



THE DRIVE YOU DEMAND

Itinerari Previdenziali Annual Meeting di Studio dedicato alle Fondazioni di Origine Bancaria

ELEVATI RENDIMENTI SENZA RINUNCIARE ALLA LIQUIDABILITÀ

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

UBP Asset Management | Varignana 10 Maggio 2019



UNION BANCAIRE PRIVÉE

Contenuti

- ◆ Chi è UBP
- ◆ Cosa offre il mercato
- ◆ I segmenti liquidi ad alto rendimento preferiti da UBP
- ◆ Dov'è la liquidità ?
- ◆ I vantaggi forniti dagli indici di CDS HY
- ◆ Il mercato del debito non quotato: specificità e opportunità
- ◆ UBP PG - Active Income: il concetto innovativo del fondo
- ◆ Appendici

Union Bancaire Privée

Solidità finanziaria e innovazione costante

- ◆ Fondata nel 1969 da Edgar de Picciotto
- ◆ Tra le principali banche private svizzere e le meglio capitalizzate (*Tier 1 ratio* pari al **26.6%***)
- ◆ Rating a lungo termine di Moody's **Aa2**, attribuito in gennaio 2019
- ◆ Focalizzata esclusivamente sulla gestione di attivi patrimoniali per clientela privata e istituzionale
- ◆ Stili d'investimento fondati su forti convinzioni, adotta approcci innovativi orientati alla preservazione del capitale e alla costante ricerca di *performance*
- ◆ Partnership strategiche per la creazioni di prodotti innovativi (Partners Group)
- ◆ Presenza internazionale in 20 paesi nel mondo
- ◆ Firmataria dal 2012 dei *Principles for Responsible Investment* dell'ONU (UN – PRI)

Masse in gestione

CHF **126.8 MLD**

AM CHF** **40.3 MLD**

Fondi propri

CHF **2.3 MLD**

Indice TIER 1

26.6 %

Totali di Bilancio

CHF **32.6 MLD**

Utile Netto

CHF **202.4 MLN**

Organico

1,781

* I dati sono aggiornati al 31/12/2018 ** 40.3 mld CHF riferibili alla clientela istituzionale

Cosa offre il mercato agli investitori obbligazionari?

- ◆ Il contesto evidenzia un rallentamento della crescita a livello globale
- ◆ L'espansione economica degli USA si conferma costruttiva, seppure a ritmo più contenuto
- ◆ Lo scenario economico risulta favorevole per *risk assets* e *credit spreads* e si ritiene che nel 2019 il credito possa verosimilmente godere di un quadro favorevole per i rendimenti.
- ◆ Si potrebbe manifestare una certa contrazione della liquidità sui mercati obbligazionari

- ◆ Le strategie ad alto rendimento possono essere:
 - ◆ Global High Yield
 - Punti di debolezza:
 - ▶ Scarsa liquidabilità dei cash-bonds sottostanti
 - ▶ Esposizione al rischio di tasso di interesse
 - ▶ Valorizzazioni elevate (care) dei bonds tradizionali.
 - ◆ Private Debt
 - Punti di debolezza:
 - ▶ Illiquidità del sottostante
 - ▶ Impegno a lungo termine nel prodotto (FIA chiuso), in media 7 anni
 - ▶ Nel primo periodo di vita del prodotto e in quello di dismissione della strategia l'investimento non è a regime (in media, almeno 2 anni su 7), con impatto negativo sul rendimento effettivo.

Quali le strategie da preferire per gli investitori obbligazionari?

Le strategie liquide ad alto rendimento, con un profilo di rischio più contenuto rispetto a quelle gestite tradizionalmente, possono essere:

- ◆ Global High Yield via indici di CDS

Perché:

- ▶ presenta un profilo di liquidabilità elevato
- ▶ presenta un premio per il rischio ben più interessante rispetto ai bonds tradizionali

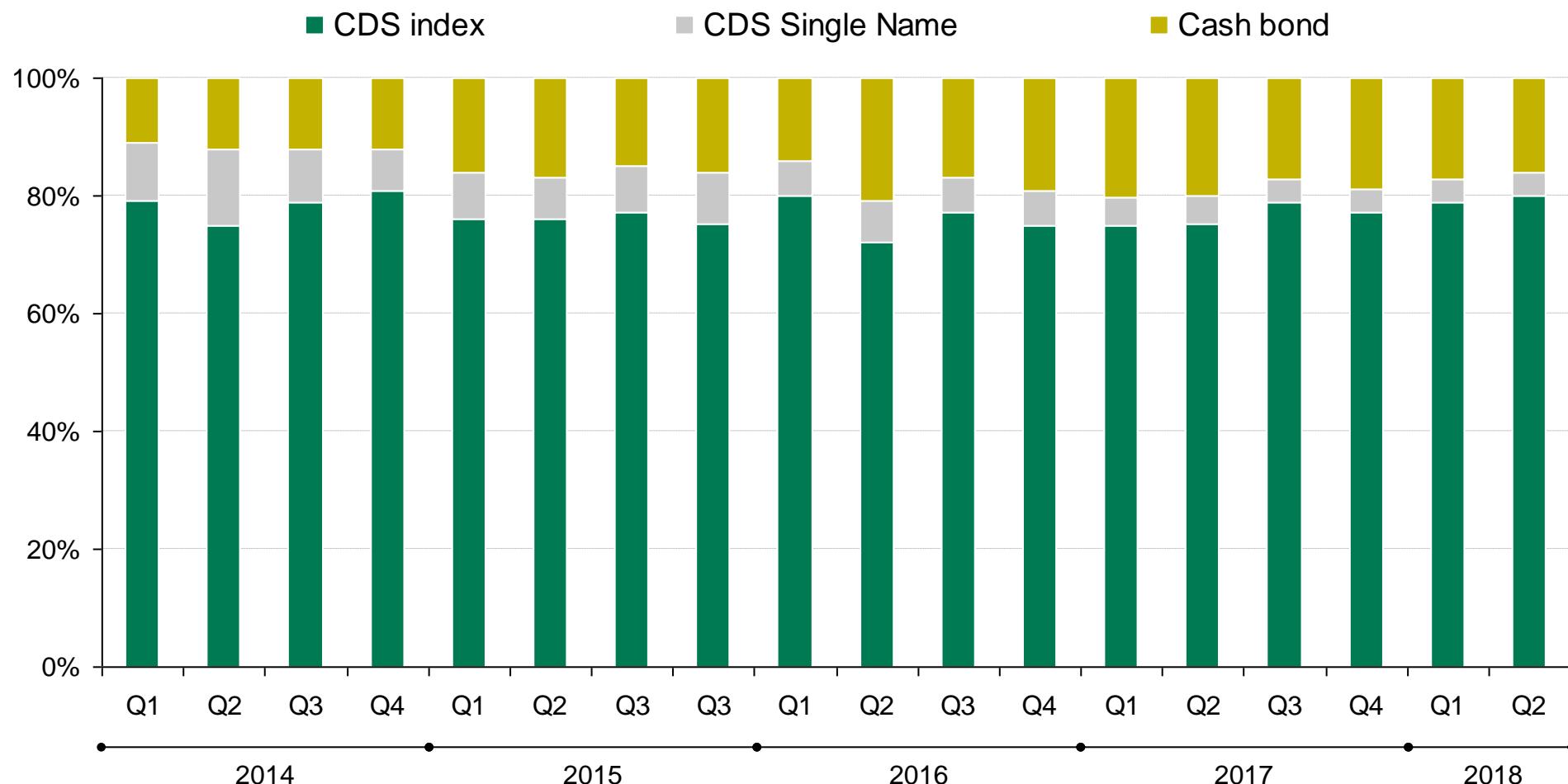
- ◆ Private Debt in condizioni di migliorata liquidità

Perché:

- ▶ fornisce agli investitori un'esposizione a segmenti di mercato unici -ovvero a società leader mondiali di dimensioni medie o a immobili reali (infrastrutture e immobili)- che non sono facilmente accessibili attraverso i mercati tradizionali a reddito fisso quotato → migliore **diversificazione del portafoglio**
- ▶ la maggior parte dei Private Debt sono strumenti a tasso variabile → una **protezione naturale contro l'aumento dei tassi di interesse**
- ▶ il portafoglio è sempre a regime
- ▶ supera il concetto *buy and hold* tipico

Dov'è la liquidità ? Analisi del segmento creditizio europeo

Volumi di scambio per tipologia di strumento in % (segmento del credito europeo IG e HY)



Sources : UBP, Source: DTCC, BofA Merrill Lynch Global Research, DTCC, Trax, as of 12.09.2018

Union Bancaire Privée, UBP SA | Asset Management

Come funzionano i CDS ?

- ◆ Il Credit Default Swap (CDS) è un contratto simile a un'assicurazione, che consente la copertura dal rischio di credito di un'emittente corporate. Per «rischio di credito» si intende sia il rischio di default, sia il rischio di allargamento/restringimento di spread dell'emittente.
 - Se compro protezione => pago un premio => sono corto di rischio.
 - Se vendo protezione => incasso un premio => sono lungo di rischio.

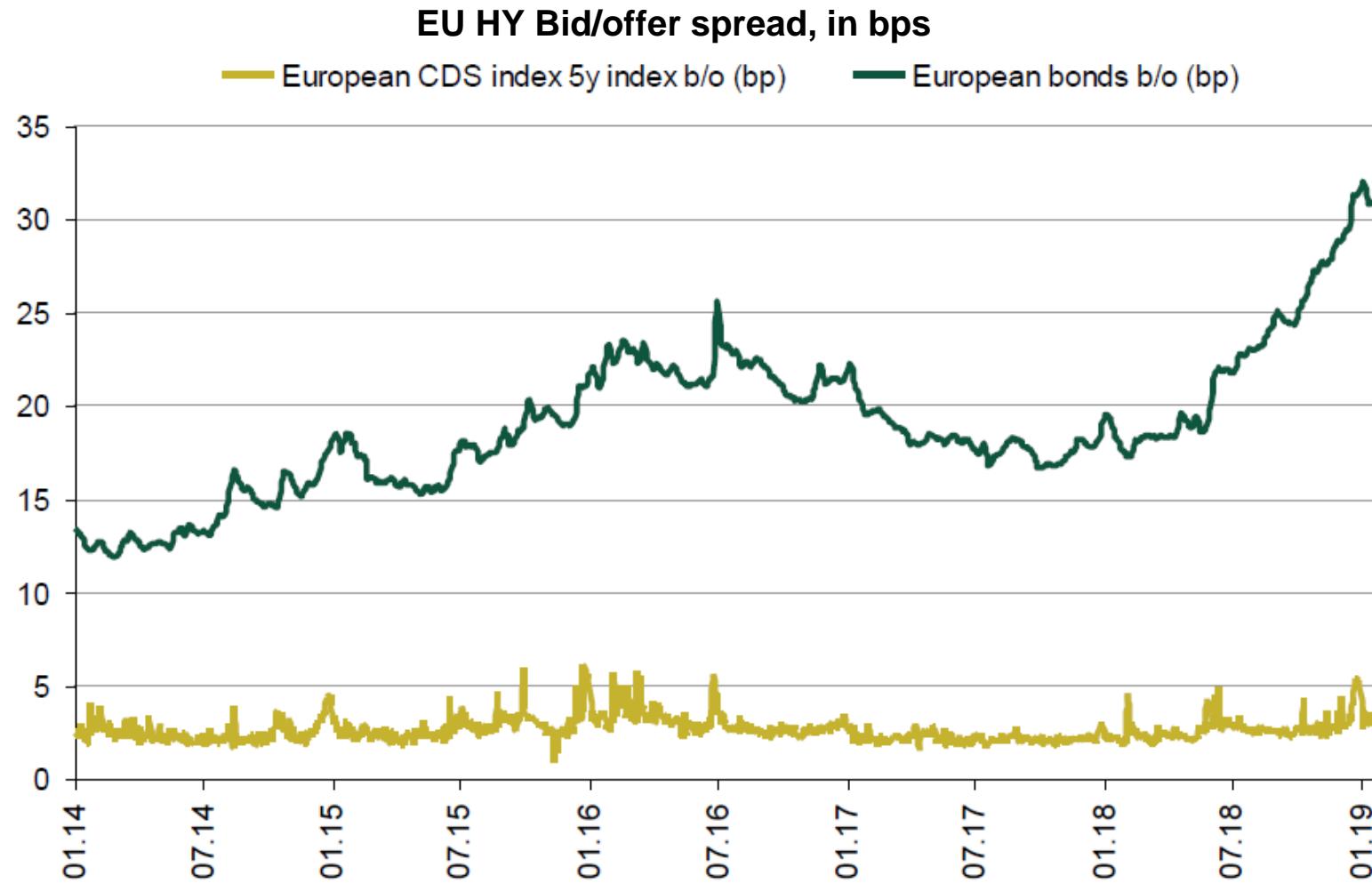
Per esempio, per assumere rischio su un paniere di titoli HY posso vendere protezione su un **unico** Indice di CDS, senza dover pagare il *bid/offer spread* su ogni singolo emittente.

