



THE DRIVE YOU DEMAND

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

UBAM - GLOBAL CARRY ENHANCED

Access to liquid carry from global equity-neutral strategies

Key points

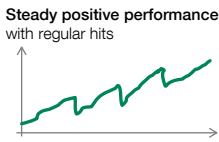
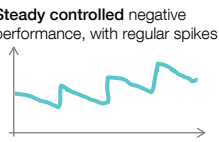
- ◆ *Liquid carry strategy seeking to generate a steady performance, with moderate volatility and low sensitivity to traditional asset classes*
- ◆ *Portfolio construction based on two distinct and complementary sub-strategies: “Carry” (core component) and “Risk Management” (satellite)*
- ◆ *Market-neutral equity exposure on average; no rate duration*
- ◆ *Systematic approach*
- ◆ *UCITS, daily liquidity, cash-efficient solution*

Investment case: providing an alternative to bonds as a source of yield

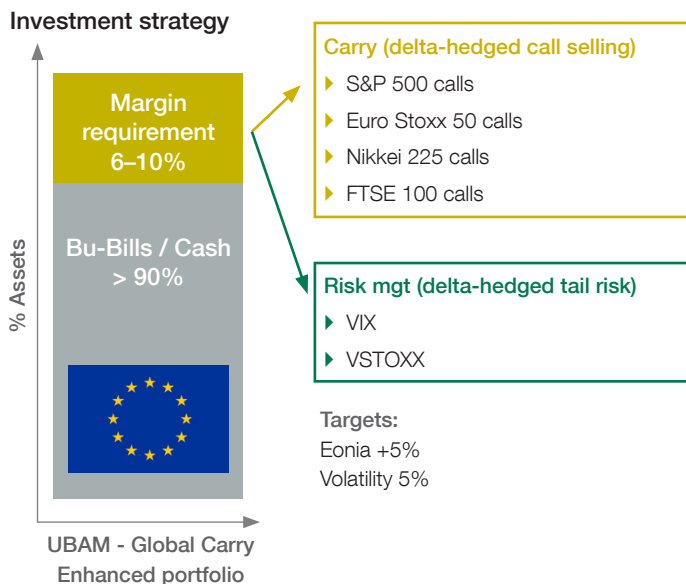
- ◆ With current yields at low levels, investors find it increasingly challenging to extract a satisfying level of steady income from traditional fixed-income instruments.
- ◆ This market regime is expected to last. In Europe for instance, the start of quantitative tightening should cause interest rate volatility to rise.
- ◆ In this context, an increasing number of bond investors are looking for additional sources of yield to complement their fixed-income portfolios.
- ◆ UBAM - Global Carry Enhanced seeks to achieve a stream of recurrent yield with no fixed-income duration and very limited sensitivity to equities.

Fund concept: gaining extra yield from call selling, with low market beta

- ◆ The fund’s objective is to generate a steady performance with moderate volatility, while keeping a very low exposure to traditional asset classes. Its base currency is EUR.
- ◆ The fund will invest in two complementary sub-strategies:
 - ▶ A core strategy (the “Carry” strategy), which will earn regular income by selling options on equity indices;
 - ▶ A satellite strategy (the “Risk Management” strategy), which will act as a line of defense when the Carry strategy is under stress.
- ◆ It has a “Eonia Plus” performance target, with no rate duration nor credit spread exposure, delivered with daily liquidity and offered in various currencies (CHF, EUR, GBP, JPY, SEK, USD).
- ◆ This fund is an extension of what has been implemented successfully with the Global Carry USD strategy since its launch in June 2017. It is best suited to investors with base currencies impacted by low rates, such as EUR, CHF, and JPY.

