



J. Safra Sarasin

# Asset Management Booklet

Global Edition  
Internal Use Only  
August 2023



Sustainable Asset Management

# Product Snapshot

(as of 31.07.2023)

## FAB Five

Fund (leading share class)	YTD (2023)	1 month	3 months	2022	2021	2020
<b>JSS Sust. Equity - Green Planet P EUR dist</b> No benchmark	<b>11.8%</b> n.a.	<b>1.0%</b> n.a.	<b>7.2%</b> n.a.	<b>-17.8%</b> n.a.	<b>29.1%</b> n.a.	<b>15.7%</b> n.a.
<b>JSS Sust. Equity - Tech Disruptors P USD dist</b> No benchmark	<b>40.3%</b> n.a.	<b>3.4%</b> n.a.	<b>20.2%</b> n.a.	<b>-38.6%</b> n.a.	<b>15.3%</b> n.a.	<b>48.1%</b> n.a.
<b>JSS Sust. Equity - USA P USD acc</b> MSCI USA NR Index	<b>18.7%</b> 20.8%	<b>3.0%</b> 3.4%	<b>8.9%</b> 10.9%	<b>-19.3%</b> -19.8%	<b>24.7%</b> 26.5%	<b>20.1%</b> 20.7%
<b>JSS Sust. Bond - Total Return Global P USD acc</b> No benchmark	<b>2.7%</b> n.a.	<b>0.5%</b> n.a.	<b>-0.9%</b> n.a.	<b>-11.1%</b> n.a.	<b>-2.6%</b> n.a.	<b>5.9%</b> n.a.
<b>JSS Sust. Multi Asset - Global Opportunities P EUR dist</b> No benchmark	<b>1.0%</b> n.a.	<b>0.8%</b> n.a.	<b>0.7%</b> n.a.	<b>-12.4%</b> n.a.	<b>13.2%</b> n.a.	<b>4.7%</b> n.a.

(as of 31.07.2023)

## Top Flows

Fund	NNA Growth YTD (m USD)	AUM (m USD)	Perf. 1 year	Perf. 3y p.a.	Perf. 5y p.a.
<b>SaraSelect (P CHF dist)</b>	105.5	1'560.0	13.42%	9.15%	6.61%
<b>JSS Twelve Sustainable Insurance Bond (P USD acc hedged)</b>	63.4	463.8	2.44%	-0.67%	1.27%
<b>JSS Sustainable Equity - Global Dividend (P EUR acc)</b>	37.3	339.0	8.51%	11.79%	8.50%
<b>JSS Sustainable Equity - Next-Gen Consumer (P EUR dist)</b>	35.2	53.8	19.24%	7.69%	5.39%
<b>JSS Sustainable Bond – Total Return Global (P USD acc)</b>	34.9	430.9	2.74%	-3.16%	0.41%
<b>JSS Commodity - Diversified CHF (P CHF dist)</b>	26.8	365.8	-8.94%	17.22%	2.94%
<b>JSS Sustainable Equity - Green Planet (P EUR dist)</b>	17.6	388.9	16.30%	12.69%	8.24%

## Recently Launched

Investment Solution	Strategy
<b>JSS Alternative Opportunities Fund</b> <i>(Launched 28 February 2022)</i>	Benefiting from the long-standing hedge fund expertise of the J. Safra Group, the Fund invests in funds of leading absolute return managers worldwide with established track records of success, as well as in select emerging managers. The fund invests in a diversified set of strategies like Long-Short Equity, Relative Value, Event-Driven, Multi-Strategy and/or Global Macro. We believe such strategies can benefit from the new investment environment of higher rates, higher volatility and higher dispersion between individual asset returns.
<b>JSS Sustainable Equity – Next-Gen Consumer</b> <i>(Strategy Change: 1 February 2022)</i>	The fund is an evolution of our successful Consumer Brand strategy to tackle a wider range of consumption themes and thereby aims to capture the full power of the next-generation consumers. To this end, the JSS Sustainable Equity – Next-Gen Consumer Fund invests in established companies with strong competitive advantages, and trend-setters - smaller companies that are creating new markets. In addition, the fund considers companies' efforts to align with the era of responsible consumption and integrates sustainability at every step of the investment process
<b>JSS Alternative Lending Fund</b> <i>(Launch: 30 April 2021)</i>	The JSS Alternative Lending Fund invests as a feeder fund in the Morgan Stanley AIP Alternative Lending Fund A (Master Fund), which is a consumer-focused private credit strategy acquiring loans underwritten by fintech alternative lending platforms in the United States. It seeks to provide attractive total returns with an emphasis on current income.

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## Alternative Investments

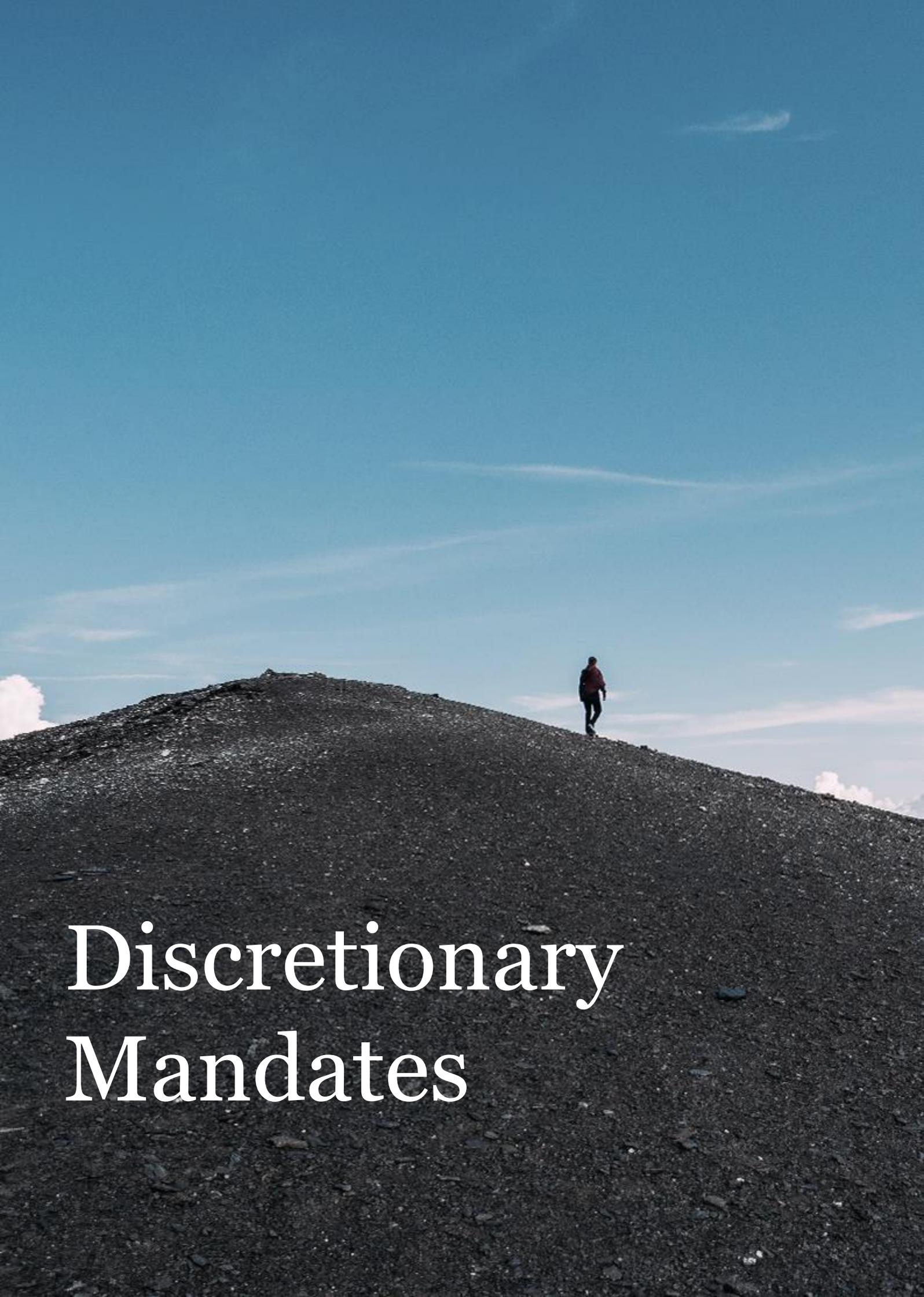
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# Discretionary Mandates

## Discretionary Mandates

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# Mandates Landscape Overview

Our mandates provide a comprehensive and sophisticated investment solution where you can benefit from the full range of our economic, credit and equity research, as well as the expertise of our portfolio management team. Within our core mandate offering, you can access three distinct flavours, all of which have a long-term performance track record. These are available as single or multi-asset portfolios and are offered in different currencies and risk profiles. Our pioneering role in Sustainability, with over 30 years of experience in ESG1 investing, is reflected in all three mandate types.