Quali Indici di CDS utilizza UBP?

- ❖ US *High Yield* (**CDX HY**): allocazione diversificata in 100 degli emittenti *non investment grade* **più liquidi** a livello americano
- ❖ EU *High Yield* (**Markit iTraxx Xover**): allocazione diversificata in 75 degli emittenti *non investment grade* **più liquidi** a livello europeo
- ❖ EU *Investment Grade* (**Markit iTraxx Europe**): allocazione diversificata in 125 degli emittenti *investment grade* **più liquidi** a livello europeo

Vantaggio CDS #1: Esposizione liquida alla componente HY

Il *bid/offer spread* per i CDS è solo una frazione di quello associato ai bond tradizionali

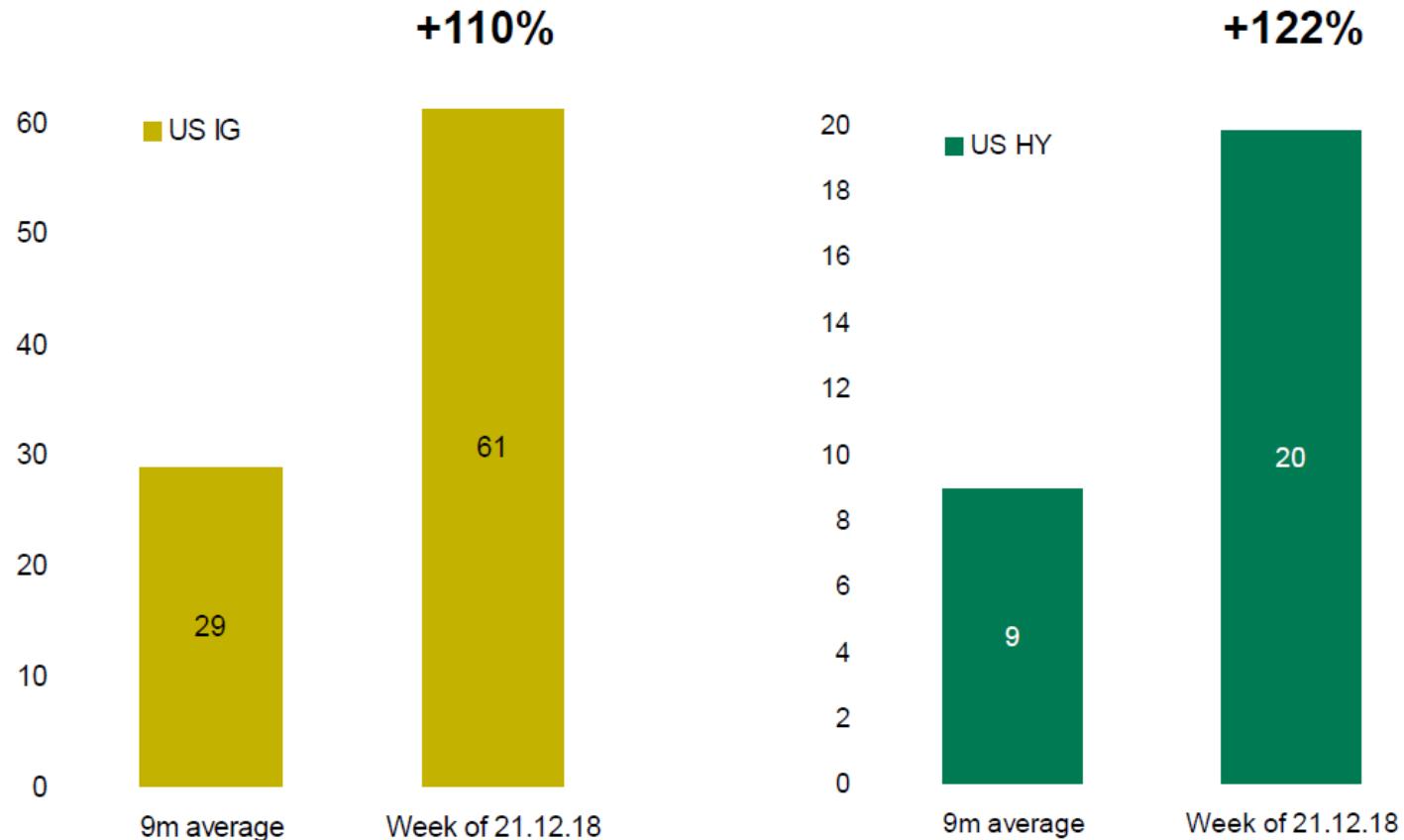


Sources: BofA Merrill Lynch Global Research, as of 16.01.2019

Vantaggio CDS #2: I volumi aumentano con l'avversione al rischio

Esempio: il *sell-off* del mese di Dicembre 2018

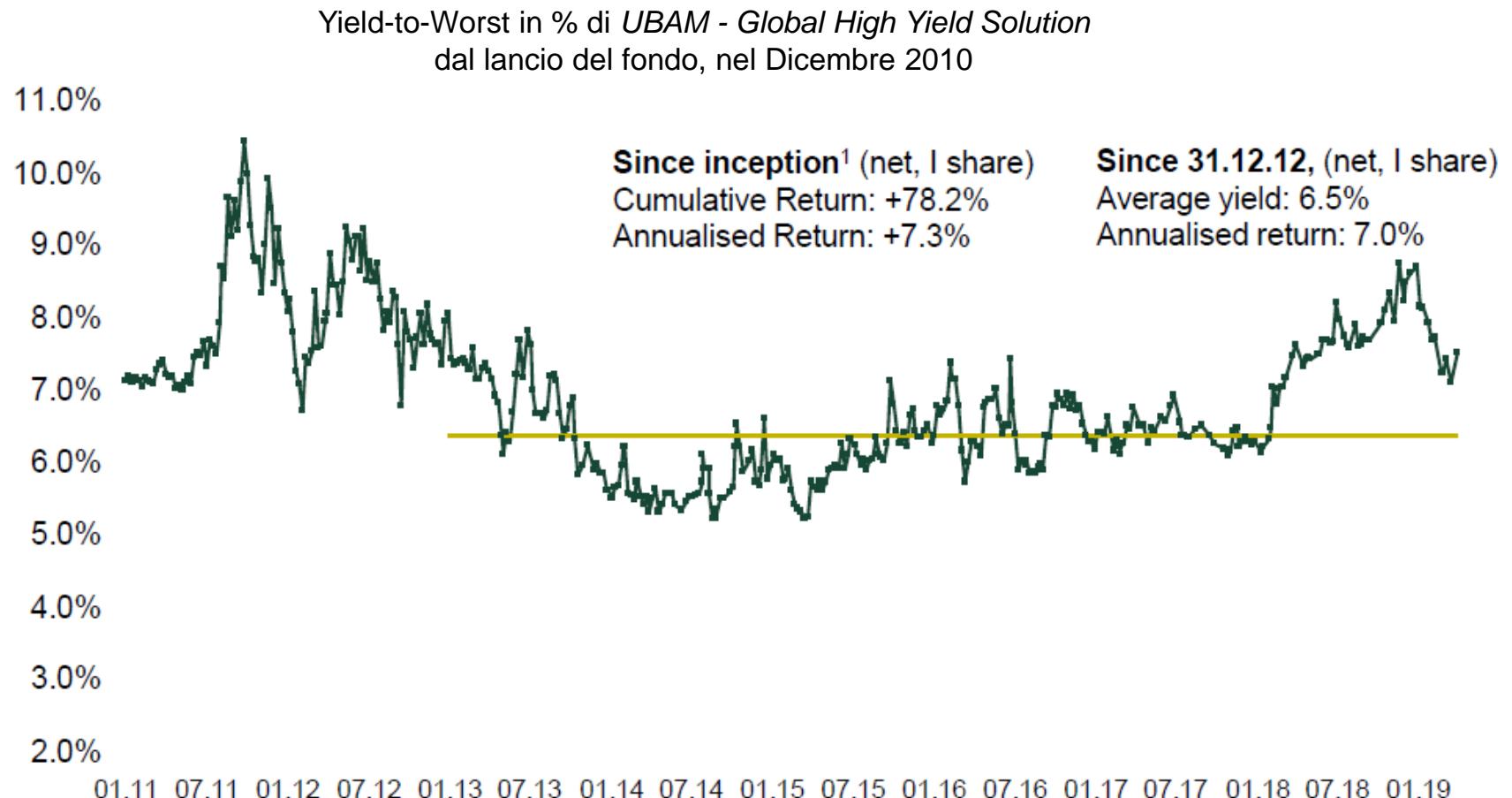
Volumi negoziati giornalmente (in mld. di USD) per gli indici di CDS (IG e HY)



Source: UBP, JP Morgan, DTCC.

