



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

UBP PG - ACTIVE INCOME

Global exposure to private debt and public credit markets with liquidity features via the combined expertise of Partners Group AG (“Partners Group”) and Union Bancaire Privée, UBP SA (“UBP”).

The strategy enables investors to access the unique and combined benefits of the Partners Group platform, a leading independent private markets investment manager with a global presence, and UBP’s expertise in managing liquid high-income strategies via CDS indices.

Key points

- ◆ *Diversified exposure to private debt markets – 1st and 2nd lien senior loans and mezzanine debt – and also to liquid public credit markets*
- ◆ *An allocation to real assets: real estate debt and infrastructure debt*
- ◆ *An innovative liquidity profile* with weekly NAV*
- ◆ *A high-income portfolio with a global approach across fixed income segments*
- ◆ *Limited interest rate exposure: below 2 years*
- ◆ *The strategy is co-managed by Partners Group and UBP*

* Please refer to General Information and Risks section

Investment case

Private debt provides investors with exposure to unique market segments – LBO transactions, mid-sized global leaders or real assets (infrastructure and real estate) – that cannot be accessed in traditional public fixed income markets. Thus, private debt offers diversification for traditional long-only fixed income portfolios and exhibits a lower correlation with fixed income markets.

Private debt is increasingly becoming a strategic segment for institutional investors including family offices. 62% of investors intend to increase their allocations to private debt⁽¹⁾.

⁽¹⁾Source: Preqin Investor Interviews, June 2015 – June 2017

Fund concept

The joint management of the portfolio – by Partners Group for private debt and UBP for liquid public debt – enables investors to access Partners Group’s global platform for sourcing private debt deals and UBP’s expertise in managing liquid high-income strategies.

Because private debt may experience lower liquidity, the combination of Partners Group’s and UBP’s expertise results in a private debt strategy with an innovative liquidity profile⁽²⁾. The strategy is more nimble than a similar 100% private debt portfolio with respect to managing inflows and outflows thanks to the liquid fixed income allocation managed by UBP⁽²⁾.

⁽²⁾ Please refer to General Information and Risks section below for details about the characteristics of the strategy

Investment team

Partners Group

- ◆ A leading independent private markets investment manager active since 1996 with over EUR 61.9 billion in assets under management (AuM)⁽³⁾ (private equity, private debt, private real estate, private infrastructure)
- ◆ Headquarters in Switzerland, with over 1,100 employees across 19 offices worldwide⁽³⁾
- ◆ A wide network with 8,000 private-market investment partners and more than 300 advisory board seats

UBP Global & Absolute Return Fixed Income team

- ◆ Fourteen investment professionals overseeing CHF 17.5 billion worth of fixed income assets⁽³⁾
- ◆ Lead portfolio managers Christel Rendu de Lint and Philippe Gräub have successfully managed CDS since 2004 and a liquid high-income strategy since 2010 with total AuM of USD 5 billion⁽³⁾



Investment process

The investment committee of UBP PG - Active Income – which comprises members from Partners Group and from UBP's Global & Absolute Return Fixed Income team – decides on the overall allocation between private debt and liquid public debt (neutral allocation: 50–50%) based on a global relative value approach across asset classes – private and public debt – and regions.

Each team manages the sub-strategies following their own investment philosophy and principles:

Partners Group

- ◆ Top-down global relative value analysis to identify and capitalise on investment opportunities assessed to offer superior return potential
- ◆ Strategic asset allocation across credit types
- ◆ Fundamental in-depth credit analysis with continuous involvement of the investment committee – qualitative and quantitative
- ◆ Structured and rigorous investment process including deal generation, pre-selection, investment recommendations and monitoring

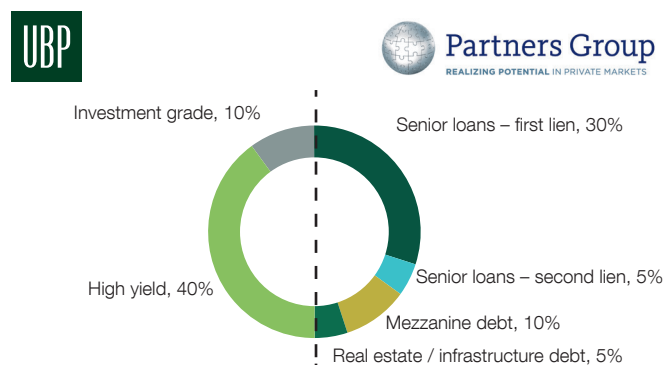
UBP Global & Absolute Return Fixed Income team