Our expertise in investment management comprises 3 distinctive flavours  Min. Investment: CHF 1m	Sustainable	Equity Income	Thematic
			
	Entirely sustainable and focused on ESG integration	Attractive and stable dividends	Long-term global opportunities
<b>Multi Asset Mandates</b>	<b>Multi Asset Sustainable</b>	<b>Multi Asset Equity Income</b>	<b>Multi Asset Thematic</b>
<b>Mandate Currencies</b>	CHF, EUR, USD	CHF, EUR, USD, GBP	CHF, EUR, USD, GBP
<b>Investment Strategy</b>	Defensive, Balanced, Dynamic	Defensive, Balanced, Dynamic	Defensive, Balanced, Dynamic
<b>Equity Exposure</b>	Direct lines & Funds (Home bias <sup>3</sup> , Developed & Emerging Markets)	Direct lines & Funds (Home bias excl. Emerging Markets)	Direct lines & Funds (Global incl. Emerging Markets)
<b>Fixed Income</b>	ESG Funds & Certificates only	ESG Funds & Certificates only	ESG Funds & Certificates only
<b>Alternatives</b>	ESG Funds only	ESG Funds only	ESG Funds only
<b>Single Asset Mandates</b>	<b>Global Climate 2035</b>	<b>Equity Income</b>	<b>Thematic</b>
<b>Focus</b>	Climate Transition	Quality Dividend	Long term global trends
<b>Sustainability</b>	SFDR 9 / Companies aligned with the Paris 2C Goal	SFDR 8 / Promote social or environmental characteristics	SFDR 8 / Promote social or environmental characteristics
<b>Style</b>	Large Cap Blend	Large Cap Value	Large Cap Growth
<b>Investment vehicle</b>	Single line	Single line	Single line
<b>Geographic exposure</b>	Global	Global and Regional	Global
<b>Benchmark</b>	MSCI	MSCI	MSCI incl. Emerging Markets
<b>Portfolio Manager</b>	Bank J. Safra Sarasin AG	Bank J. Safra Sarasin AG	Sarasin & Partners LLP, UK

1) ESG = Environmental, Social and Governance

2) Exposure to sustainable companies 70-100% since inception (depending on the strategy)

3) Home-Bias = Focus on region of the reference currency

## Emerging Market Bond Solutions

Our Specialised Bond offering provides investors with access to Global and Asian Emerging Market Bonds. Emerging Market Fixed Income mandates are available in two regional options: Global Emerging Markets and Asian Fixed Income. Our long-standing and deep expertise in this segment of the fixed income space feeds into the bond selection and portfolio construction process. The fixed income team exchanges their views and experience with other experts in the Bank on a regular basis when assessing the credit risk of the bonds. The mandates provide relief from the day-to-day burden of managing assets oneself thanks to rigorous monitoring of performance and risk measures.

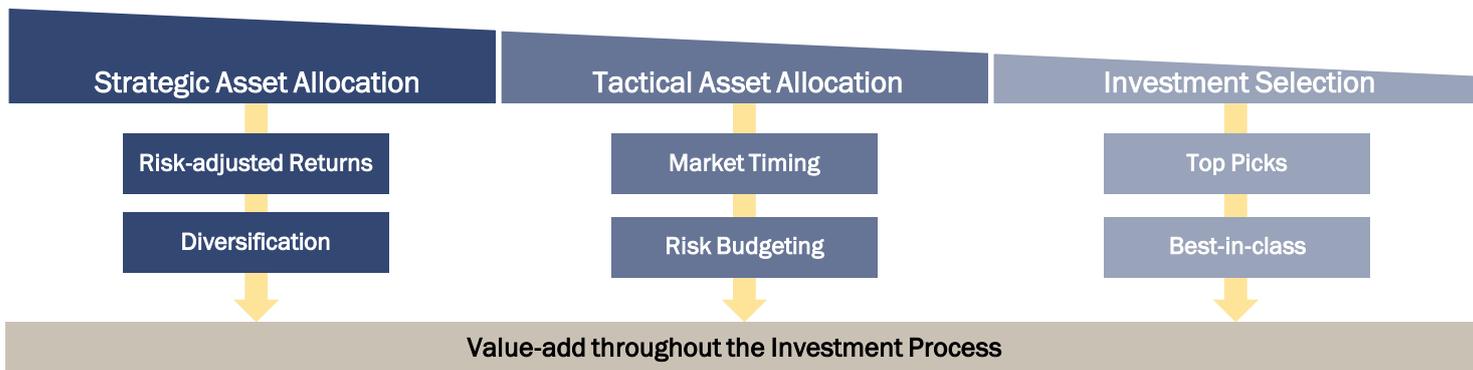
Single Asset Mandates (Min. Investment CHF 10 m)	EM Bonds Global	EM Bonds Asia
		
Universe	Global Emerging Markets	Asian Emerging Markets
Exposure	Global	Asia
Style	Direct line bonds only	Direct line bonds only
Currency	USD	USD

## Multi Manager Solution

Our funds mandate solution is a well-diversified, fund-based portfolio with a home bias invested in the asset classes Bonds, Equities and Alternative Investments. Multi Manager is our best-in-class fund of funds mandate solution that leverages our significant expertise in the due diligence process required when selecting external funds. We apply the same rigorous selection criteria when selecting JSS fund strategies.

Multi Asset Mandate (Min. Investment CHF 0.5 m)	Multi Manager
Universe	Global
Bias	Home bias
Style	Funds only
Currency	CHF, EUR, USD, GBP
Risk profile	Defensive, Balanced, Dynamic

## Investment Process Overview



## Strategic and Tactical Asset Allocation of Balanced Multi Asset Mandates<sup>1</sup>

	SAA	Multi Asset Sustainable Balanced			Multi Asset Thematic Balanced			Multi Asset Equity Income Balanced			
		TAA			TAA			TAA			
		CHF	EUR	USD	EUR	USD	GBP	CHF	EUR	USD	GBP
<b>Cash</b>	<b>2.5</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>
<b>Bonds</b>	<b>45.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>
Home Currency	33.0	36.5	36.5	36.5	36.5	36.5	36.5	36.5	36.5	36.5	36.5
US Treasuries 20Y+ hdg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emerging Gov.	3.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Emerging Corp.	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Emerging Local CCY	0.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
US High Yield	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
EU High Yield	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Equities</b>	<b>45.0</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>	<b>42.5</b>
Home	22.5	19.0	19.0	19.0							
Developed Markets	19.0	20.0	20.0	20.0	42.5 <sup>2</sup>	42.5 <sup>2</sup>	42.5 <sup>2</sup>	42.5 <sup>3</sup>	42.5 <sup>3</sup>	42.5 <sup>3</sup>	42.5 <sup>3</sup>
Emerging Markets	3.5	3.5	3.5	3.5							
<b>Alternative Assets</b>	<b>7.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>	<b>8.5</b>
Convertibles	2.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Real Estate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0

1) Source: Bank J. Safra Sarasin Ltd, as of 18.07.2023.

2) Global Equities Thematic

3) Global Equities Income



J. Safra Sarasin

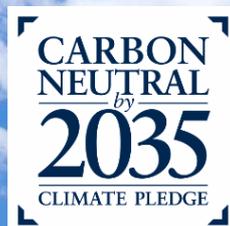
launches a

# Climate Pledge

aiming for a carbon neutral outcome by 2035



Sustainable Asset Management



# Sustainable Mandates Single & Multi Asset

## Sustainability Is in Our Brand and DNA

- We are the **pioneer and thought-leader** with more than 30 years of experience in Sustainable Investing and have a proven track record in managing Sustainable Mandates.
- Our proprietary **Sarasin Sustainability Matrix®** helps reduce reputational risks and improves the ESG (Environmental, Social and Governance) portfolio profile.
- Our large and experienced team **integrates sustainability** into each step of our investment process.
- We are **committed to transparency** engaging with our clients through in-depth portfolio ESG and Impact Reporting.

## Investing in a Sustainable Way



Sustainable Cities  
Transport  
Environ. Resources  
Clean Energy  
Clean Water  
Low Carbon Fossil Fuels  
Energy Efficiency



Generational Trends  
Resource Demand  
Globalisation  
Urbanisation  
Ageing  
Population Growth  
Gender Equality



E-Commerce  
Internet of Things  
Automation  
Digitalisation  
Artificial Intelligence  
Big Data

## Our Sustainable Investment Philosophy

- **Long-term thinking** is the main condition for real and lasting economic success.
- Investing in businesses that **provide the right solutions for the future**, while avoiding companies that fail to address future challenges.
- Incorporating a **sustainability mind-set** at all times increases the quality of our analysis and **raises the level of insights**.
- Integrating all aspects of sustainability into the investment process leads to better outcomes by **reducing risks** and **harnessing long-term opportunities**.