Vantaggio CDS #3: HY globale in indici di CDS, yield al 7.5%

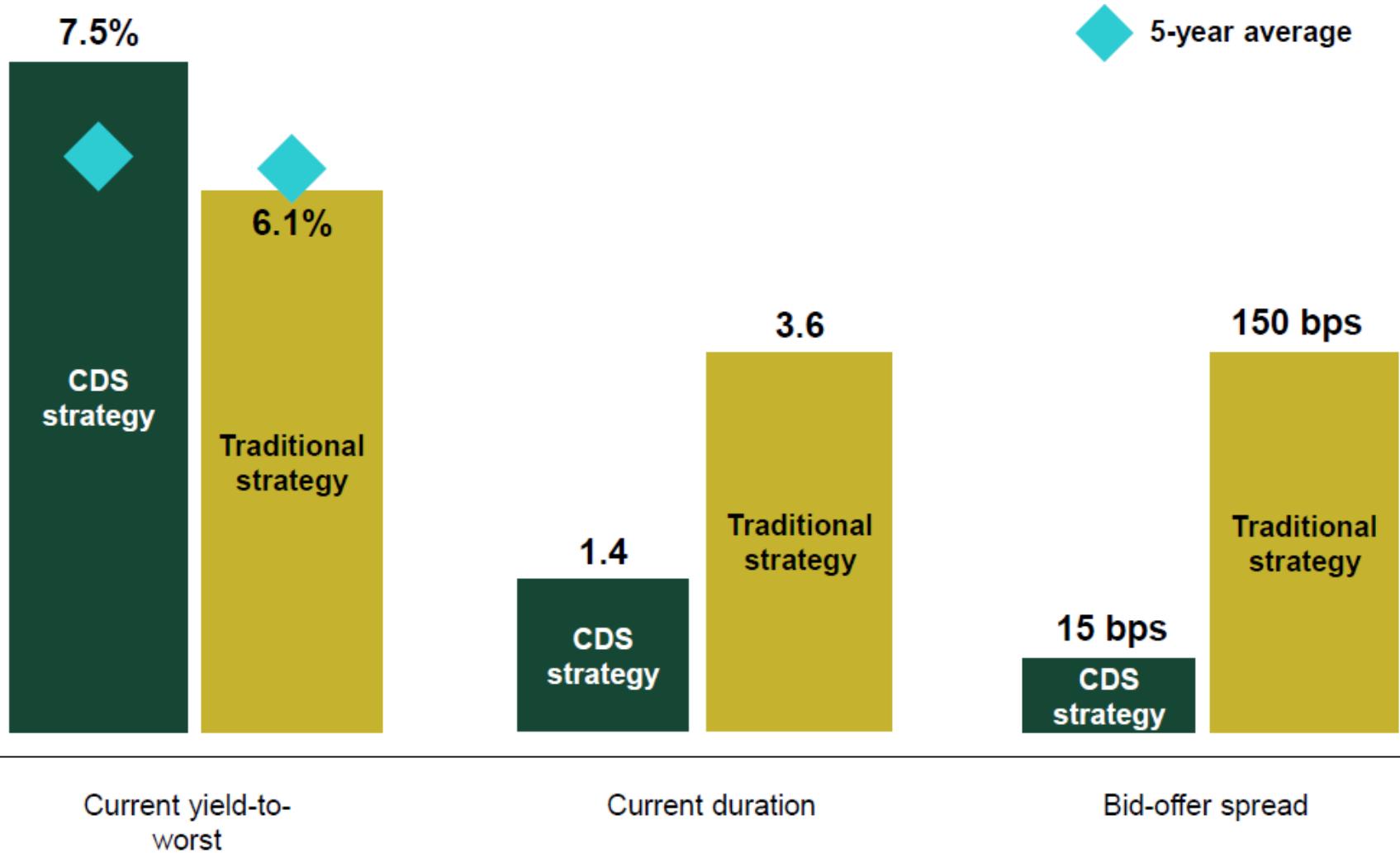
Sopra la media degli ultimi 5 anni ma con un *interest rate risk* basso e alta liquidità



Source(s): Bloomberg Finance L.P., UBP, as of 31.03.2019. 1) Inception on 3 December 2010.
Past performance is not a guide for current or future results. Net performance of the I share class.

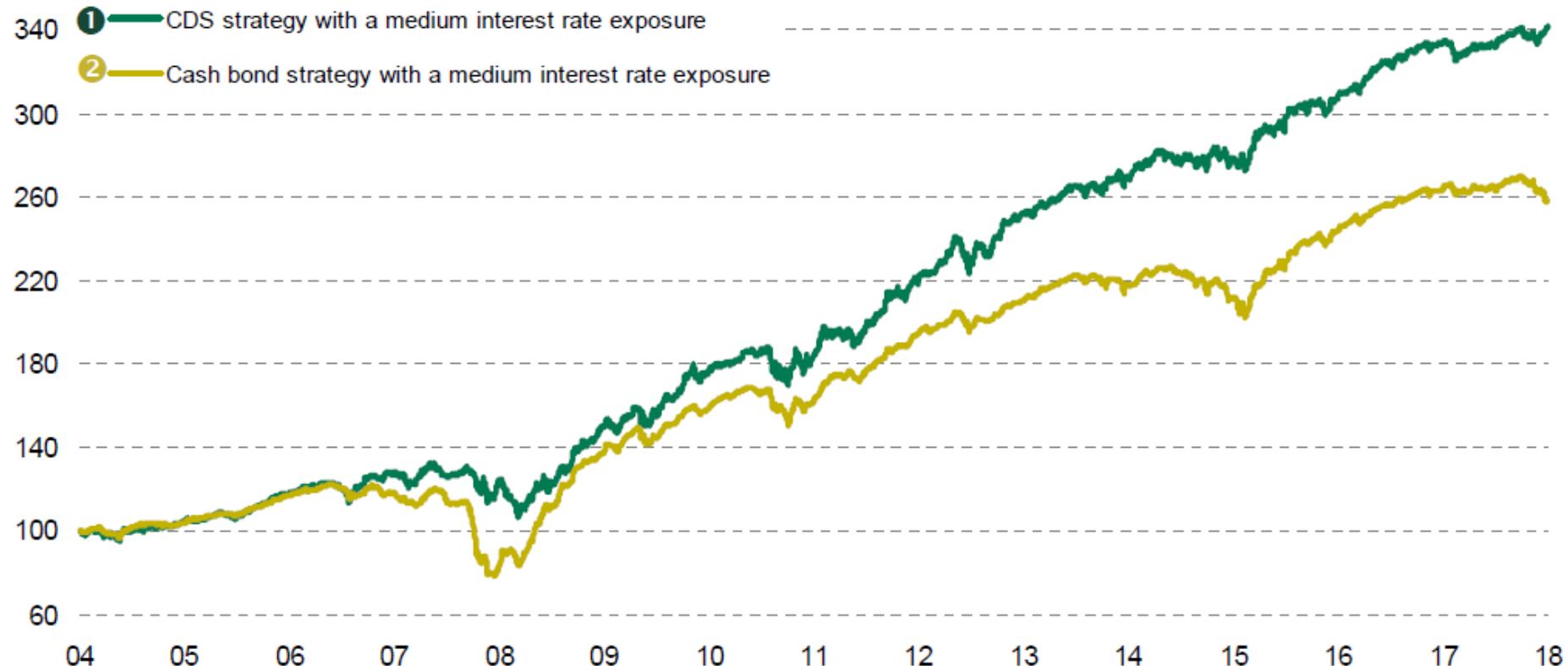
Vantaggio CDS #3: Yield più elevato, minor *duration* e miglior liquidità

Ne sono un esempio i parametri associabili al nostro *UBAM – Global High Yield Solution*



Source(s): Bloomberg Finance L.P., Merrill Lynch, UBP, as of 29.03.2019. CDS strategy: UBAM - Global High Yield Solution fund ; Traditional strategy: ICE BofAML Global High Yield Index.

Vantaggio CDS #4: migliore performance dalla mitigazione dei drawdown



Sources: UBP, Bloomberg Finance L.P., JP Morgan, as of 31.12.2018

1. 67% US CDX HY + 33% Europe iTraxx Crossover + BofA ML US Treasury 3-5 Years: with historical duration of 3.7 years.

2. 67% US HY BofA ML + 33% EUR HY BofA ML USD hedged, with historical interest rate exposure of 3.9 years.

Past performance is not a reliable indicator of future performance.

- ◆ **Outperformance** dei CDS HY vs. gli HY bonds tradizionali, con la medesima allocazione sottostante <67% US e 33% EU> del fondo "*UBAM Global High Solution*".
- ◆ **Drawdown più contenuti** nei periodi di crisi (2008, 2011, 2015 e 2018), dal 2004 a oggi vs cash bond!

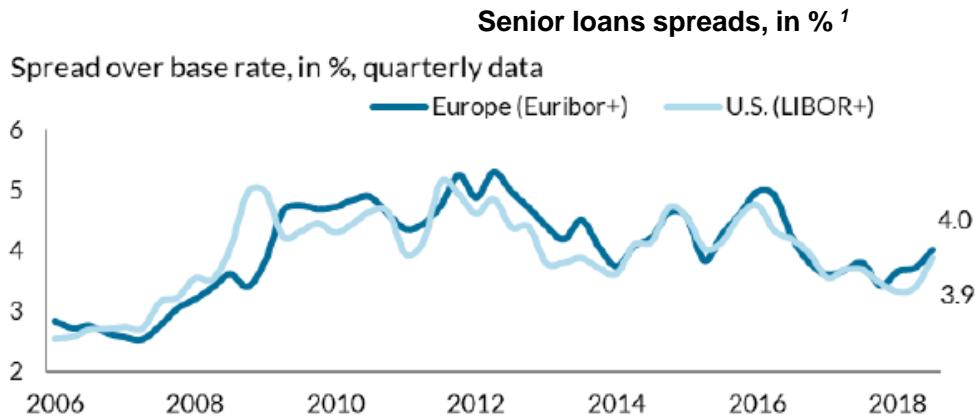
Perché preferire un indice di CDS? Vantaggi derivanti dall'utilizzo degli indici di CDS vs *cash bonds*, in sintesi:

- ◆ Sono molto liquidi ed efficienti, con un vantaggio strutturale nella miglior **liquidabilità** in ogni condizione di mercato
- ◆ Consentono di prendere rischio di credito *corporate*, scindendolo dal rischio di tasso
- ◆ Rispetto al mondo dei derivati sul credito sono più sicuri: il Mark-to Market è regolato giornalmente in *cash* presso un'unica stanza di compensazione esistente a livello globale (la *ICE Clear Credit*, NYSE-listed operator, CFTC-regulated and SEC-regulated), ovvero gli indici di CDS sono **cleared** e non comportano alcun rischio di controparte
- ◆ Non dipendono dal mercato di scambio dei cash bond, ovvero, anche in caso di *crash* di liquidità sul mercato dei *cash bonds*, gli Indici di CDS mantengono sempre un certo grado di liquidabilità, come dimostrato dal *bid/offer* sempre contenuto e tale liquidità degli indici aumenta il rendimento atteso
- ◆ Valore aggiunto derivante da una gestione attiva non eroso dai costi di negoziazione.
 - ▶ Per esempio, l'esposizione del portafoglio alla componente *credit spread* High Yield a 5 anni, che caratterizza il fondo *UBAM – Global High Yield Solution*, è estesa ogni 6 mesi a costi minimi (*rolling* degli indici).
- ◆ L'*outperformance* degli indici di CDS, dal 2004 a oggi è accompagnata da **drawdown** storicamente **piu' contenuti**.
- ◆ Consentono di non ricorrere ad alcun meccanismo quali *swing pricing* o *dilution levy*, meccanismi che fanno sostenere una parte delle spese di negoziazione agli investitori che effettuano operazioni di sottoscrizione o rimborso di un fondo; tali meccanismi sono spesso previsti, per es., nei fondi *cash bonds* High Yield.

