

For Qualified Investors in Switzerland, or Professional Investors or Eligible Counterparties as defined by the relevant laws

## UBAM - AJO US EQUITY VALUE

### Value-oriented strategy investing in US equities

AJO is an independent, registered investment adviser with over USD 24 billion in assets under management. It has a twenty-year track record of managing AJO Large Cap - Absolute Value, which is noteworthy for its outstanding performance and consistency against the Russell 1000 Value.

#### Key points

- ◆ *The partnership between AJO and Union Bancaire Privée, UBP SA is exclusive in Europe*
- ◆ *AJO is a well-established, institutional US equity manager*
- ◆ *All-season strategy, focusing on large-cap companies, with a value-oriented approach*
- ◆ *Disciplined, quantitative process used to build a diversified, fully-invested portfolio*
- ◆ *Portfolio management team (including research analysts and traders) of 24 members based in Philadelphia*
- ◆ *Focused, benchmark-aware, sector-neutral portfolio*
- ◆ *Extremely close attention to controlling transaction costs*

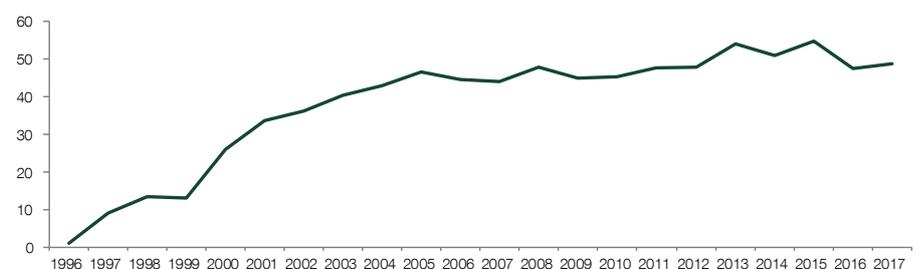
#### Investment case

There are still many investment opportunities in undervalued large-cap US companies across all industries. These opportunities are set to be further enhanced by selecting US companies that show long-term competitiveness and profitability. The team believes the stock market is reasonably efficient but emotional enough to provide opportunities for disciplined investors. Given the complexity of the market, opportunities are best exploited with a systematic, quantitative approach. AJO uses modern investment technology and academic research in addition to knowledge of classical investment thinking and analysis.

#### Fund concept

AJO is an independent, entrepreneurially driven investment adviser founded in 1984 by Ted Aronson. The firm is a limited partnership that is wholly employee-owned by seventeen active principals. While being value-oriented, the team believes superior results are best achieved by considering value, management, momentum and sentiment. Security analysis is more productive when value is gauged relative to a company's peers. As such, valuation within and diversification among industry peer groups constitute core pillars of the process. AJO focuses on well-managed companies with quality cash profits, relatively low market valuations, positive price and earnings momentum, and favourable market sentiment. The portfolio is optimised to diversify multi-faceted risks.

#### Performance



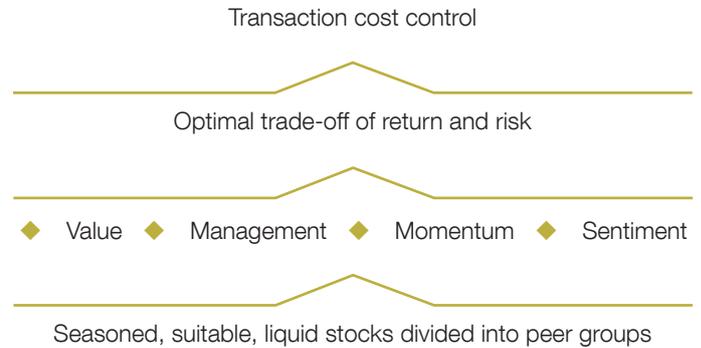
Sources: AJO, Bloomberg as at 30.11.2017  
Past performance is not indicative of future results



## Investment process

The fund is managed according to a disciplined quantitative investment process:

- ◆ Peer-relative valuation: this uses a multi-factor valuation model to identify low-priced companies with effective management, positive momentum and favourable sentiment from among 32 industry peer groups
- ◆ Multi-factor valuation model centred around four categories of variables:
  - ▶ value (including price-driven measures from the balance sheet, cash-flow and income statements)
  - ▶ management (including efficiency, growth and quality)
  - ▶ momentum (including price and earnings)
  - ▶ sentiment (including equity and options market actions)
- ◆ Portfolios are optimised to diversify multi-faceted risks
- ◆ Transaction cost-control is key, as costs are higher and more complicated than is generally perceived



## Investment guidelines

- ◆ Benchmark: Russell 1000 Value index – benchmark-aware but not benchmark-driven
- ◆ Holdings: 80-150
- ◆ Expected tracking error: 4% p.a. This level is not targeted; rather, it is the result of the optimal trade-off of expected return and multi-faceted risk per AJO's process
- ◆ Sector-neutral: exposure to industry groups is controlled but is not neutralised
- ◆ Annual turnover range: from 50% to 100%
- ◆ Fully invested

## General information

|                         |   |
|-------------------------|---|
| Fund name               | UBAM  |
| Sub-fund name           | UBAM - AJO US Equity Value                    |
| Legal form of the fund  | Luxembourg-incorporated umbrella SICAV, UCITS |
| Launch date             | 26 February 1992                              |
| Bid/offer price         | NAV   |
| Currency                | USD (EUR/CHF/GBP/SEK)                         |
| Subscription/redemption | Daily   |
| Management fee          | A: 1.25%; I: 0.75%                            |
| Management company      | UBP Asset Management (Europe) S.A.            |

## Main Risks

|                           |   |   |   |   |   |   |                            |  |
|---------------------------|---|---|---|---|---|---|----------------------------|--|
| With lower risk,          |   |   |   |   |   |   | With higher risk,          |  |
| potentially lower rewards |   |   |   |   |   |   | potentially higher rewards |  |
| 1                         | 2 | 3 | 4 | 5 | 6 | 7 |                            |  |

SRRRI relates to the IC USD share class LU0181362285 as of 31.01.2019. This indicator represents the annual historical volatility of the fund. Risk category reflects level of risk and return profile: 1 lowest; 2 low; 3 limited; 4 average/moderate; 5 high; 6 very high; 7 highest risk. Historical data such as that used to calculate the synthetic indicator cannot be considered as a reliable indication of the fund's future risk profile. The risk category associated with the fund is not guaranteed and may change over time.

## Investment team

- ◆ AJO is a limited partnership wholly owned by seventeen active principals. AJO has 70 employees and offices in Philadelphia and Boston
- ◆ High-profile, highly stable team led by AJO's charismatic founder, Ted Aronson
- ◆ The US equity team is composed of seven portfolio managers, nine applied researchers, and two pure researchers, and is further supported by six traders

## Disclaimer

Please note that AJO LP, Philadelphia, USA (AJO) took over as investment manager of UBAM - AJO US Equity Value (the "Fund") on 16 March 2016. The Fund was formerly known as UBAM - Neuberger Berman US Equity Value. The performance figures shown in the present document refer to strategies of funds managed by AJO in the United States (the "US Funds"). Therefore, the performance figures are not those of the Fund. Please note that due to various differences between the US Funds and the Fund (including, but not limited to, the different regulatory environments in which the US Funds and the Fund operate), the investment returns relating to the Fund will differ from the investment performance of the US funds, potentially in a substantial manner.

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## Union Bancaire Privée, UBP SA

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