## Reasons to Invest in Sustainable Mandates



**Reducing Risks**

Sustainable investing can help mitigate longer-term risks typically overlooked



**Delivering Returns**



**Changing Behaviour**

Positive impact on society and environment

## Single Asset

Sustainable Equity Global Climate 2035 is a single-asset class offering for investors seeking an entirely sustainable equity strategy that is highly transparent. This concentrated portfolio provides access to global equities and combines two key competencies: managing equities and sustainability. Within the Sustainable Universe, ESG (Environmental, Social and Governance) factors are used as inputs for investment analysis, idea generation and portfolio construction.

### Historical Performance Since Inception<sup>1</sup>



## Multi Asset

Multi Asset Sustainable mandates are a great option for investors seeking a truly sustainable investment strategy. The strategy provides access to the full range of J. Safra Sarasin research and investment management capabilities. The broadly-diversified portfolio invests across all major asset classes and our portfolio managers have the ability to quickly adapt to changing market conditions as well as to changing ESG profiles of companies.

### Multi Asset Sustainable Mandates (Strategic, min & max allocation)

	Defensive		Balanced		Dynamic	
<b>Bonds</b>	70%	95%	45%	70%	20%	45%
		45%		20%		0%
<b>Equities</b>	20%	45%	45%	70%	70%	95%
		0%		15%		40%
<b>Alternatives</b>	5%	30%	5%	30%	5%	30%
		0%		0%		0%

CHF, USD, EUR

1) Source: Datastream, as of 31.07.2023. Performance chart shown refers to the underlying model portfolio of the mandate strategy. Past performance is no indication of current or future performance.

## Historical Performance of Sustainable Mandates (Gross Performance)<sup>1</sup>

CHF	2018	2019	2020	2021	2022	2023 (YTD)
Defensive	-4.07%	9.06%	4.67%	3.31%	-11.41%	2.52%
Balanced	-5.70%	14.88%	6.08%	8.37%	-13.56%	3.52%
Dynamic	-7.25%	21.07%	7.37%	13.65%	-15.18%	4.79%

EUR	2018	2019	2020	2021	2022	2023 (YTD)
Defensive	-4.16%	10.47%	5.18%	3.51%	-11.89%	3.30%
Balanced	-6.41%	15.56%	6.03%	8.54%	-11.69%	5.49%
Dynamic	-8.47%	20.91%	6.14%	13.51%	-11.82%	7.67%

USD	2018	2019	2020	2021	2022	2023 (YTD)
Defensive	-2.15%	11.90%	12.91%	3.25%	-9.37%	3.92%
Balanced	-3.85%	17.24%	17.27%	8.41%	-12.39%	7.57%
Dynamic	-5.40%	22.89%	21.27%	13.79%	-15.53%	11.10%

## Multi Asset Sustainable Balanced – Comparison with Selected Peers (Net Performance)<sup>1</sup>

CHF Mandates	1m	YTD	1y	3y p.a.
DPM Multi Asset Sustainable Balanced CHF	0.3	2.7	-1.6	-0.4
UBS (Lux) SF Bal Sust (CHF) P-acc	1.1	4.1	-1.3	0.1
CS (Lux) Portfolio Balanced CHF B	0.4	4.0	-2.3	0.3
LO Selection Balanced CHF PA Acc	0.7	2.8	-2.8	-0.4
LGT GIM Growth (CHF) B	1.1	6.4	-0.3	2.1

USD Mandates	1m	YTD	1y	3y p.a.
DPM Multi Asset Sustainable Balanced USD	1.5	6.7	3.4	2.6
UBS (Lux) SF Balanced Sust \$ P-acc	2.2	7.5	3.7	2.5
CS (Lux) Portfolio Balanced USD B	2.2	9.5	4.1	2.7
LO Selection Balanced USD MA	2.1	7.5	2.9	1.8
GS ESG-Enh Glb MA Bal Base Acc USD	1.3	8.8	2.5	2.7
LGT GIM Growth (USD) B	2.0	9.8	5.1	4.4

EUR Mandates	1m	YTD	1y	3y p.a.
DPM Multi Asset Sustainable Balanced EUR	1.1	4.6	0.4	1.5
UBS (Lux) SF Bal Sust (EUR) P-acc	1.4	5.9	1.0	1.1
CS (Lux) Portfolio Balanced EUR B	1.5	7.2	-0.1	3.1
LO Selection Balanced EUR PD	1.7	4.9	-1.9	1.5
FvS Multi Asset - Balanced RT	2.0	6.1	0.8	0.5
GS Patrimonial Balanced-P Cap EUR	1.4	6.9	-1.1	2.7
Berenberg Multi Asset Balanced R A	1.2	4.4	-2.7	2.5

1) Source: Bank J. Safra Sarasin Ltd, Morningstar, as of 31.07.2023. Please note: Mandates are compared with a selection of competitors' funds that follow a comparable asset allocation. We assume a flat management fee of 1.4% for the mandates.

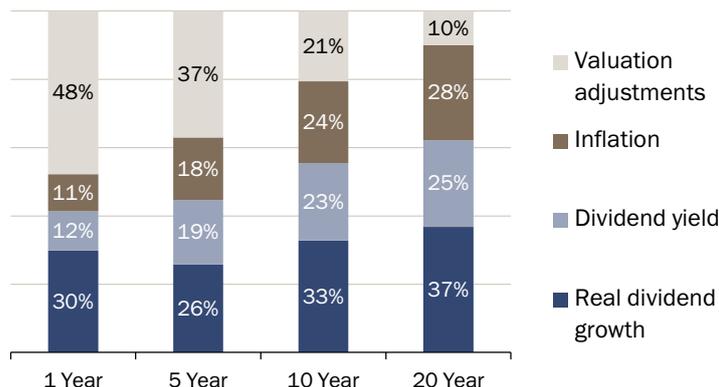
# Equity Income Mandates Single & Multi Asset

## The Case for Dividend Stocks

- **Stable distributions:** Dividend stocks should continue to offer stable dividend distributions and are therefore appropriate for long-term investors looking for income.
- **Hedge against political and economic risk:** In the current environment, strategies with a focus on quality firms with an attractive dividend yield and good dividend visibility should continue to offer competitive performance.
- **Attractive risk/return profile:** Dividend stocks are expected to benefit from downside protection with smaller drawdowns and faster recovery potential due to the focus on quality companies.

## Dividends: the Key Long-term Driver<sup>1</sup>

Dividend yield and -growth have been the dominant return drivers:



### Single Asset

Equity Income mandates seeks to invest in stocks of companies that pay attractive and sustainable dividends. The combination of an attractive risk/return profile, limited drawdowns, stable income, inflation protection and significant performance contribution from dividends are considered the key advantages of a dividends stock portfolio.

## Expected Dividend Yield<sup>2</sup>

	Currency	Expected Dividend Yield
Switzerland	CHF	3.80%
North America	USD	3.10%
Europe	EUR	4.40%
United Kingdom	GBP	5.00%
Global CHF	CHF	3.70%
Global USD	USD	3.50%
Global EUR	EUR	3.80%
Global GBP	GBP	4.20%

## Key Advantages of the Mandates

- **Solid track record:** Consistently strong performance across mandates, thanks to bottom-up stock picking with a long-term horizon combined with sale of options (short puts/covered calls).
- **Experienced management team with continuity:** Two of the three portfolio managers have been dedicated to this strategy since inception. They are supported by a team of 15 research analysts with sound knowledge across global equity sectors.
- **High conviction portfolio:** Mandate portfolios are focused on high-conviction, liquid stocks with emphasis on large/mid-caps.
- **Rigorous risk management:** Rigorous due diligence across all aspects of portfolio management, combined with equal weighting to void concentration risk.

## Enhanced Returns Through Option Strategies

**Covered call options** are sold on overbought holdings

- We earn a premium and deliver the stock if the option is exercised (stock price has risen); or
- We earn a premium & stay with the stock if the option is not exercised (stock price has fallen)

**Short put options** are sold on oversold equities, which we would consider to hold in the portfolio

- We earn a premium & acquire the stock at pre-defined price (stock price has fallen); or
- We earn a premium & don't buy the stock at pre-defined price (stock price has risen)

### Multi Asset

Multi Asset Equity Income mandates invest in a broad range of asset classes. Within the equity asset class we focus on companies that pay attractive and sustainable dividends. The combination of an attractive risk/return profile, limited drawdowns, stable income, and significant performance contribution from dividends are considered the key advantages of a dividends stock portfolio.