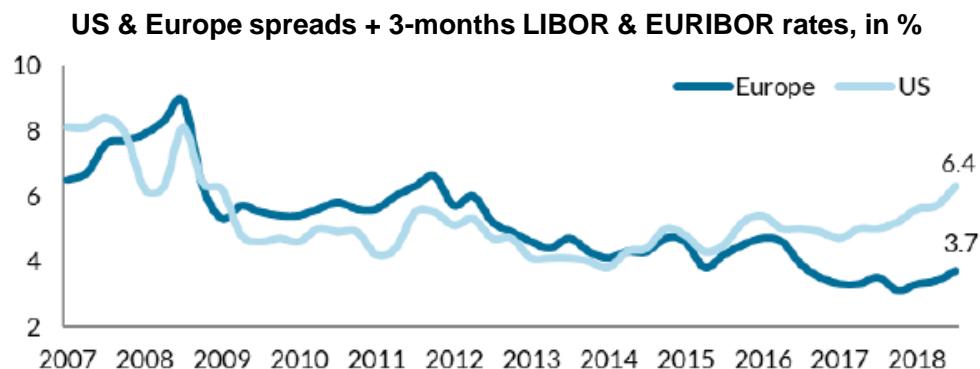
Il contesto di mercato del Private Debt

Interessante profilo rischio/rendimento dei *senior secured loans* con convincente *downside protection*

Livello degli *spread* del *senior debt* sopra i minimi

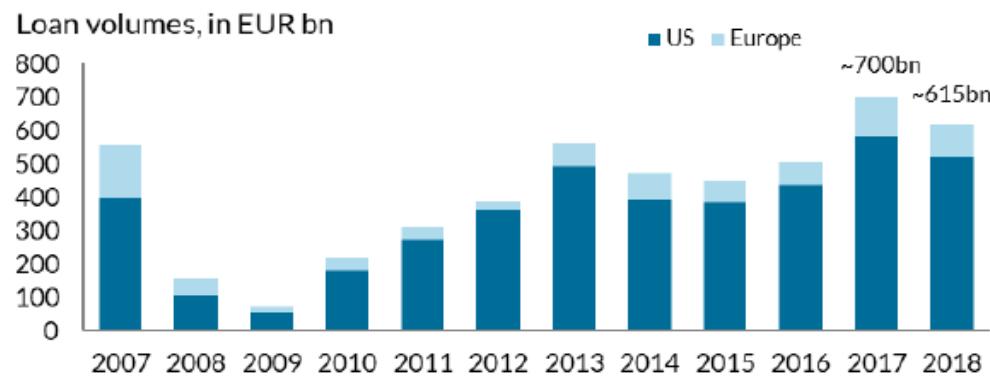


L'aumento dei tassi US ha rafforzato i rendimenti assoluti

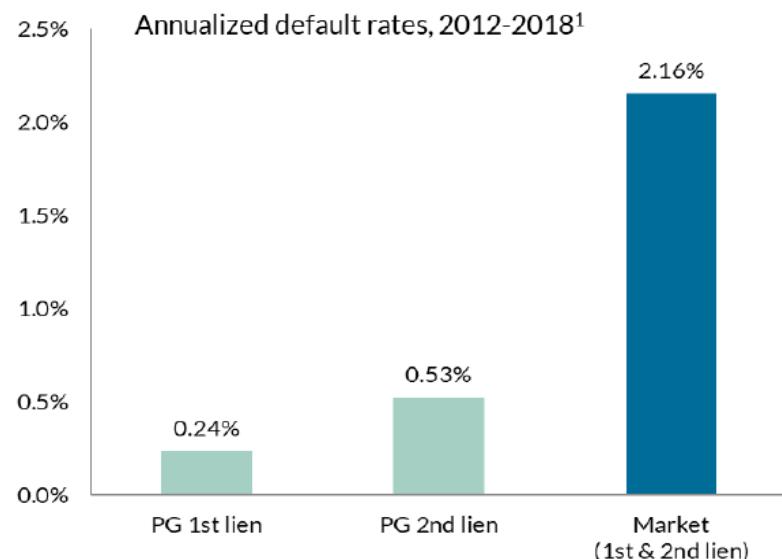


Source: 1 S&P LCD Global Review US/Europe as of Q4 2018. 2 The discount from par value at the time that a debt instrument is issued. It is the difference between the stated redemption price at maturity and the issue price.

Forte emissione di *loans* - principalmente per attività di *M & A*

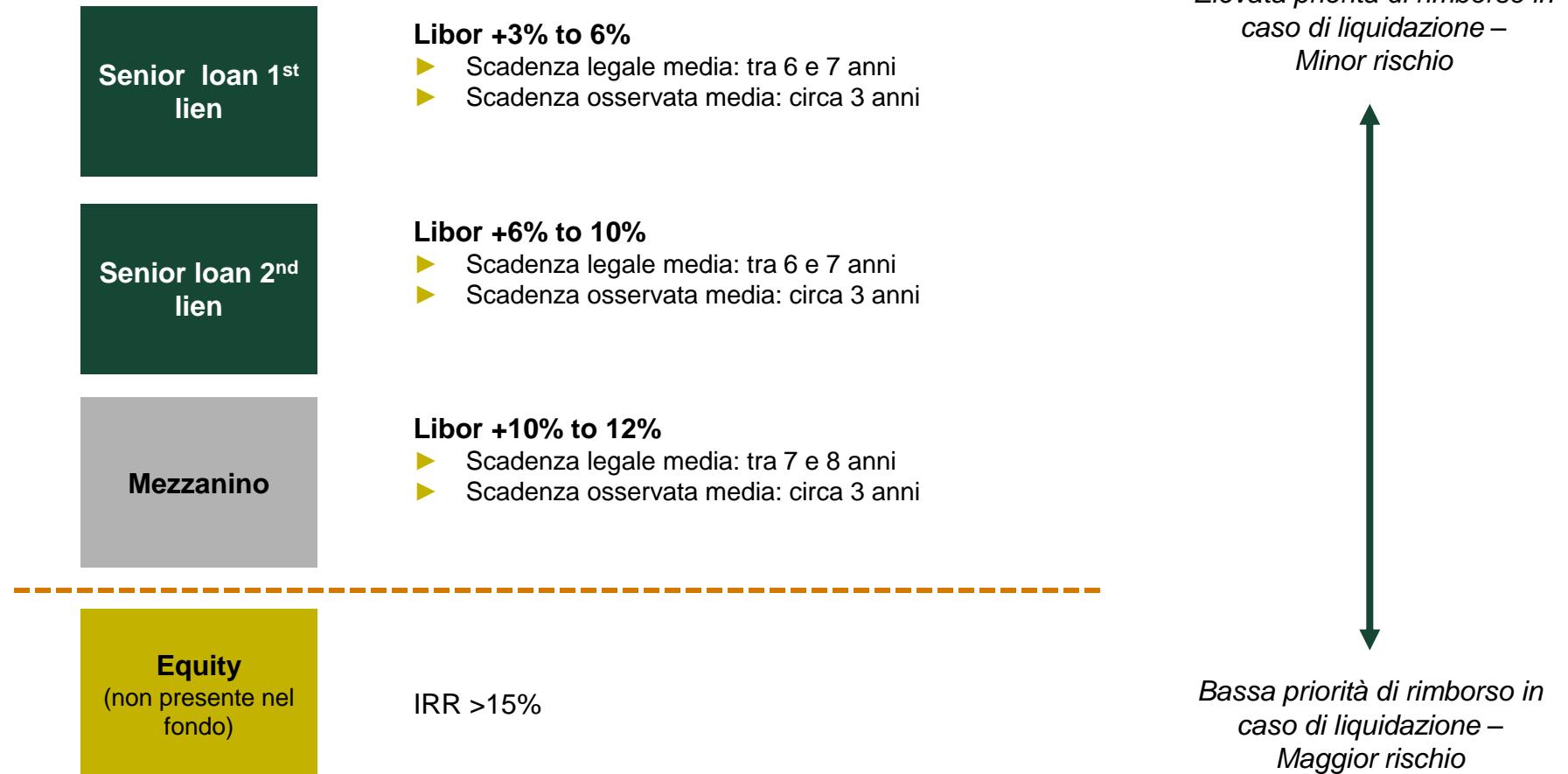


Il *default rate* di Partners Group è ben al di sotto del mercato



Investire in Private Debt: Pagamento di cedole attraenti

Le cedole dipendono dalla natura e dai rischi associati al prestito



Source: UBP. **For illustrative purposes only**, any forecast projection or target is indicative only and is not guaranteed in any way. Specific transactions and debt may differ from the characteristics outlined above



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UBP PG - Active Income

Il concetto innovativo del Fondo: elevati rendimenti in condizioni di liquidabilità migliorata



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L'alternativa al *buy-and-hold* tipica degli investimenti sui mercati privati:

- ◆ UBP ha **rivoluzionato** il classico concetto *buy and hold* tipico del Private Debt facendo leva sulla liquidabilità offerta da strategie in debito quotato in ambito High Yield a livello globale.
- ◆ Ci è riuscita combinando due strategie:
 - ◆ l'allocazione in Private Debt gestito da Partners Group
 - ◆ L'allocazione in debito quotato a livello globale gestito dal team *Global & Absolute Return Fixed Income* di UBP

UBP PG - Active Income: Processo d'investimento

UBP e Partners Group gestiscono le due strategie autonomamente

Comitato Investimenti
Co-managers: UBP & Partners Group
(settimanale, ogni mercoledì, anche ad hoc se necessario)
Decisioni d'investimento relative all'allocazione tra le
due strategie (secondo i parametri indicati sotto)

- ▶ Decisioni d'allocazione
- ▶ Monitoraggio di restrizioni
d'investimento
- ▶ Gestione della liquidità



Allocazione: 40% - 60%

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- ◆ Filosofia d'investimento che si poggia su un approccio top down macro
- ◆ Asset allocation tra i diversi segmenti del reddito fisso per generare valore
- ◆ Indicatori macro proprietari con più di 15 anni di storia
- ◆ Processo d'investimento disciplinato
- ▶ Quantitativo: stress test, monitoraggio in tempo reale del P&L
- ▶ Qualitativo: il lavoro di team permette un confronto proficuo sulle ipotesi d'investimento considerate



Partners Group
REALIZING POTENTIAL IN PRIVATE MARKETS

Allocazione: 60% - 40%

- ◆ Analisi top down / Relative value a livello globale per identificare e sfruttare le migliori opportunità d'investimento capaci di offrire elevati rendimenti
- ◆ Asset allocation strategica per tipologia di credito
- ◆ Analisi fondamentale del rischio di credito, in continua collaborazione con il Comitato Investimenti - qualitativa quantitativa
- ◆ Processo d'investimento strutturato e rigoroso (include deal generation, pre-selezione, raccomandazioni e monitoraggio)

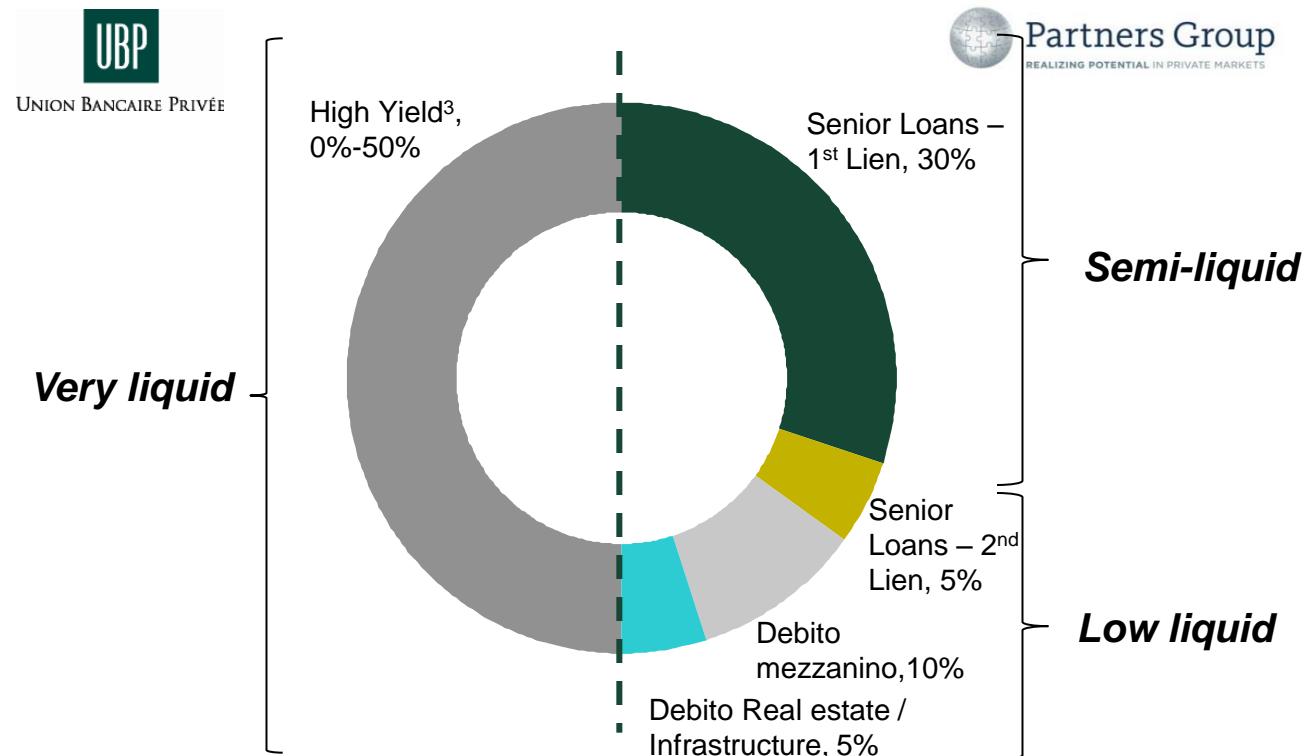
Caratteristiche di portafoglio – Allocation target e rendimenti attesi

