC or any affiliate, are not insured by the Federal Deposit Insurance Corporation and are not guaranteed by UBS Asset Management, LLC or any affiliate. Fund investments are subject to investment risks, including loss of your investment.

This is a traditional benchmark agnostic approach which seeks to generate a return in all circumstances. This does not constitute a guarantee by UBS Asset Management.

The fund's investment objectives, risks, charges and expenses (which should be considered carefully before investing), and more complete information about the fund, are provided in the Prospectus, which should be read carefully before investing. You may obtain copies by calling 800-577-2321. For up-to-date performance, please visit our website at https://us-fund.ubs.com.

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