## Multi Asset Equity Income Strategies (strategic min /max allocation)

	Defensive		Balanced		Dynamic	
<b>Bonds</b>	70%	95%	45%	70%	20%	45%
		45%		20%		0%
<b>Equities</b>	20%	45%	45%	70%	70%	95%
		0%		15%		40%
<b>Alternatives</b>	5%	30%	5%	30%	5%	30%
		0%		0%		0%

**CHF, USD, EUR, GBP**

1) Source: MSCI Research, decomposition of MSCI ACWI Index total return, analysis over period Dec 1994 to Feb 2019. Study by MSCI on behalf of the Ministry of Finance, Norway (October 2019). 2) Source: Bloomberg, as of 28.02.2023. Expected Dividend Yield represents the ratio of Bloomberg's expected dividend from a specific stock over the following 12 months to the stock's current price. Strategies' Expected Dividend Yields result from the allocation-weighted average of the Expected Dividend Yield of the stocks within each strategy's portfolio

## Historical Performance of Equity Income Mandates (Gross)

<b>CHF</b>	<b>Launch</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023 (YTD*)</b>
Equity Income Switzerland	<b>01.04.2013</b>	-4.96%	29.91%	4.69%	20.36%	-10.04%	9.51%
Equity Income Global CHF	<b>01.04.2014</b>	-5.25%	26.36%	2.38%	22.96%	-7.46%	6.64%
Equity Income Global USD (CHF)	<b>01.10.2013</b>	-2.89%	20.63%	-1.20%	24.19%	-2.28%	2.49%
<b>EUR</b>							
Equity Income Europe	<b>01.04.2013</b>	-7.40%	22.93%	-6.34%	24.22%	-1.08%	12.66%
Equity Income Global EUR	<b>01.10.2013</b>	-2.29%	24.36%	-3.12%	27.80%	0.68%	8.58%
Equity Income Global USD (EUR)	<b>01.10.2013</b>	0.84%	25.06%	-0.70%	29.63%	2.54%	5.89%
<b>USD</b>							
Equity Income North America	<b>01.04.2015</b>	1.16%	24.43%	11.14%	22.47%	-3.09%	6.72%
Equity Income Global USD	<b>01.10.2013</b>	-4.00%	22.80%	8.24%	20.48%	-3.76%	9.39%
<b>GBP</b>							
Equity Income United Kingdom	<b>01.04.2015</b>	-7.52%	16.17%	-17.29%	9.57%	1.45%	2.07%
Equity Income Global GBP	<b>01.08.2014</b>	-2.64%	18.25%	-5.35%	17.20%	4.69%	3.70%
Equity Income Global USD (GBP)	<b>01.10.2013</b>	1.96%	18.06%	4.90%	21.59%	8.37%	2.27%

## Historical Performance of Multi-Asset Equity Income Mandates (Gross)

<b>CHF</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023 (YTD*)</b>
Defensive	4.39%	4.99%	-9.43%	2.78%
Balanced	4.26%	10.86%	-8.93%	3.83%
Dynamic	4.22%	17.24%	-8.28%	5.14%
<b>EUR</b>				
Defensive	4.08%	6.08%	-9.52%	3.31%
Balanced	2.28%	13.26%	-6.15%	5.06%
Dynamic	0.36%	20.83%	-3.07%	6.85%
<b>USD</b>				
Defensive	8.92%	4.88%	-6.80%	3.42%
Balanced	9.51%	10.34%	-6.14%	5.64%
Dynamic	9.60%	15.98%	-5.60%	7.69%
<b>GBP</b>				
Defensive	4.66%	3.03%	-6.90%	1.92%
Balanced	1.98%	7.88%	-3.05%	2.74%
Dynamic	-0.89%	12.69%	0.14%	3.33%



## Equity Income Global USD

Mandate	AuM (USDm)	1m	3m	YTD	1y	3y p.a.	2022	2021	2020
DPM Equity Income Global USD	207	2.6	4.5	8.8	12.2	11.8	-4.9	19.1	7.0
DWS Invest Top Dividend USD LDQ	2'850	2.6	0.5	4.1	6.7	5.9	-5.8	12.4	-0.6
Schroder ISF Glb Div Mxmsr A1 Acc USD	1'121	3.6	4.0	14.1	15.6	14.1	-7.5	16.3	-8.8
SPDR® S&P Global Div Aristocrats ETF	1'099	5.2	2.5	2.1	-2.2	10.2	-7.0	15.3	-9.2
Fidelity Global Dividend A-QInc(G)-USD	12'828	1.5	1.1	10.1	11.3	5.9	-12.1	11.1	7.9



## Equity Income Europe

Mandate	AuM (USDm)	1m	3m	YTD	1y	3y p.a.	2022	2021	2020
DPM Equity Income Europe EUR	36	1.4	1.2	11.9	12.5	13.8	-2.3	22.8	-7.5
DWS Invest II ESG Eurp Top Div XC	409	3.0	1.7	8.6	7.3	7.4	-8.1	17.8	-2.0
BGF European Equity Income A2	1'789	0.0	-0.3	9.7	5.9	8.1	-11.9	20.0	0.1
iShares STOXX Europe Sel Div 30 (DE)	380	3.8	2.7	6.0	6.5	12.6	-10.2	24.2	-9.5
Allianz European Equity Div IT EUR	1'423	2.7	3.7	11.7	13.4	10.3	-5.7	17.1	-12.8



## Equity Income Switzerland

Mandate	AuM (USDm)	1m	3m	YTD	1y	3y p.a.	2022	2021	2020
DPM Equity Income Switzerland CHF	460	0.9	-0.5	8.8	4.9	7.7	-11.1	19.0	3.4
UBS (CH) Equity Fd Swiss Hi Div CHF P	917	0.0	-2.4	8.0	4.7	5.8	-12.7	16.7	1.8
PS CH-Swiss High Dividend P CHF	907	0.7	-0.7	11.3	4.4	6.3	-16.9	20.5	5.6
zCapital Swiss Dividend Fund A	629	1.2	0.6	9.6	7.8	8.3	-7.9	15.3	5.7
iShares Swiss Dividend ETF (CH)	1'997	1.3	-0.2	9.2	5.2	11.5	-10.6	23.9	3.6



## Equity Income UK

Mandate	AuM (USDm)	1m	3m	YTD	1y	3y p.a.	2022	2021	2020
DPM Equity Income UK	2	-0.6	-5.5	1.4	-1.6	7.1	0.2	8.3	-18.3
CT UK Equity Income Rtl Acc GBP	4'499	2.3	-1.5	5.6	5.4	11.7	-2.5	18.5	-7.7
JOHCM UK Equity income B GBP Inc	1'974	4.7	0.3	2.1	4.5	16.5	-1.3	24.1	-15.3
SPDR® S&P UK Dividend Aristocrats ETF	151	2.4	-2.4	3.4	-4.8	4.3	-8.5	14.3	-16.7
iShares UK Dividend ETF GBP Dist	1'117	4.2	-4.2	0.4	-0.7	14.8	-1.8	23.2	-17.1

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Please note: Mandates are compared with a selection of competitors' funds that follow a comparable asset allocation. We assume a flat management fee of 1.2% for the mandates.



J. Safra Sarasin

Commits to protecting biodiversity, joining the



Finance *for*  
Biodiversity  
Pledge

as a founding signatory



Sustainable Swiss Private Banking since 1841

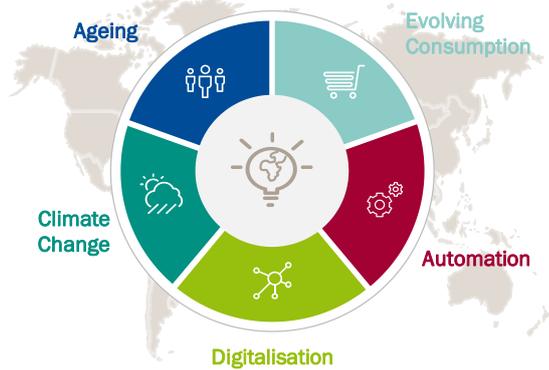
# Thematic Mandates

## Single & Multi Asset

### What Is Thematic Investing

- **Sarasin & Partners** is a London-based asset management boutique and **part of the J. Safra Sarasin Group**.
- As **pioneers in thematic global investing**, Sarasin & Partners innovate the thematic approach by structuring the thinking and process around the long-term development of society.
- **Thematic investing** is seeking to participate in the **future growth** of the economy. It cuts through the short-term noise of daily news, and focuses on the investment horizon.
- Importantly, we adopt a **multi-thematic approach**, using our thematic research to identify specific companies that are positioned to capitalise on these **inexorable growth trends**.

### Multi-Thematic Idea Generation



- **Broad societal shifts**  
Five mega-themes structure our thinking and process around the long-term development of society.
- **Superior business models**  
Uncovering companies best placed to benefit from long-term themes, and deliver sustainable, long-term growth.
- **Deeper perspective**  
A thematic perspective allows us to assess company fundamentals and future earnings better than the market, and identify potential mispricing opportunities

### Single Asset

Global Thematic mandates offer a concentrated, high conviction portfolio of quality companies seeking to deliver returns through structural thematic growth, in alignment with society. The global thematic equity strategy adopts a rigorous, fundamental stock selection process to identify stocks with strong growth, quality and valuation characteristics and build an all-weather portfolio looking to deliver market outperformance over the long term.