Accesso a un portafoglio che **rende Libor +5-6% netto** e volatilità contenuta

Caratteristiche

- ▶ Struttura: Fondo di fondi
 - Master fund: UBP PG – Active Income
 - Feeder # 1: fondo dedicato di Private debt gestito da Partners Group
 - Feeder # 2: fondo dedicato di debito pubblico gestito da UBP
- ▶ NAV settimanale soggetto a *gates*:
 - 10% per settimana
 - 25% per 12 settimane cont. (eq. trimestre)
 - 50% per 52 settimane cont. (eq. anno)

Allocazione *target*¹ per un rendimento netto² di Libor +5-6%



Source: Partners Group, UBP. May 2018. **For illustrative purposes only.** Diversification does not ensure a profit or protect against loss. **1** For illustrative purposes. The actual allocation of the portfolio and its holdings may differ. Weekly NAV subject to a gating mechanism, 10% per week, 25% per 12 rolling weeks (eq. quarter), 50% per 52 rolling weeks (eq. year). Portfolio structure: Fund of funds with as the master fund: UBP PG - Active Income, Feeder # 1: dedicated private debt fund managed by Partners Group and Feeder # 2: dedicated public debt fund managed by UBP. **2** There is no assurance that target net return can be achieved. Please refer to terms and conditions for the management fee structure. **3** Public debt may be composed of High Yield or Investment Grade credit.

UBP PG – Active Income: Fund snapshot (1/2)

Caratteristiche del portafoglio e posizionamento, al 29.03.2019

Size 371,1 Mln USD

Portfolio allocation

- ◆ Portafoglio Private debt: 53% globale
- ◆ Portafoglio Public debt: 47% globale

Private Debt portfolio ribasato al 100%

- ◆ 1st lien (55,3%), 2nd lien (30,8%) e Mezzanino (13,9%)

Public Debt portfolio ribasato al 100%

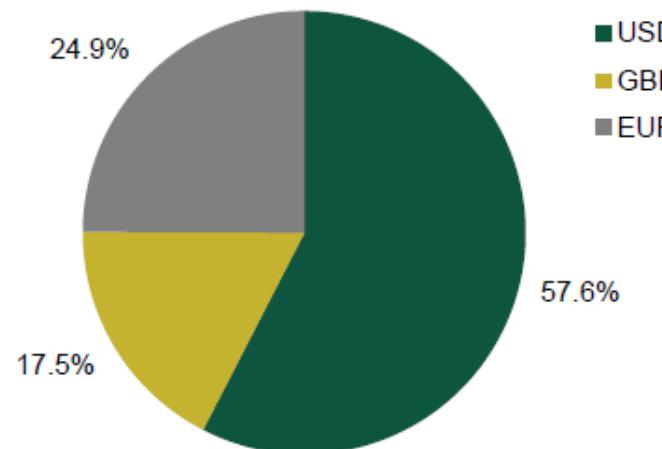
- ◆ US high yield CDS index: 100%
- ◆ EU high yield CDS index: 0%

Yield Rendimento complessivo: ~7,6% (8.1% excluding cash).

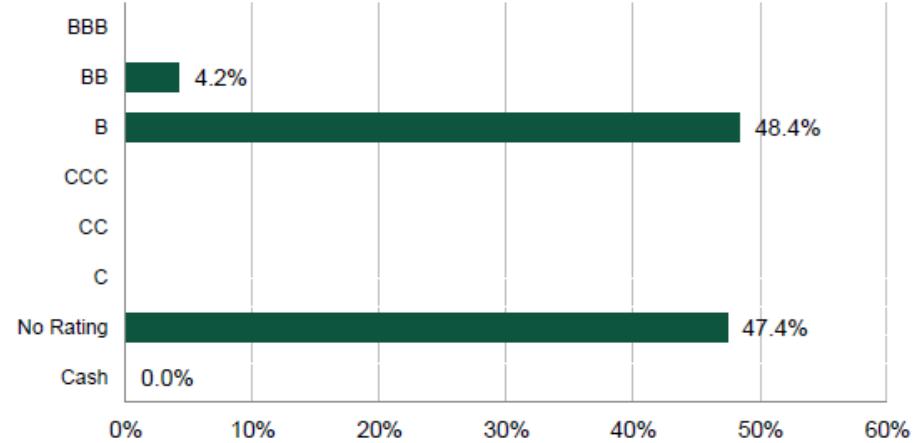
Interest rate exposure 0,6 anni

Focus sul portafoglio di Private Debt, al 29.03.2019:

Currency breakdown – before hedging



Rating breakdown



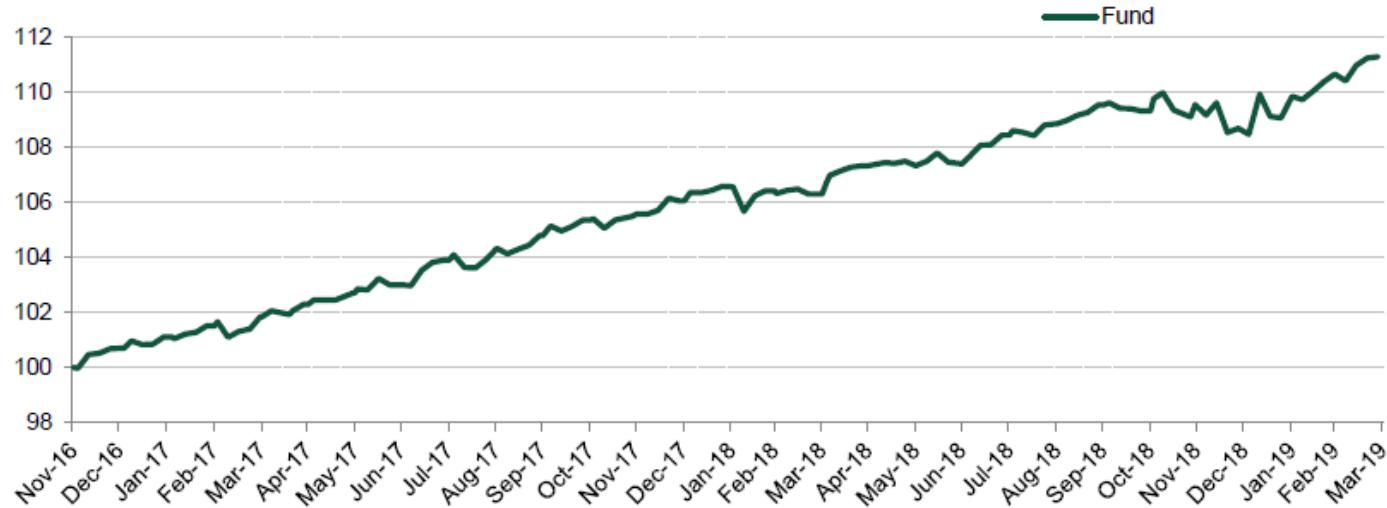
Past performance is not indicative of future results. Source: Partners Group, UBP.

UBP PG – Active Income: Fund snapshot (2/2)

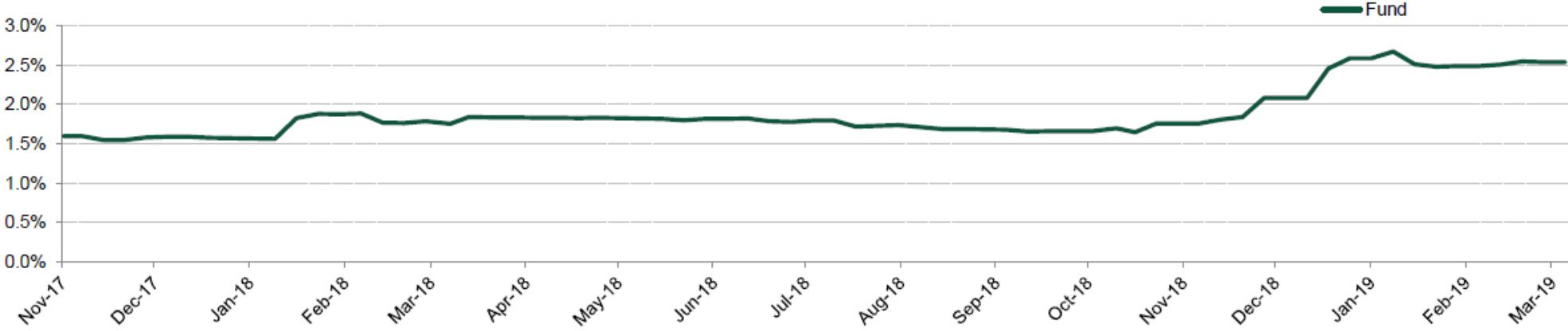
Track record (performance nette) del fondo, al 29.03.2019

	Fund ¹
March 2019	0.56%
YTD	2.39%
1Y	4.70%
3Y	-
5Y	-
Since inception*	11.30%
2018	2.48%
2017	5.33%
2016	-

*Inception date : 28.11.2016



• 1 YEAR-ROLLING VOLATILITY



Source: UBP and PG; data as at 28.03.2019

¹Based on IPC-Share class (LU1515367602, UBAIPUC LX), net of fees

Past performance is not indicative of future results. Source: Partners Group, UBP.

UBP PG – Active Income: I vantaggi del Fondo (1/2)

In sintesi

- ◆ **FIA aperto** che fornisce l'accesso al mercato del **Private Debt** in un **contesto innovativo di liquidabilità**. Tale fondo alternativo è una Sicav Lussemburghese AIMFD compliant (UCI) con **NAV settimanale**
- ◆ **Non sono presenti vincoli temporali nel dover rimanere investiti nella strategia.**
- ◆ **Fondo alternativo obbligazionario di Private Debt**, ulteriormente **diversificato attraverso un'esposizione altamente liquida alla componente High Yield globale**, caratterizzato da volatilità medio-bassa (attualmente pari al 2.1%), rendimento elevato (attualmente lo Yield del portafoglio è pari al **8.0%** lordo in USD), *duration* estremamente contenuta (attualmente pari a **0.6 anni**)
- ◆ Il *commitment* deliberato risulta **subito tutto investito**, eliminando il problema della **giacenza in liquidità** del *commitment* non richiamato
- ◆ Il fondo **matura un rendimento da subito** (non solo con i dividendi), dal momento in cui si perfeziona l'acquisto, al pari di un comune fondo aperto

UBP PG – Active Income: I vantaggi del Fondo (2/2)

In sintesi

- ◆ Possibilità di mantenere l'incidenza percentuale dell'asset class in linea con l'Asset Allocation Strategica stabilità in fase iniziale senza dover fare una nuova selezione, così come anche di variarne l'entità nel tempo, con un certo grado di libertà
- ◆ Semplificazione amministrativa e operativa, legata per esempio ai richiami del *commitment* deliberato
- ◆ Risparmio economico relativo all'attività di Advisory di cui generalmente l'investitore istituzionale si avvale per l'investimento diretto, in primis quella legale
- ◆ Possibilità di diversificare al meglio il portafoglio obbligazionario anche qualora le masse da dedicare all'investimento non fossero particolarmente consistenti.