- ◆ Top-down macro-driven investment philosophy
- ◆ Asset allocation across fixed income segments
- ◆ Proprietary macro indicators (with a track record of almost 20 years)
- ◆ Disciplined investment process
 - ▶ Quantitative: stress tests, real-time P&L monitoring
 - ▶ Judgmental: team culture challenging investment hypotheses

Investment guidelines

- ◆ Fund co-managed by Partners Group and UBP
- ◆ Indicative target allocation for private debt: 40% to 60% (senior loans – first and second lien, mezzanine debt, real estate and infrastructure debt)
- ◆ Indicative target allocation for public debt: 40% to 60%: high yield or investment grade. The exposure to credit can be reduced to 0%
- ◆ Management of the allocation between private and public debt based on relative value across credit segments and portfolio in-/outflows

Target allocation and return*



UBP PG - Active Income targets an attractive risk-adjusted net return* with significant diversification benefits compared to traditional investment and invests in public and private debt.

Sources: Partners Group and UBP.

*Any forecast, projection or target where provided, is indicative only and is not guaranteed in any way. They are subject to change over time taking into account any changes in markets. There can be no assurance that the fund's strategy will achieve this target. The targeted asset allocation is for illustrative purposes only. The actual allocation of the sub-fund and its holdings may differ.

Main risks



SRRI relates to USD share class. 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.

- ◆ Investors should be aware that the strategy will invest a substantial part of its assets (target allocation: 40–60%) in private debt funds with lower liquidity than public fixed income funds. Private debt funds may experience lower liquidity terms than their official NAV frequency due to the potential illiquidity of their underlying assets as well as corresponding gating restrictions (see below). Any imposition of gating restrictions will reduce the liquidity of the strategy. Although the co-investment managers of the strategy – Partners Group and UBP – will adjust the allocation between liquid and less liquid assets, there can be no assurance that the targeted allocation will be respected at all times, especially following large subscription and redemption orders. In the event of high redemption volume, the allocation to less liquid strategies may increase (up to 100%) and the NAV could be suspended or limited (gating restrictions).
- ◆ The prices of private debt instruments held in Partners Group's managed portfolio may not be based on market prices or on observable market inputs and instruments may be priced at fair value according to the valuation policy of the private debt portfolio. Pricing sources for private debt instruments held in Partners Group's managed portfolio come mainly from third-party pricing vendors or brokers, and/or are fair-value prices calculated by the investment manager or any of its affiliates when other such pricing is not available.
- ◆ Investors should carefully read the risk warnings for the strategy before investing, in particular the specific risks concerning the private debt market stated in the prospectus.

General information

Fund name	UBP PG	Management company	UBP Asset Management (Europe) S.A., Luxembourg
Sub-fund name	UBP PG - Active Income	Co-investment managers	Union Bancaire Privée, UBP SA and Partners Group AG
Legal form of the fund	Luxembourg-incorporated umbrella SICAV, UCITS (a UCI under Part II of the 2010 Law / AIF under the AIFMD)	Administrator, Registrar and Transfer Agent	CACEIS Bank Luxembourg Branch
Launch date	28 November 2016	Custodian	BNP Paribas Securities Services Luxembourg
Liquidity	Weekly with 1 day's notice (subject to gates)	Auditor	Deloitte Audit S.à.r.l., Luxembourg
Management fee	A: 1.25% I: 0.75%	Countries where distribution is authorised (to professional or qualified investors only)	AT, BE, CH, DE, ES, FI, FR, IT, LU, NL, SE, SG, UK
Performance fee	10% above Federal Fund Effective Rate	ISIN (main share classes)	APC USD: LU1515366034 IPC USD: LU1515367602
Gates	10% per week 25% per 12 rolling weeks (eq. quarter) 50% per 52 rolling weeks (eq. year)		

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