### Integrated Stewardship Approach

#### Active, long-term, thematic investment

- Thematic investing and sustainability go hand-in-hand and considers environmental sustainability and social responsibility.
- We integrate ESG (Environmental, Social, Governance) in the evaluation of every stock.

#### Ownership discipline

Responsible stewards of our clients capital with a purposeful ownership approach and engagement, voting & escalation procedures.

#### Thought-leadership and policy outreach

Participating in debate, collaborating with industry partners and shaping the investment landscape to promote sustainable returns.

### Fundamental Research

15 Environmental, Social, Governance Themes are assessed and assigned a red, amber or green light:

- Highly material risks threatening capital and/or reputation
- Passable management of potentially material issues
- No concerns, or potential benefit from positive factors or trends



### Multi Asset

Multi Asset Thematic mandates aim to deliver attractive returns through investment in a fully actively managed multi-asset portfolio with fixed income securities, alternative investments and a thematic global equity component where J. Safra Sarasin incorporates Sarasin & Partners' Thematic equity expertise. They have a sustainable approach, with ESG (Environmental, Social and Governance) embedded throughout the process.

Historical Performance of Thematic Equity Global Mandates (Gross)

CHF	2019	2020	2021	2022	2023 (YTD*)
Global Equity	26.93%	12.60%	13.24%	-15.02%	8.20%
Benchmark	23.01%	5.90%	20.95%	-16.28%	10.15%
<b>Relative</b>	<b>3.91%</b>	<b>6.70%</b>	<b>-7.71%</b>	<b>1.25%</b>	<b>-1.96%</b>

EUR	2019	2020	2021	2022	2023 (YTD*)
Global Equity	31.54%	12.91%	18.20%	-11.21%	11.70%
Benchmark	27.32%	6.41%	25.99%	-12.34%	13.67%
<b>Relative</b>	<b>4.22%</b>	<b>6.51%</b>	<b>-7.79%</b>	<b>1.13%</b>	<b>-1.97%</b>

USD	2019	2020	2021	2022	2023 (YTD*)
Global Equity	29.13%	22.70%	10.00%	-16.45%	15.20%
Benchmark	25.31%	15.60%	17.57%	-17.37%	17.32%
<b>Relative</b>	<b>3.82%</b>	<b>7.10%</b>	<b>-7.56%</b>	<b>0.92%</b>	<b>-2.12%</b>

GBP	2019	2020	2021	2022	2023 (YTD*)
Global Equity	24.43%	18.88%	11.02%	-6.38%	8.09%
Benchmark	20.60%	12.11%	18.58%	-7.58%	10.03%
<b>Relative</b>	<b>3.84%</b>	<b>6.77%</b>	<b>-7.56%</b>	<b>1.21%</b>	<b>-1.93%</b>

Historical Performance of Multi Asset Thematic Mandates (Gross)

CHF	2020	2021	2022	2023 (YTD*)
Defensive	n.a.	n.a.	n.a.	3.08%
Balanced	n.a.	n.a.	n.a.	4.62%
Dynamic	n.a.	n.a.	n.a.	6.40%

EUR	2020	2021	2022	2023 (YTD*)
Defensive	6.57%	3.59%	-11.76%	3.80%
Balanced	9.75%	8.40%	-11.53%	6.38%
Dynamic	12.40%	13.31%	-11.56%	8.97%

USD	2020	2021	2022	2023 (YTD*)
Defensive	12.06%	1.94%	-9.28%	4.32%
Balanced	16.63%	4.71%	-12.12%	7.99%
Dynamic	21.02%	7.46%	-14.74%	11.50%

GBP	2020	2021	2022	2023 (YTD*)
Defensive	9.28%	1.16%	-9.10%	2.65%
Balanced	13.31%	4.60%	-8.37%	4.70%
Dynamic	17.19%	7.91%	-7.97%	6.44%

Equity Selection - What are we looking for in a good thematic company?

Growth

- Our thematic approach helps us identify **niche industries**, well positioned to outperform the market
- We then look for specific companies able to **sustainably grow revenue and margins**

Quality

- High quality** companies are those we believe will deliver on their growth potential. Resilient, well run companies with **strong balance sheets**
- ESG factors** are fully integrated in our analysis, and we seek companies with positive or at least improving ESG credentials

Valuation

- A strong **valuation discipline** ensures we do not overpay
- This keeps us from investing in “fads” and **avoid short term bubbles**

Multi-Thematic Approach: Our Current Mega- and Sub-Themes

Digitalisation

- Analytics
- Cloud
- Digital media
- Digital commerce
- Connectivity
- Processing

Automation

- Factory, Robotics & Artificial Intelligence
- Supply Chain
- Food chain technology
- Test & Verify
- Nascent Adopters

Ageing

- Genomic revolution
- Future human
- Value based care
- Pandemic fragility
- Funding the 100 year life
- Fulfilment

Evolving Consumption

- Diet & nutrition
- Active lifestyle
- Emerging consumer
- Experience economy
- Aspirational consumer

Climate Change

- Environmental resources
- The circular economy
- Infrastructure & buildings
- Low carbon power
- Resource efficiency
- Low carbon transport

# EM Bonds Global Mandate

The strategy invests globally in fixed income securities that are issued by corporates based in emerging market countries. This unique strategy is conservative in nature with a strong focus on credit selection. The portfolio has an investment grade rating on average and is USD denominated. The fund benefits from our long-standing tradition as investors in emerging markets and our deep expertise in managing fixed income portfolios.

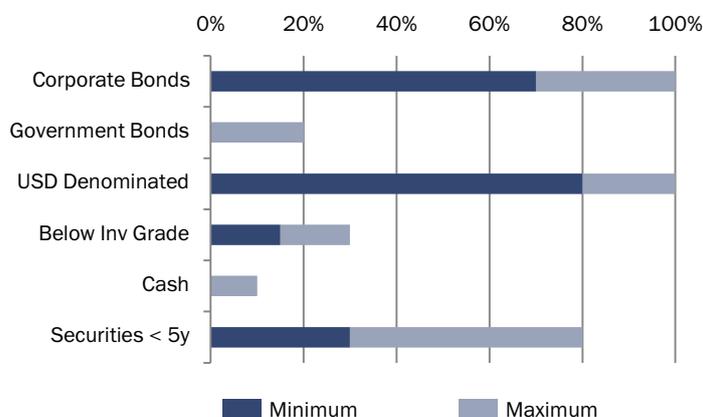
## Key Benefits

- Emerging markets offer better growth prospects than developed markets based on powerful long-term trends, such as demographics and socio-economic development potential.
- National champions in Emerging Markets, that compete successfully in the international markets, offer an attractive risk premium compared to corporates based in developed countries.
- Emerging Markets make a significant contribution to global economic growth, however, they are underrepresented in investment portfolios.
- Emerging Market corporate bonds provide diversification benefits.

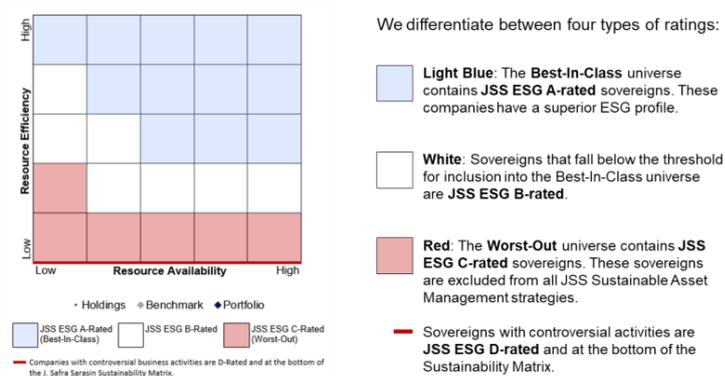
## Key Advantages of the Mandate

- Integrates our ESG investing approach throughout the investment process
- The objective is to achieve excess returns vs the benchmark with lower volatility. This is achieved by the unique combination of our fundamental analysis, enhanced risk management and our ESG investing approach.
- Focuses on credit quality (investment grade), with an opportunistic allocation to high yield credit with the objective of enhancing returns.
- Sustainability is an effective risk mitigation tool that helps in identifying risks that are typically underestimated, such as legal, environmental and reputational, among others.

## Investment Parameters<sup>1</sup>



## J. Safra Sarasin Sustainability Matrix<sup>®</sup>



## Gross Performance<sup>2</sup>

Strategy and minimum investment	2020	2021	2022	2023 (YTD)
Concentrated USD (5m)	7.9%	0.6%	-12.7%	1.7%
Core USD (10m)	8.1%	0.5%	-11.3%	2.0%
Diversified USD (20m)	7.2%	0.2%	-14.0%	0.3%

### Investment Specialist

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1) Source: Bank J. Safra Sarasin, as of 31.12.2021.

2) Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023. The performance of the mandate reflects the performance of the Model Portfolio for the above period. Individual costs such as fees, commissions and other payments are not reflected in the table and if taken into account would have a negative impact on value development.

# EM Bonds Asia Mandate

The strategy invests predominantly in USD-denominated fixed income securities issued by Asian companies or their subsidiaries. The strategy seeks to achieve returns through the active management of bond duration, positioning and reinvestment of coupons and to provide diversification through buying debt instruments in the Asian region. Investments are mainly in lower-risk investment grade bonds, mixed with non-investment grade or non-rated bonds to enhance returns.

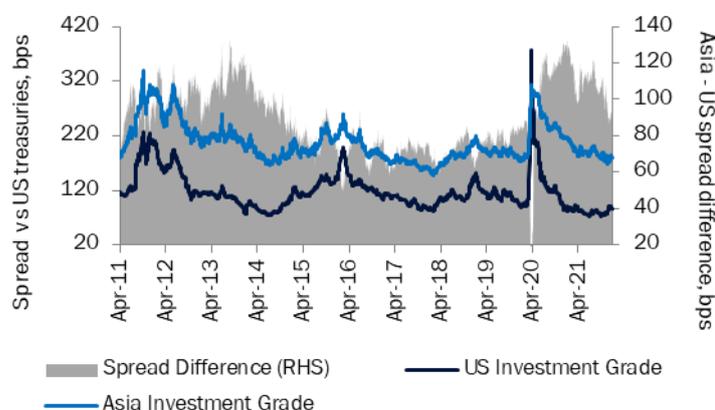
## The Case for Asian Bonds

- The Asian bond market offers relatively attractive yields to investors compared to those from the equivalent credit quality in other regions.
- The Asian region enjoys very healthy economic growth rates, which is positive for credit.
- The Asian bond market has been less volatile than other major regions, such as the US investment grade market.
- Because of the low correlation vs other regions and low exposure to the region, Asian bonds offer great diversification benefits for the typical investment portfolio.

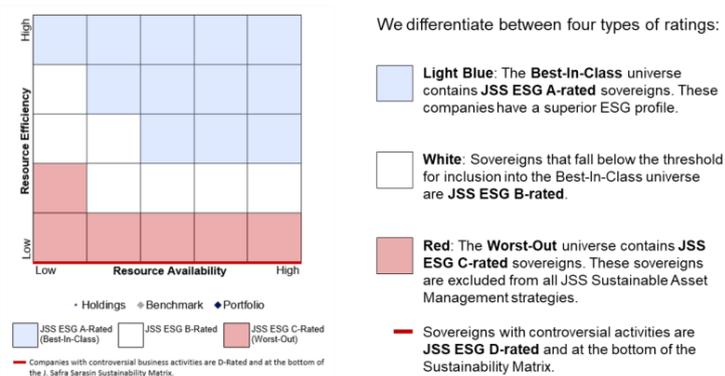
## Key Advantages of the Fund

- Integrates our ESG investing approach, including our innovative country ESG ratings methodology.
- Investment process that combines our long tradition as bond investors, our portfolio management capabilities and our ESG investing approach.
- Local presence and deep understanding of the regional dynamics, supported by our research capabilities
- Sustainability is an effective risk management tool that helps mitigating risks that are typically underestimated, such as environmental, legal or environmental, among others.

## Significant Risk Premium Compared to Equivalent US Bonds<sup>1</sup>



## J. Safra Sarasin Sustainability Matrix<sup>®</sup>



## Gross Performance<sup>2</sup>

Strategy and minimum investment	2020	2021	2022	2023 (YTD)
Concentrated USD (5m)	7.1%	0.3%	-13.0%	4.4%
Core USD (10m)	7.5%	0.6%	-13.7%	4.3%

### Investment Specialist

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1) Source: JP Morgan, as of 31.12.2021. US Investment Grade: JULI All ex EM M ALL ALL Avg Benchmark Spread (Treasury) All. Asia Investment Grade: JACI Investment Grade SOT (bps). Past performance is not a reliable indicator of current or future performance.

2) Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023. The performance of the mandate reflects the performance of the Model Portfolio for the above period. Individual costs such as fees, commissions and other payments are not reflected in the table and if taken into account would have a negative impact on value development.

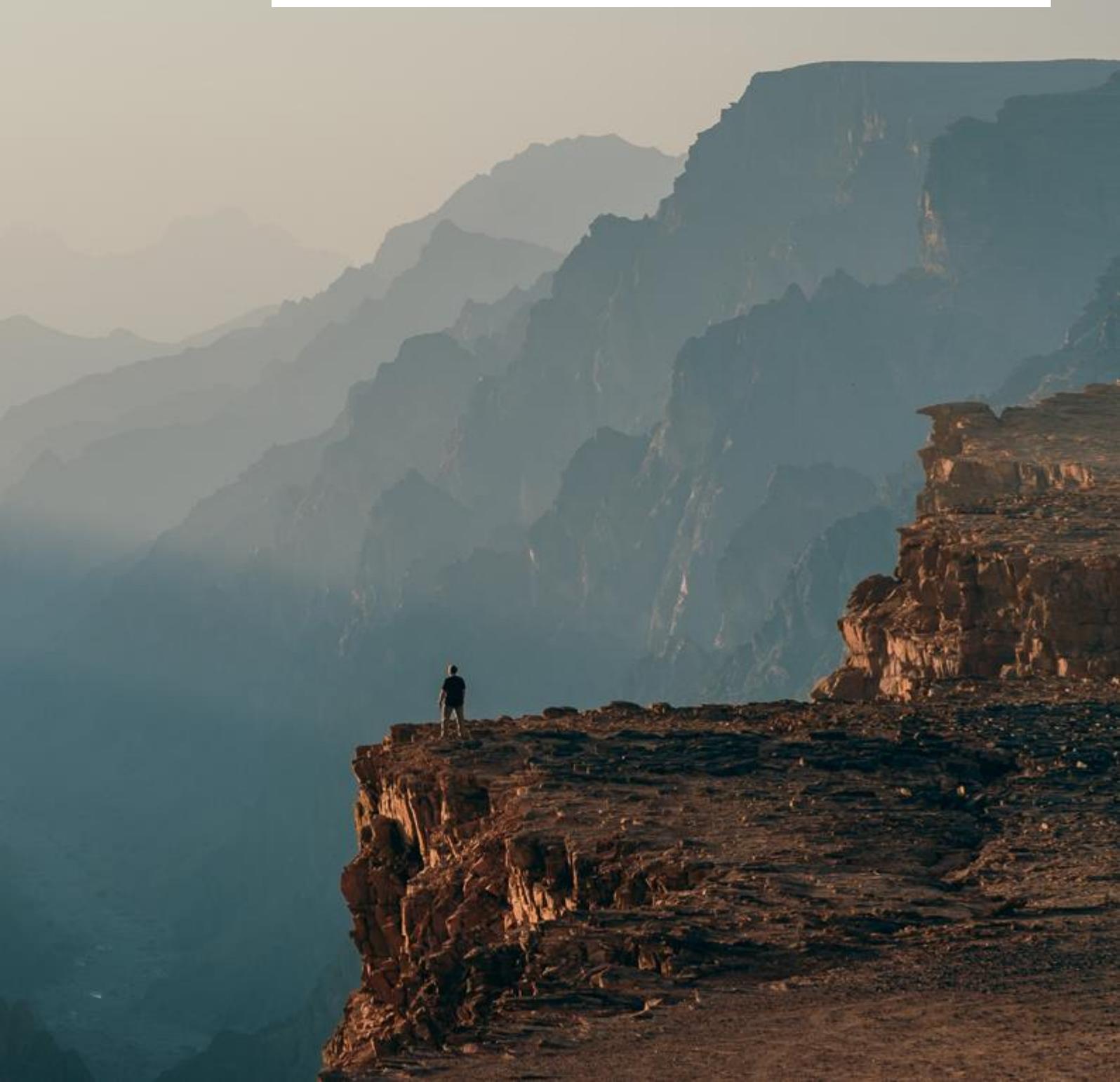


# Equities

## Equities

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# JSS Sustainable Equity – Global Thematic

The fund provides investors with access to an actively managed global core portfolio of companies that are poised to gain from long-term transformational trends, such as climate change, global demographic shifts, and technological innovation. Its investment strategy is a distinct combination of sustainable, thematic and fundamental approaches capable of recognizing major themes that are reshaping the investment landscape; the managers then aim to identify the best quality companies that are well-positioned to gain from these developments. All companies in the investment universe are sustainable according to Bank J. Safra Sarasin's leading ESG methodology.