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Appendici



UNION BANCAIRE PRIVÉE

UBP PG - Active Income: Il concetto innovativo del fondo

Accesso al mercato del debito non quotato globale in condizioni di migliorata liquidabilità

Obiettivo d'investimento	Offrire accesso la mercato del debito non quotato, ovvero <i>Senior and junior tranches</i> , in condizioni di: <ul style="list-style-type: none">◆ Elevato rendimento◆ Migliorata liquidabilità◆ Bassa esposizione ai tassi d'interesse, sotto ai 2 anni
Esposizione globale	Allocazione regionale sui mercati globali: <ul style="list-style-type: none">◆ Principalmente US ed Europa◆ Nessuna esposizione ai mercati emergenti (per la parte di Private Debt)
Liquidabilità	Gestione del profilo di liquidabilità tramite: <ul style="list-style-type: none">◆ Allocazione a debito pubblico estremamente liquido: 50%, +/-10%◆ Gestione attiva dell'allocazione tra debito pubblico e quello privato◆ NAV settimanale¹
Co-management della strategia	<ul style="list-style-type: none">◆ Partners Group per l'allocazione in Private Debt◆ UBP - Global & Absolute Return Fixed Income per quella in debito pubblico
Diversificato	<ul style="list-style-type: none">◆ Tra le 30 e le 40 società nell'allocazione sul Private Debt◆ 100 società nell'allocazione sul public debt²
Esposizione ai tassi	Inferiore a 2 anni
Volatilità	4-6% (storica realizzata < 2%)

Source: Partners Group, UBP. **For illustrative purposes only.** Diversification does not ensure a profit or protect against loss.

¹ Subject to a gating mechanism

² For illustrative purposes. The actual allocation of the portfolio and its holdings may differ.

UBP PG - Active Income

Debito privato con caratteristiche di liquidabilità innovative

Caratteristiche

Segmenti e strumenti

Profilo di liquidabilità innovativo

Debito pubblico

- ▶ Duration da bassa a moderata
- ▶ Estremamente liquido
- ▶ Estremamente diversificato



Debito privato

- ▶ Bassa duration (*floating*)
- ▶ Protezione dall'inflazione
- ▶ Diversificato globalmente per tipologia di credito
- ▶ Bassa correlazione/beta del sottostante



Segmenti:

- ▶ Principalmente High Yield
- ▶ Investment grade: DM e EM

Strumenti:

- ▶ Principalmente indici di CDS (*cleared*)
- ▶ *Single name CDS e cash bonds* (liquidi)



Debito societario:

- ▶ Senior secured first lien
- ▶ Senior secured second lien
- ▶ Mezzanino

Debito legato all'economia reale (*real asset debt*):

- ▶ Debito subordinato legato a *real estate* e infrastrutture

Media volatilità

Elevato
rendimento

Bassa duration

Diversificato
globalmente

Benefici
derivanti da
analisi Relative
value

UBP PG – Active Income: Sector – Regional Fund snapshot (1/2)

Focus sul portafoglio di Private Debt, al 29.03.2019

Sector breakdown

	Weight
Consumer, Cyclical	13.9%
Technology	22.9%
Financial	9.9%
Consumer, Non-cyclical	14.1%
Health Care	23.7%
Communications	0.2%
Energy	0.1%
Industrial	6.5%
Basic Materials	6.8%
Utilities	1.9%
Diversified	0.0%
Cash	0.0%
Total	100.0%

Regional breakdown

	Weight
United States	47.6%
United Kingdom	12.6%
Germany	12.4%
Italy	6.5%
Netherlands	5.6%
Switzerland	3.7%
France	3.6%
Spain	2.6%
Czech Republic	2.4%
Others	2.9%
Cash	0.0%
Total	100.0%

UBP PG – Active Income: Sector – Regional Fund snapshot (1/2)

Focus sul portafoglio del fondo, al 29.03.2019

Sector breakdown

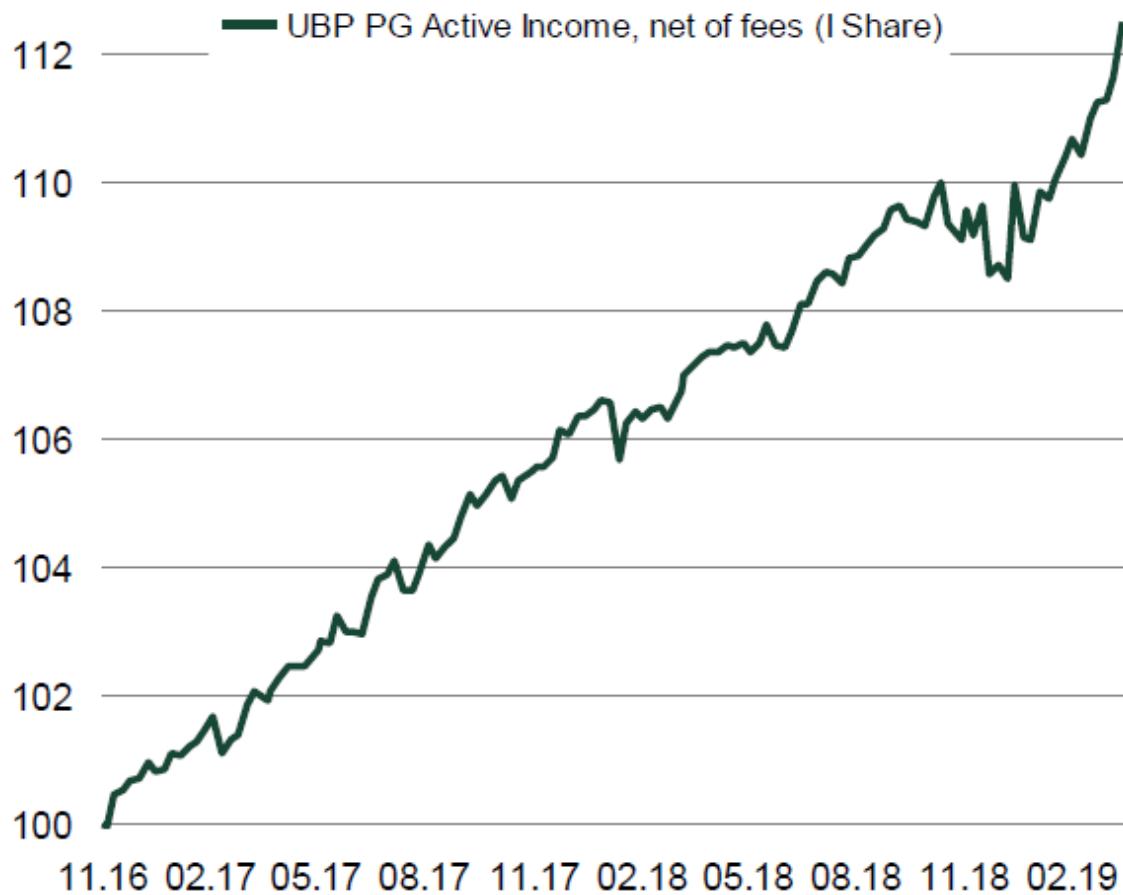
	Weight
Consumer, Cyclical	19.2%
Technology	14.9%
Financial	11.1%
Consumer, Non-cyclical	13.7%
Health Care	12.0%
Communications	5.3%
Energy	4.3%
Industrial	7.1%
Basic Materials	6.7%
Utilities	3.3%
Diversified	0.0%
Cash*	2.3%
Total	100.0%

Regional breakdown

	Weight
United States	69.2%
United Kingdom	6.9%
Germany	6.3%
Italy	3.3%
Netherlands	2.8%
Switzerland	1.9%
France	1.8%
Canada	1.4%
Others	4.0%
Cash*	2.3%
Total	100.0%

Track-record of UBP PG - Active Income (1/2)

Performance robuste, decorrelazione e volatilità contenuta (@ 2%), dati al 11.04.2019



Total return as of 11.04.2019, net of fees since inception

YTD	3.51%
1Y	5.15%
Since inception	11.25%
2018	2.48%
2017	5.33%

Inception on 28.11.2016, net of fees

Correlation to asset classes

US Aggregate	-0.09
Global HY Bonds	0.67
EM Asia credit USD	0.11
Loan market	0.46
S&P 500	0.57

Inception on 28.11.2016, net of fees

Source(s):UBP. Past performance is not a guide for current or future results. Inception of the fund in November 2016

US Aggregate: ICE BofA ML US Broad Market (US00). Global HY Bonds: ICE BofA ML US Broad Market (HW00). Loan Mark: Credit Suisse Leveraged Loan (CSLLTOT). EM Asia USD: Bloomberg Barclays EM Asia USD Credit Total Return Index Value Unhedged USD (BEUCTRUU)

Track-record of UBP PG - Active Income (2/2)

Performance contribution al 29.03.2019

Performance contribution: Public debt / Private debt

	UBP PG - Active Income, before fees	Liquid debt contribution	Private debt contribution
Total return since inception	14.7%	14.5%	15.3%
Annualised return	6.1%	6.0%	6.3%
YTD	2.8%	5.9%	0.7%
2018	3.5%	0.3%	6.1%
2017	6.8%	6.4%	7.3%
Inception on 28.11.2016			

Termini & Condizioni

UBP PG - Active Income

FUND NAME	UBP PG
LEGAL FORM	Luxembourg SICAV, UCI (under Part II of the 2010 Law / AIF under the AIFMD)
FUND/SUB-FUND CURRENCY	USD
HEDGED SHARE CLASSES	EUR (H)
BID/OFFER PRICE	NAV
CUT-OFF TIME	13:00 (CET) on T-day -1
INCEPTION	28.11.2016
MINIMUM INVESTMENT	None
SUB./REDEMPTION	Weekly with 1 day notice, subject to gating <ul style="list-style-type: none"> ▪ 50% per 52 settimane rolling (ovvero in un anno) ▪ 25% per 12 settimane rolling (ovvero in un trimestre) ▪ 10% per settimana
MANAGEMENT FEE	I: 0.75%
PERFORMANCE FEE	10% above Federal Fund Effective Rate (synthetic) with high water mark
ISIN	ICP USD: LU1515367602 ICP EUR: LU1515367784 ICP EUR Hedged: LU1515367867 IDP EUR Hedged: LU1515368675
BLOOMBERG	ICP EUR Hedged (a capitalizzazione): UBIPHEC LX IDP EUR Hedged (a distribuzione): UBIPHED LX
ASSET MANAGEMENT COMPANY	UBP Asset Management (Europe) S.A.
CO-INVESTMENT MANAGERS	Union Bancaire Privée, UBP SA and Partners Group AG
CUSTODIAN	BNP Paribas Securities Services Luxembourg Branch
ADMINISTRATOR	CACEIS BANK. Luxembourg