POSITIONING	Alternative solution to traditional fixed income – UCITS fund with daily liquidity
OBJECTIVES	Target return: Eonia +5% – Target volatility: 5% – Controlled drawdowns
SUB-STRATEGIES ALLOCATION & EXPECTED BEHAVIOUR	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 5px; margin-right: 10px;"> <p style="text-align: center;">CARRY (90%)</p> <p style="text-align: center;">Steady positive performance with regular hits</p>  </div> <div style="font-size: 2em; margin: 0 10px;">+</div> <div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;">RISK MANAGEMENT (10%)</p> <p style="text-align: center;">Steady controlled negative performance, with regular spikes</p>  </div> </div>





◆ **Carry strategy**

- ▶ **Collecting premia on equity volatility** on four global equity indices, according to a regional split that is a fair proxy of the current MSCI World allocation.
- ▶ Portfolio management based on **quantitative signals**:
 - ▶ Monthly adjustments based on trend-following signals observed over 6-, 9- and 12-month time horizons.
 - ▶ Additional weekly adjustments to adapt to any trend changes.

◆ **Risk management strategy**

- ▶ **Dynamic long volatility futures position and long equivalent (neutral) exposure in the underlying asset.** The aim is to protect the overall overlay bucket in case of turbulent markets.

Investment guidelines

- ◆ Target return: Eonia +5%
- ◆ Target volatility: 5%
- ◆ Controlled drawdowns
- ◆ Market-neutral on rates (no duration)
- ◆ Market-neutral on equities (low equity sensitivity)

Investment team

- ◆ UBP Cross-Asset Solutions team
- ◆ Team of 5 seasoned investment professionals led by Philippe Henry with Geoffroy Gridel as senior PM
- ◆ Long track record in managing volatility strategies, including carry overlay
- ◆ Strong and rigorous risk management process

Main risks



Liquidity risk: Liquidity risk exists when particular investments are difficult to purchase or sell. This can reduce the Fund's returns because the Fund may be unable to transact at advantageous times or prices.

Counterparty risk: As the Fund uses over-the-counter derivatives, there is a risk that the counterparty to the transactions will wholly or partially fail to honour its contractual obligations. This may result in a financial loss to the Fund.

Credit risk: The Fund invests in bonds, cash or other money market instruments. There is a risk that the issuer may default. The likelihood of this happening will depend on the credit-worthiness of the issuer. The risk of default is usually greatest with bonds that are rated as sub-investment grade.

Currency risk: The Fund invests in overseas markets. It can be affected by changes in exchange rates which may cause the value of your investment to decrease or increase.

General information (Institutional share class IC)

Fund name	UBAM - Global Carry Enhanced
Legal structure	Luxembourg-incorporated SICAV, UCITS
Launch date	October 2018
Valuation day	Daily (D)
Subscription terms	Cut-off: D - 1BD; Settlement: D + 2BD
Redemption terms	Cut-off: D - 1BD; Settlement: D + 2BD
Fee structure	0.65% management fee; no performance fee
Minimum subscription	None
Currencies	EUR (base currency), CHF, GBP, JPY, SEK, USD
Currency hedging	Yes (against base currency)

Management company	UBP Asset Management (Europe) SA
Investment manager	Union Bancaire Privée, UBP SA, Geneva
Administrator	CACEIS Bank Luxembourg S.A.
Custodian	CACEIS Bank Luxembourg S.A.
Registrar/transfer agent	BNP Paribas Securities Services Luxembourg
Auditor	Deloitte Audit S.à.r.l., Luxembourg
Registration for sale	CH, DE, FR, LU, UK, IT, SG
ISIN	EUR: LU1861457635 ; USD: LU1861457809 CHF: LU1861458013 ; GBP: LU1861458443 SEK: LU1861458286 ; JPY: LU1861458799