## Why Invest

- **Quality growth** approach focusing on harnessing long-term structural trends: Climate Change, Ageing, Evolving Consumption, Automation and Digitalisation.
- **Strong track record of the investment team** combining the 30 years sustainability know-how of J. Safra Sarasin Asset Management and the thematic expertise of Sarasin & Partners (leader in thematic global equity investments in 1996).

## Global Core Equity Strategy: 3 Sources of Alpha

### Focus on Sustainability

- Significant **reduction of tail risks**
- Integrating sustainability in every step of the investment process

### Thematic Growth

- Themes are founded on **environmental and societal changes**
- **Quality matters** – business models, balance sheets and management

### Stock Picking

- Concentrated portfolio of 40-60 stocks
- Addressing **idiosyncratic risks**

## How We Differentiate: Different Buckets of Idiosyncratic Risks



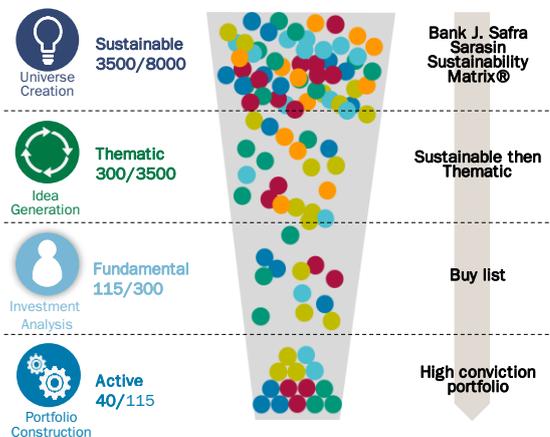
## Focus on Quality Growth: Comparison of Fund vs Reference Index<sup>1</sup>

Comparison vs Ref. Index	Portfolio	Reference Index
Return on Equity (12m fwd)	27.00%	31.20%
BEST LTG EPS	18.00%	13.60%
Total Debt to Common Equity	50.70%	143.10%

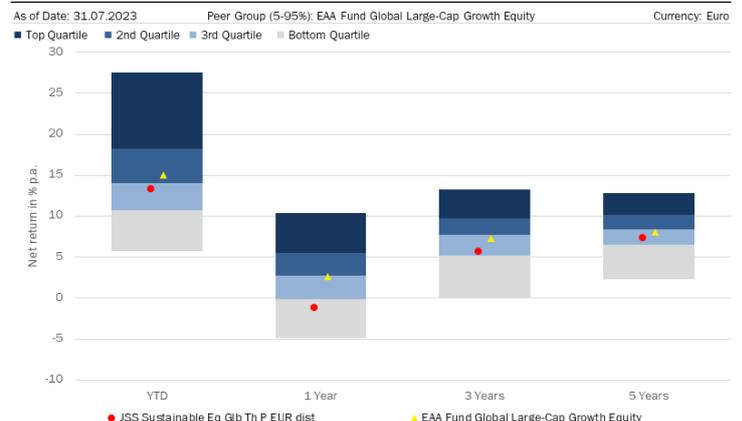
### Compared to benchmark, the portfolio...

- Generates excess capital at a much higher rate as shown by our significant overweight to high Return on Assets.
- Grows earnings at a much faster rate than the market which also means paying out less dividends.
- Significantly underweights highly leveraged companies.

## Key to Success



## Peer Group Comparison<sup>2</sup>



Past performance is not a reliable indicator of current or future performance.

1) Source: Bank J. Safra Sarasin Ltd, Bloomberg; Benchmark: MSCI World NR Provided Quarterly. \*BEST LTG EPS is current estimated Compounded Annual Growth Rate of the operating earnings per share over the company's next full business cycle (typically 3-5 year). Data as of 31.07.2023. 2) eVestment Global All Cap Core Equity (222 peers), EUR gross performance. Peer group shows 5%-95% percentile. Data as of 30.04.2023, updated quarterly.

## Review

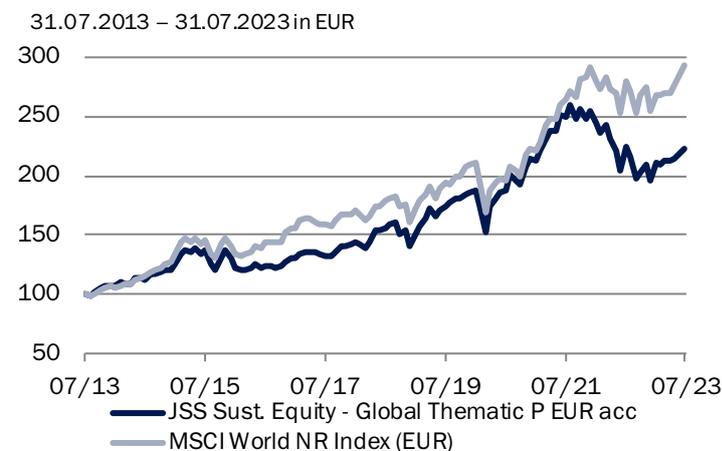
Global stock markets continued to make progress in July. The economic situation remained resilient with some areas re-accelerating. The US Federal Reserve and European Central Bank increased interest rates to tackle inflation. Alphabet, the owner of Google, was a positive contributor to the fund's performance. Its shares soared in July following a positive quarterly earnings report that exceeded expectations. The company rolled out its artificial intelligence chatbot internationally. Shares in food, uniforms and facilities services company Aramark dipped. The spin-off of its uniform business could prompt short-term instability. However, we remain confident in its long-term investment prospects. We added to our position in DSM-Firmenich as we see potential for a recovery in its animal, nutrition and health segment. The holding in International Flavors & Fragrances was reduced. The combination of a large merger and destocking following the COVID-19 pandemic has created a tough environment for the flavourings and fragrances company.

Fund size in millions	990.34 EUR
Fund launch date	26 January 2010
Benchmark	MSCI World NR Index (EUR)
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Property, Sarasin & Partners LLP, London
Portfolio manager	Jeremy Thomas
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.75%
Ongoing charges (P EUR acc)	2.03%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IS,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR dist / LU0229773345 P EUR acc / LU0480508919 P USD acc / LU1111703473 P SGD acc / LU2361429579 P USD dist / LU1732171290
SFDR Classification	Article 8
SRRI Risk Level	4/7

## Outlook

Stock markets remain buoyant, although a small group of US technology companies have been responsible for much of this positive performance. China's sluggish economic recovery remains a worry. Inflation is gradually falling in most major economies but remains uncomfortably high. We believe central banks will continue raising interest rates to tackle inflation. Although many companies are currently performing well where economies are recovering, we expect their revenues will decrease slightly over the rest of 2023. We believe an economic slowdown could happen by the end of the year or in early 2024. Investors are also assessing how next year's US presidential election could impact stock markets. Our approach to protecting capital focuses on stocks with low volatility which provide a degree of stability to the fund. We also look to spread risk across the portfolio by investing in companies that we believe have enduring long-term business strategies. Until we can be confident that the global economy is recovering, we will continue to take a cautious investment approach.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	15.73%	14.85%
Correlation	0.95	n.a.
Sharpe ratio	0.35	0.95
Inform. ratio	-1.76	n.a.
Alpha	-8.68%	n.a.
Tracking error	4.87%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Global Thematic P EUR dist</b>	<b>1'092</b>	<b>1.3</b>	<b>4.8</b>	<b>13.4</b>	<b>-1.1</b>	<b>5.7</b>	<b>7.4</b>	<b>-23.1</b>	<b>19.1</b>	<b>15.1</b>	<b>32.9</b>	<b>178.7</b>
Benchmark	-	2.3	8.7	15.1	4.9	14.3	10.4	-12.8	31.1	6.3	30.0	286.3
Amundi Fds Gbl Ecology ESG A EUR C	2'954	-0.9	2.5	3.9	-3.2	7.4	7.5	-16.3	28.1	11.5	24.0	-
SEB Global Equal Opportunity C (EUR)	92	2.0	3.6	7.0	-0.2	11.3	6.0	-11.9	34.9	-2.7	23.9	-
SWC (LU) EF Sustainable AT	1'738	1.5	7.9	14.0	2.1	13.1	11.5	-19.3	35.5	17.8	27.8	-
Schroder ISF Gbl Sust Gr A Acc USD	5'273	2.3	7.6	14.1	5.7	13.9	13.3	-12.8	28.1	17.1	33.6	-
UBS(Lux)FS MSCI World SRI USD Adis	4'815	2.5	10.7	20.0	6.3	13.4	10.8	-19.9	33.9	9.1	31.2	-
Ökworld Ökvision Classic A	2'248	1.5	5.6	6.1	-6.0	-0.4	2.3	-30.0	20.1	14.6	25.9	-
Pictet-Global Megatrend Sel R USD	12'487	1.7	7.6	11.6	-0.9	5.1	5.6	-22.4	17.3	13.6	29.5	-
Janus Henderson Global Sust Eq A Acc EUR	2'307	0.1	7.9	13.1	1.4	9.8	11.0	-20.5	25.2	24.5	38.7	-
Brown Advisory Global Ldrs Sust C \$ Acc	511	1.4	8.4	15.8	5.4	13.1	n.a.	-15.2	27.3	10.9	n.a.	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

## Investment Specialist

Nevena Schaller

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# JSS Sustainable Equity – Global Climate 2035

The fund provides investors access to an actively managed global equity portfolio that aims to mitigate risks and harness opportunities stemming from the climate transition. To this end, JSS Sustainable Equity – Global Climate 2035 provides capital growth to “Green Champions”, companies enabling substantial emissions reduction through innovative solutions, and “Climate Pledgers”, companies on a temperature trajectory below 2°C, in line with the Paris Agreement. The Fund aims to outperform the MSCI World Index and targets a tracking error between 3% to 8%.