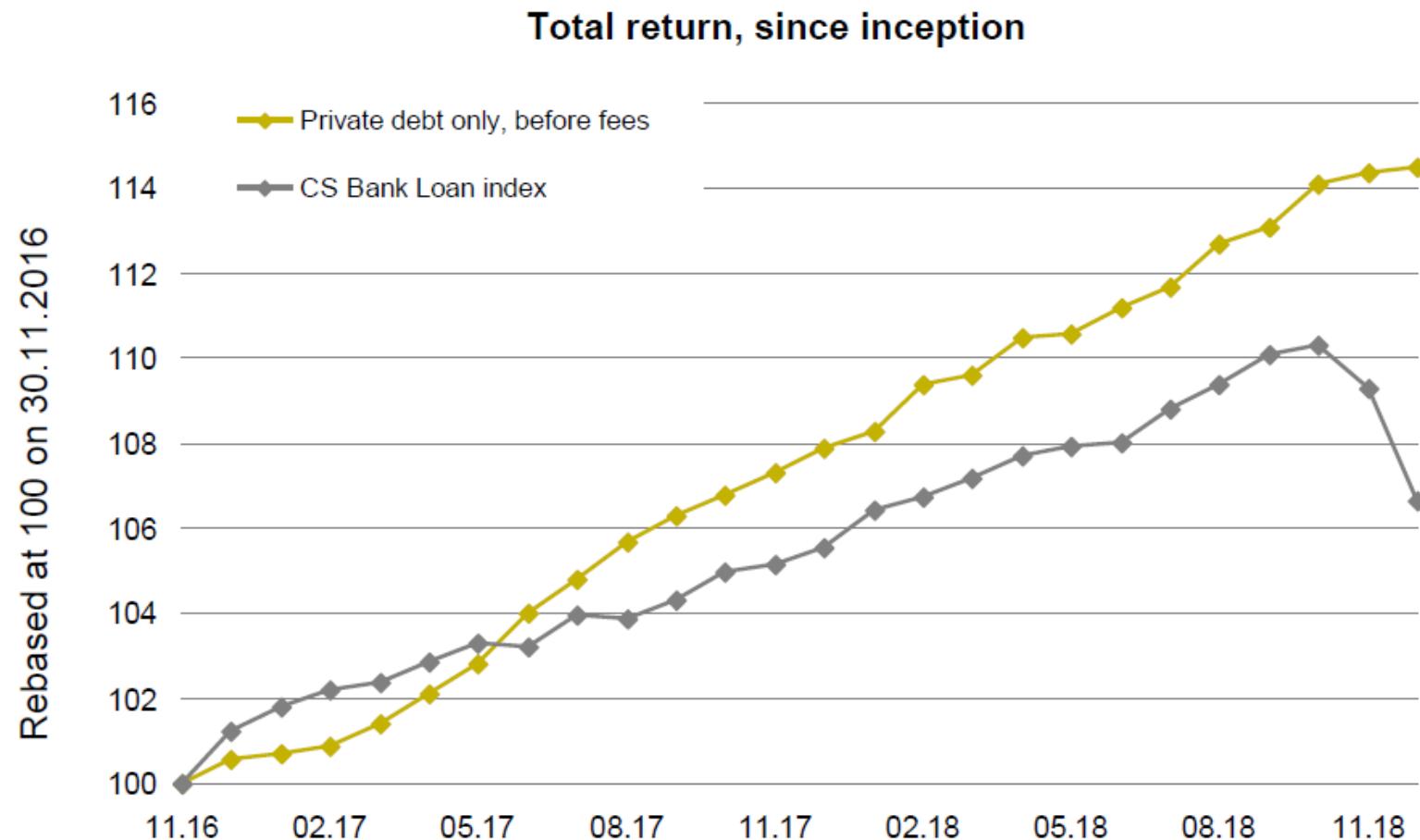
UBP PG - Active Income: Direct lending Private debt

The characteristics of Private Debt vs. Leveraged Loans

Characteristic	Private Debt	Leveraged Loans	Comment
Market	Direct lending	Bank syndication	Direct access to Private equity sponsors
Fees and OID	Full economic benefit for investors	Split economic benefit between underwriters and investors	Economic benefit reflects the involvement of parties involved
Covenants	Senior loans can have financial maintenance covenants attached to the loan	Leveraged loans typically come with limited / no incurrence covenants	Private senior loans holder rights are more robust under stress
Investment appraisal	Full due diligence process based on private information	Public or private information	Team of investment professionals meeting management and performing in-depth qualitative and quantitative analysis
Investors	Limited and select group of professional investors, who underwrite typically with a view to hold to maturity	Banks who underwrite with a view to syndicate the loan to a fragmented set of investors(>200 investors for large transactions) incl. hedge funds and retail investors	Smaller and more aligned senior lenders resulting in less volatility and more effective execution of protecting rights

Focus sulle performance del Private Debt, al 27.12.2018

Diversificazione all'interno di un'allocazione obbligazionaria



Source(s):UBP. Past performance is not a guide for current or future results. Inception of the fund in November 2016

Esempio di transazione: Mec3 (1/2)

Produttore mondiale di ingredienti per gelati artigianali ("gelato")



Esempio di transazione: Mec3 (2/2)

Descrizione e motivazione dell'investimento

Description	Produttore italiano di ingredienti di gelato che servono più di 27.000 rivenditori di gelati in 140 paesi.
Geography	Global
EBITDA	c. EUR 32m
Closing	January 2017

Tesi di investimento

- ◆ Forte posizionamento di mercato.
- ◆ EBITDA margin superiore alla media del settore.
- ◆ Forti dati finanziari storici e sviluppo del business resistente.
- ◆ Tendenze di fondo del mercato positiva.
- ◆ Business diversificato attraverso prodotti, marchi e aree geografiche.

Elementi chiavi da accertare

- ◆ Esposizione alle fluttuazioni dei prezzi delle materie prime.
- ◆ Stagionalità e rischio metereologico.
- ◆ Sostenibilità del EBITDA margin e potenziale aumento della pressione concorrenziale.
- ◆ Sicurezza della produzione.

Struttura del Capitale

Net senior debt / EBITDA multiple	5.5x
Net total debt / EBITDA multiple	5.5x
First Lien	EUR 185 m
Equity cushion	> 50%

Termini e Condizioni

Pricing

- ◆ First lien: E(0.00% floor) + 4.75%

Target gross IRR

- ◆ 5.0%¹

Fees / OID

- ◆ 1% OID

Covenants

- ◆ Leverage ratio

Past performance is not indicative of future results. For illustrative purposes only. There is no assurance that target returns will be achieved or that similar investment will be made. 1 Net of underlying fees, gross of Partners Group fees. Sources: Partners Group, Mec3 is part of the initial UBP PG Active Income portfolio

UBP PG - Active Income: valutazione settimanale (1/2)

Notice & Cut-off (Luxembourg time)	NAV Date (D)	Calculation Date	Settlement for subscription and redemption (at the latest)
One Business Day before the NAV Date 1 pm (D-1)	Each Thursday. If Thursday is not a Business Day, the next Business Day (D)	D+3 Business Days	D+5 Business Days
<i>Wednesday</i>	<i>Thursday</i>	<i>Next Tuesday</i>	<i>Next Thursday</i>

A 'Business Day' in this context is any full bank business day in Luxembourg, London and New York.

UBP PG - Active Income: valutazione settimanale (2/2)

- ◆ **60%-65% del portafoglio può essere valutato efficacemente con quotazioni giornaliere:**
 - ▶ 50%: Public Debt
 - ▶ 10%-15%: Private Debt – Senior loan 1st lien
- ◆ **35%-40% del portafoglio senza prezzi giornalieri – solo Private Debt:**
 - ▶ Weekly adjustments: interest rates and currencies
 - ▶ Monthly review and potential adjustments (monthly financial reports sent by companies)
 - ▶ Quarterly valuation of the private debt portfolio: mark-to-model (model audited every year)
- ◆ **Cosa attendersi da un evento idiosincratico nel corso del mese?**
 - ▶ A default would be discounted in the NAV
 - ▶ Swing prices can be implemented to adjust weekly NAV
 - ▶ Adverse scenario: 50% write-down on one loan not reflected in the NAV and a 10% redemption: -8 bps impact¹

Liquidity - Gating mechanism: Overview and illustration

10% per settimana, 25% per 12 settimane *rolling* (trimestrale), 50% per 52 settimane *rolling* (annuale)

Gating mechanism: Overview

- ▶ Gating at the fund level with netting of subscriptions / redemptions
- ▶ Quarterly and yearly gates only: partial netting, e.g.
 - +40m in and -50 out ➔ netting = -10m
 - +50m in and -40 out ➔ netting = 0
- ▶ Gated investors get priority for the next NAV (subject to gating)

Gating mechanism: Illustration¹

- ▶ Fund size of \$200m with a redemption of 15%, i.e. -\$30m
- ▶ Week #1: Liquidation for \$20m (10%) and gating for \$10m (5%) ➔ Size of the fund is now \$180m
- ▶ Week # 2: Liquidation for the remaining \$10m and up to \$8m additional net redemptions ($\$180m \times 10\%$)

Source: UBP. For illustrative purposes only, ¹ This illustration does not cover all gating scenarios and assumes that there were no redemptions or subscriptions in the prior 52 weeks



THE DRIVE YOU DEMAND

UBP – Solidità finanziaria e innovazione costante



UNION BANCAIRE PRIVÉE

UBP Asset Management

Soluzioni su misura per un mercato in evoluzione costante

- ◆ **UPB Asset Management** è presente nei principali centri finanziari internazionali
- ◆ Offriamo soluzioni d'investimento:
 - **rigorosamente attive**
 - in ambito **long only e alternativo**
- ◆ Esperienza di lunga data nella gestione di strategie che includono **Absolute Return Fixed Income, Emerging Markets, Convertibles ed Equity specializzato**
- ◆ Ricorso alla **gestione in delega** per alcune asset classes (US Large e Small Cap, Japan All cap e thematic)
- ◆ **Partnership strategiche** per la creazioni di prodotti innovativi (Partners Group)

Facendo leva sul fondo *UBAM - Global High Yield Solution*

Una strategia vincente e premiata



2018
THOMSON REUTERS
LIPPER FUND AWARDS



2017
THOMSON REUTERS
LIPPER FUND AWARDS



2016
THOMSON REUTERS
LIPPER FUND AWARDS



THOMSON REUTERS
LIPPER FUND AWARDS 2015
EUROPE



LIPPER
FUND AWARDS 2014
EUROPE





◆ THE DRIVE YOU DEMAND

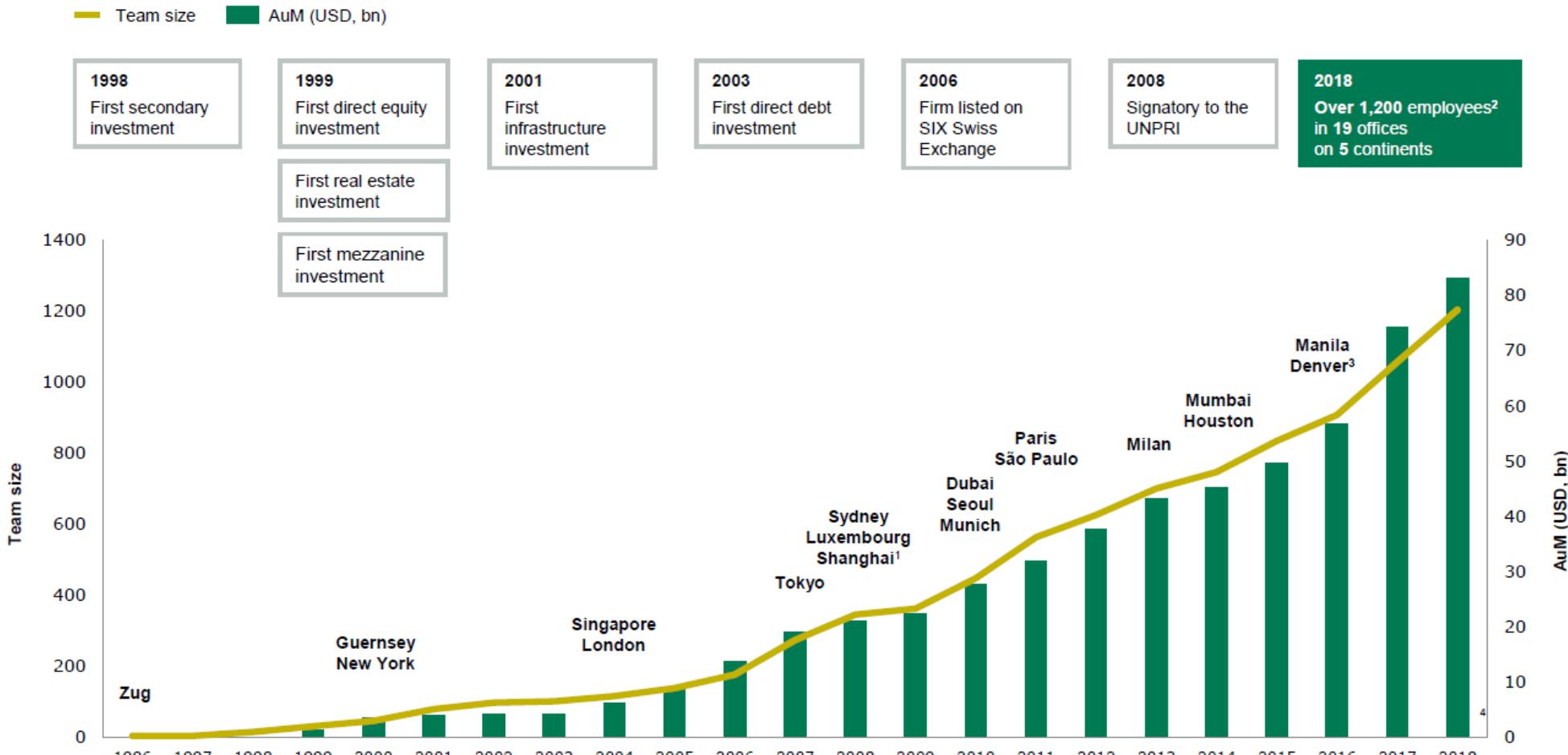
Partners Group - Leader globale per gli investimenti privati



UNION BANCAIRE PRIVÉE

Partners Group: Date chiave della crescita societaria

Sviluppo delle dimensioni del team e degli AuM



¹ Sede di Pechino spostata a Shanghai nel gennaio 2014.