Disclaimer

This is a marketing document and is intended for informational and/or marketing purposes only. This document is confidential and intended only for the use of the person(s) to whom it was delivered. This document may not be reproduced (in whole or in part) or delivered, given, sent or in any other way made accessible to any other person without the prior written approval of Union Bancaire Privée, UBP SA or any entity of the UBP Group ("UBP"). This document reflects the opinion of UBP as of the date of issue. This document is for distribution only to persons who are Qualified Investors in Switzerland or Professional Clients, Eligible Counterparties or an equivalent category of investors as defined by the relevant laws (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. It is not intended for distribution, publication, or use, in whole or in part, in any jurisdiction where such distribution, publication, or use would be unlawful, nor is it directed at any person or entity at which it would be unlawful to direct such a document. In particular, this document may not be distributed in the United States of America and/or to US Persons (including US citizens residing outside the United States of America). This document has not been produced by UBP's financial analysts and is not to be considered financial research. It is not subject to any guidelines on financial research and independence of financial analysis. Reasonable efforts have been made to ensure that the content of this document is based on information and data obtained from reliable sources. However, UBP has not verified the information from third sources in this document and does not guarantee its accuracy or completeness. UBP accepts no liability whatsoever and makes no representation, warranty or undertaking, express or implied, for any of the information, projections or opinions contained herein, nor for any errors, omissions or misstatements. The information contained herein is subject to change without prior notice. UBP gives no undertaking to update this document or to correct any inaccuracies in it which may become apparent. This document may refer to the past performance of investment interests. Past performance is not a guide to current or future results. The value of investment interests can fall as well as rise. Any capital invested may be at risk and you may not get back some or all of your original capital. In addition, any performance data included in this document does not take into account fees and expenses charged on issuance and redemption of securities or any taxes that may be levied. Changes in exchange rates may cause increases or decreases in your return. All statements other than statements of historical fact in this document are "forward-looking statements". Forward-looking statements are not guarantees of future performance. The financial projections included in this document do not represent forecasts or budgets, but are purely illustrative examples based on a series of current expectations and assumptions which may not eventuate. The actual performance, results, financial condition and prospects of an investment interest may differ materially from those expressed or implied by the forward-looking statements in this document as the projected or targeted returns are inherently subject to significant economic, market and other uncertainties that may adversely affect performance. UBP disclaims any obligation to update any forward-looking statement, as a result of new information, future events or otherwise. None of the contents of this document should be construed as advice or any form of recommendation to purchase or sell any security or funds. It does not replace a prospectus or any other legal documents that can be obtained free of charge from the registered office of a fund or from UBP. The opinions herein do not take into account individual investors' circumstances, objectives, or needs. Each investor must make his/her own independent decision regarding any securities or financial instruments mentioned herein and should independently determine the merits or suitability of any investment. In addition, the tax treatment of any investment in the fund(s) mentioned herein depends on each individual investor's circumstances and may be subject to change in the future. Investors are invited to carefully read the risk warnings and the regulations set out in the prospectus or other legal documents and to seek professional counsel from their financial, legal and tax advisors. The document constitutes neither an offer nor a solicitation to buy, subscribe for or sell any currency, fund, product or financial instrument, make any investment, or participate in any particular trading strategy in any jurisdiction where such an offer or solicitation would not be authorised, or to any person to whom it would be unlawful to make such an offer or solicitation. Telephone calls to the telephone number stated in this document may be recorded. UBP will assume that by calling this number you consent to this recording. UBP is authorised and regulated in Switzerland by the Swiss Financial Market Supervisory Authority and is authorised in the United Kingdom by the Prudential Regulation Authority. UBP is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Any subscriptions not based on the funds' latest prospectuses, KIID, annual or semi-annual reports or other relevant legal document shall not be acceptable. The latest prospectus, articles of association, KIID and annual and semi-annual reports of the funds presented herein (the "Funds' Legal Documents") may be obtained free of charge from Union Bancaire Privée, UBP SA, 96-98 rue du Rhône, P.O. Box 1320, 1211 Geneva 1 ("UBP"). The Funds' Legal Documents may also be obtained free of charge from UBP Asset Management (Europe) S.A., 287-289 route d'Arlon, 1150 Luxembourg, Grand Duchy of Luxembourg, and from Union Bancaire Gestion Institutionnelle (France) SAS, 116 avenue des Champs-Élysées, 75008 Paris, France. The representative and paying agent of the foreign funds mentioned herein is UBP. The Funds' Legal Documents may be obtained free of charge from UBP, as indicated above.

Union Bancaire Privée, UBP SA

Rue du Rhône 96-98 | P.O. box 1320 | 1211 Geneva 1 | Switzerland | ubp@ubp.com | www.ubp.com