² Dati del Team al 31 dicembre 2018.

³ Si prega di notare che l'azienda ha trasferito le attività basate a San Francisco alla sua sede di Denver nel Q3 2017

⁴ Non audited, inclusi tutti gli affiliati di Partners Group affiliates, dati AuM al 31 dicembre 2018.

Partners Group: Leader fra i manager degli investimenti nei private markets

Rank	Firm	Market cap. (in USD bn)
1	Blackstone	41.1
2	Partners Group	19.3
3	KKR	18.5
4	Apollo	12.2
5	Oaktree Capital	6.6
6	Carlyle Group	6.2
7	Ares	5.2

Source: UBP, Partners Group, Bloomberg Finance L.P.. al 28.02.2019

UBP PG – Active Income

Biografie degli esperti di Partners Group (1/2)

Scott Essex, Partner, Co-Head Private Debt

Scott Essex is Co-Head of the Private Debt business department and Head of the Private Debt Americas business unit, based in New York. He is a member of the Global Executive Board. He is a member of the Global Investment Committee and the Chairman of the Private Debt Investment Committee. He has been with Partners Group since 2007 and has 16 years of industry experience. Prior to joining Partners Group, he worked at GE Capital and Lazard Ltd. He holds an MBA from the Georgetown University McDonough School of Business, Washington, D.C.

Christopher Bone, Managing Director, Head Private Debt Europe

Christopher Bone is Head of Private Debt in Europe, based in London. He is a member of the Private Debt Investment Committee. He has 16 years of industry experience. Prior to joining Partners Group, he worked at AlpiInvest Partners, RBS, PricewaterhouseCoopers and Ernst & Young. He holds a master's degree in finance from the University of Durham, UK. He is also a CFA charterholder.

Christian Ebert, Managing Director, Private Debt Europe

Christian Ebert is part of the European Private Debt business unit, based in Zug. He is a member of the Private Debt Investment Committee. He has been with Partners Group since 2002 and has 15 years of industry experience. He holds a master's degree in finance from the Stockholm School of Economics, Sweden.

Roberto Cagnati, Managing Director, Head Portfolio and Mandate Solutions

Roberto Cagnati is Head of the Portfolio and Mandate Solutions business unit, based in Zug. He has been with Partners Group since 2004 and has twelve years of industry experience. Prior to joining Partners Group, he had assignments at Deutsche Bank Asset Management and Credit Suisse Private Banking. He holds a master's degree in economics from the University of Konstanz, Germany.

Christopher Hardison, Senior Vice President, Private Debt Americas

Christopher Hardison is part of the Private Debt Americas business unit, based in New York. He is a member of the Private Debt Investment Committee. He has 14 years of industry experience. Prior to joining Partners Group, he worked at RBC Capital Markets and GE Capital. He holds a bachelor's degree in neuroscience from Hamilton College, New York.

UBP PG – Active Income

Biografie degli esperti di Partners Group (2/2)

Alexander Ott, Senior Vice President, Private Debt Europe

Alexander Ott is part of the European Private Debt business unit, based in Zug. He is a member of the Private Debt Investment Committee and the Private Real Estate Directs Investment Committee. He has been with Partners Group since 2006 and has 14 years of industry experience. Prior to joining Partners Group, he worked at Allianz. He holds an MBA from Nanyang Technological University, Singapore.

Robin Thywissen, Senior Vice President, Private Debt Europe

Robin Thywissen is part of the European Private Debt business unit, based in London. He is a member of the Private Debt Investment Committee. He has been with Partners Group since 2010 and has 14 years of industry experience. Prior to joining Partners Group, he worked at MML Capital Partners, Terra Firma Capital Partners and BNP Paribas. He holds an MBA from INSEAD Paris, France and a master's degree in finance from the Paris Dauphine University, France.

Edward Tong, Senior Vice President, Head Private Debt Asia

Edward Tong is Head of Private Debt in Asia, based in Singapore. He is a member of the Private Debt Investment Committee. He has twelve years of industry experience. Prior to joining Partners Group, he worked at ING Bank. He holds a bachelor's degree in accounting and finance from the London School of Economics, UK.

Christian Wicklein, Senior Vice President, Head Distribution Partners Europe

Christian Wicklein is Head of the European Distribution Partners team, based in Zug. He has been with Partners Group since 2007. Prior to joining Partners Group, he had assignments at Airbus S.A.S. and MTU Aero Engines. He holds a master's degree in European business from ESCP Europe, Germany.

Alexandre Weill, Associate, Portfolio and Mandate Solutions

Alexandre Weill is part of the Portfolio and Mandate Solutions business unit, based in Zug. Prior joining Partners Group, he worked at Morgan Stanley and Alpstar Capital. He holds a master's degree in investment management from EDHEC Business School, France.

UBP PG – Active Income

Biografie degli esperti di UBP Global & Absolute Return Fixed Income (1/2)

Christel Rendu de Lint, Head of UBP Fixed Income - Senior Portfolio Manager

Christel joined UBP in November 2007 as head of the fixed income team. Previously, she worked for four years at Pictet Asset Management, where she was responsible for euro government bond funds and for co-managing euro aggregate mandates. Prior to this, she spent three years at Morgan Stanley in London as a European economist, with responsibility for the analysis of the eurozone business cycle before becoming the lead UK economist. She also worked at the International Monetary Fund and with the UK Treasury. Christel holds a masters' degree in Economics and Finance from the University of St. Gallen and a PhD in Economics from the London Business School. She has had articles published in several academic journals.

Philippe Gräub, Deputy Head - Senior Portfolio Manager

Philippe joined UBP's fixed income team in November 2007 as Senior Portfolio Manager. Previously, Philippe was senior investment manager at Pictet Asset Management, responsible for euro corporate bond funds and co-managing euro aggregate mandates. He spent six years at Pictet, starting his career as a quantitative credit analyst, before turning to fund management. Philippe holds an MSc in Physics from the Swiss Federal Institute of Technology and an MSc in Financial Mathematics from the Ecole Polytechnique in Paris. He is also CFA charterholder.

Bram ten Kate, Portfolio Manager

Bram joined UBP's fixed income team in February 2013 as quantitative portfolio manager. He acts as a specialist on relative value and risk analysis across rates and credit. He further co-manages short-dated credit and aggregate portfolios. Previously, Bram has worked at ABN AMRO as structured product specialist and at Credit-Suisse as quantitative strategist for the Equity Derivatives group. Bram holds a BSc in Economics and an MSc in Financial Engineering and Risk Management from the University of Lausanne.

Mohammed Kazmi, Portfolio Manager, Macro Strategist

Mohammed joined UBP's fixed income team in November 2015 as a macro strategist. He co-formulates the top-down asset allocation view as implemented across portfolios. Previously, he spent close to two years working as a Macro Currency Strategist within the Macro Currency Group at Principal Global Investors in London. Prior to this he spent three years at the Royal Bank of Scotland (RBS) in London working as a cross-asset class Emerging Markets Strategist. Mohammed holds a BSc in Economics from University College London.

Svetlana Narkevich, Portfolio manager, Senior Credit Analyst

Svetlana joined UBP's fixed income team in January 2011 as a senior credit analyst covering the financial sector. She co-manages financial positions across portfolios. Previously she worked for five years for Deka Investment in Frankfurt a.M. where she was responsible for analysis of financial institutions and management of corporate bonds institutional and retail funds. Prior to that she worked for Allianz Global Investors. She holds a degree in business administration and economics from the Johann Wolfgang Goethe University of Frankfurt a.M. She is a Financial Risk Manager and also CFA Charterholder

UBP PG – Active Income

Biografie degli esperti di UBP Global & Absolute Return Fixed Income (2/2)

Thibault Colle, Portfolio manager, Global Credit Analyst

Thibault joined UBP's fixed income team in July 2015 as a credit analyst covering non-financial sectors. He co-manages non-financial positions across portfolios. Previously, he spent four years at UBS in London working as a European corporate credit strategist. Thibault holds a BSc in Mathematics and Economics from the London School of Economics and a master of finance from the Massachusetts Institute of Technology.

Olivier Buhler, Portfolio Manager, Senior Trader

Olivier joined UBP's fixed income team in September 2009. He is in charge of portfolio implementation and trade execution. Olivier further manages money market funds and bespoke portfolios. Previously, Olivier worked for two years at UBP's Fund Desk as a hedge-fund dealer. Olivier holds an MSc in Business and Administration from the University of Geneva.

Ilir Morina, Trader

Ilir joined UBP's fixed income team in June 2018 as a trader. He is involved in portfolio implementation and trade execution. Previously, he spent five years at Pictet, starting his career as an asset and liability manager, before turning to treasury trader. Ilir holds a BSc in Economics and an MSc in Financial Engineering and Risk Management from the University of Lausanne

Gerda Cabej, Quantitative Analyst

Gerda Cabej joined UBP's Global and Absolute Return Fixed Income team in October 2016 as a Quantitative Analyst. She holds a master in Financial Engineering and Risk Management from the University of Lausanne and a PhD in Econometrics from the University of Geneva. Prior to joining the team, she worked as a researcher in the Department of Quantitative Methods of the University of Basel.

Olivier Debat, Senior Investment Specialist

Olivier joined UBP in August 2010 as an investment specialist dedicated to fixed income. Previously, he spent two years at Allianz Global Investors in Paris working on Euro Fixed Income strategies, with a focus on investment-grade and high-yield credit products. Before joining Allianz, Olivier spent four years at Credit Agricole Investment Bank as an Account Manager in the Global Oil & Gas Division and then as an Associate on the Equity Capital Markets desk. Prior to this, he was an Equity Analyst at Credit Lyonnais for four years. Olivier is a graduate of the EM Lyon Business School and holds the CEFA diploma.

Bernard McGrath, Investment Specialist

Bernard McGrath joined UBP in September 2017 as an Investment Specialist, dedicated to Fixed Income. For the previous six years, Bernard worked for Zurich Life Assurance in Dublin, Ireland as a Portfolio Manager responsible for actively managing a number of sovereign fixed income funds. Prior to joining Zurich, Bernard began his career in September 2008 on Bank of Ireland's Capital Markets Graduate Programme before transitioning to the position of Proprietary Trader within the bank's Global Markets division. Bernard holds a BA (Hons) in Economics and Politics, a Masters in Management from University College Dublin and is a CFA Charterholder.

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Union Bancaire Privée, UBP SA | Asset Management



Principles for
Responsible
Investment