## Why Does Climate Change Matter to Investors

*A changing landscape presents risks and opportunities:*

**Increasing Regulatory and Policy Changes**



Companies under pressure to adapt

**Changing Consumer Demand**



Growing demand for climate friendly solutions

**Technological Innovation**



Innovative solutions are a game-changer

## Global Climate Solution

- Distinctive strategy aiming to generate attractive long-term returns while **harnessing opportunities and mitigating risks stemming from the climate transition**
- Benefits from a «future-proof» portfolio that has :
  - No exposure to stranded assets
  - Temperature pathway below 2°C
  - Exposure to companies generating green revenues
- Adheres to our proven investment principles to generate alpha:
  - Quality of fundamentals
  - Valuations matter
  - Looking for tangible change
  - Climate Engine and

## Our Innovative Approach to Tackling Climate Change by Investing in:

### Green Champions



**Companies with innovative solutions enabling the reduction of carbon emissions**

**Exemplar projects:** Solar panels, Wind turbines, Building insulation

**Average green revenue exposure : 62%**

### Climate Pledgers

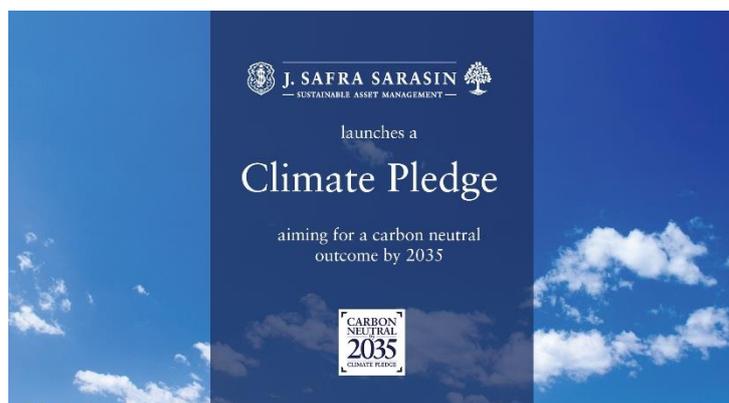


**Companies reducing their own emissions and on a trajectory aligned with the Paris 2°C Goal**

**Exemplar sectors:** Healthcare, Software, Home Improvement

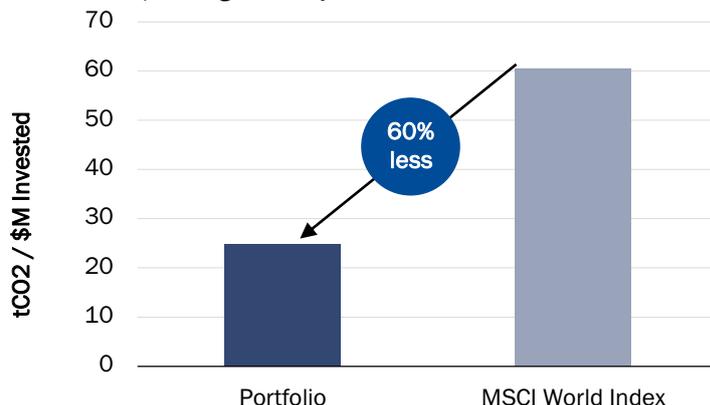
**Average temperature: 1.2C**

## Our Commitment for the Climate is Part of Our DNA



## Portfolio Outcome

*A carbon footprint significantly lower than the benchmark*



1) Please note: The fund used to be called JSS Sustainable Equity – Global, and used to follow a different strategy. The portfolio fully transitioned to reflect the new strategy by November 30th, 2020. Effective January 22nd, 2021, the Fund was renamed JSS Sustainable Equity – Global Climate 2035.

## Review

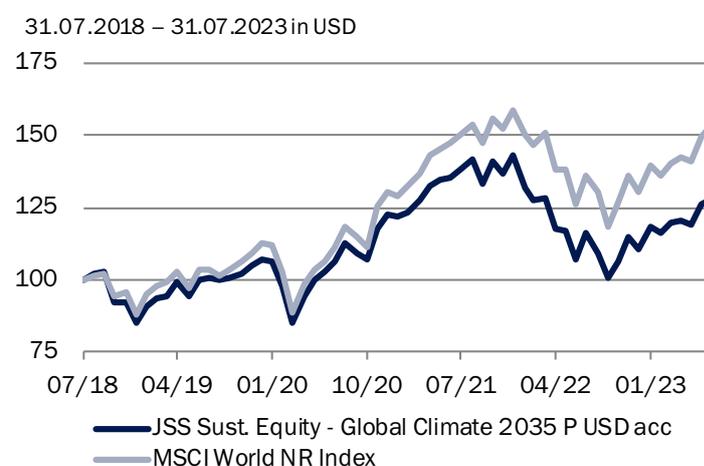
Global equities rallied in July thanks to the support of a cyclical rebound. The strongest performing sector was energy, led by strong oil price appreciation. The defensive sectors posted a weak performance, led by healthcare and utilities amid rising bond yields. Asia-Pacific was the best performing region in July. Portfolio performance lagged behind the benchmark, primarily due to negative stock selection. Our style allocation had a negative performance impact due to our underweight in high dividend yield stocks. Our industry and country allocation had a largely neutral performance impact. Carrier and Sealed Air delivered the largest positive stock selection contributions, while Shimano and our underweight position in Apple were the largest performance detractors in July. We added the agricultural machinery producer Deere to our portfolio last month.

Fund size in millions	97.88 USD
Fund launch date	03 December 2015
Benchmark	MSCI World NR Index
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Barbara Janosi, Andreas Nigg
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P USD acc)	1.79%
Subscription /Redemption	daily
LTV	n.a.
Sales registration	AT,BE,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR dist / LU0097427784 P USD acc / LU1111704448
SFDR Classification	Article 9
SRRI Risk Level	4/7

## Outlook

Extreme heatwaves have taken a toll on some summer travel destinations, which reminds us that the prevalence of extreme weather events is expected to be more likely in future as global warming continues. Our portfolio is skewed towards companies that can help to slow down climate change and have the potential to benefit from a shift away from highly carbon emission-intensive processes. Our green champions provide innovative solutions to reduce carbon emissions across various industries. One of our largest active green champion bets includes Stantec, an environmental consultancy and engineering firm. Our climate pledger positions with low carbon footprint operations are better protected from rising carbon emission costs. Our portfolio is on a pathway of global warming below 2 degrees Celsius in line with the Paris Agreement, with a carbon footprint that is significantly (more than 65%) lower than our benchmark.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	17.82%	17.78%
Correlation	0.98	n.a.
Sharpe ratio	0.29	0.58
Inform. ratio	-1.44	n.a.
Alpha	-4.87%	n.a.
Tracking error	3.53%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Global Climate 2035 P EUR dist</b>	<b>98</b>	<b>1.0</b>	<b>6.9</b>	<b>12.7</b>	<b>2.2</b>	<b>9.1</b>	<b>6.4</b>	<b>-17.8</b>	<b>25.2</b>	<b>5.0</b>	<b>28.4</b>	<b>122.2</b>
Internal Benchmark	–	2.3	8.7	15.1	4.9	14.3	10.4	-12.8	31.1	6.4	30.0	300.9
UBS (Lux) ES Active Clmt Awr USD P	322	2.4	7.2	12.2	1.4	n.a.	n.a.	-19.7	26.5	n.a.	n.a.	–
Amundi Fds Glb Ecology ESG A USD C	2'954	-0.6	2.6	4.5	-3.1	7.7	7.5	-16.5	27.9	11.6	24.2	–
BNP Paribas Global Envir Cl USD C	2'974	0.8	4.5	9.7	0.8	10.0	7.7	-19.0	28.8	13.1	28.2	–
LO Funds Planetary Tr USD PA	538	1.1	6.8	9.1	-3.9	9.4	n.a.	-14.3	23.1	n.a.	n.a.	–
Schroder ISF Glb Clmt Chg Eq A Acc USD	3'770	2.1	8.3	12.4	1.6	10.5	10.9	-20.3	18.5	38.2	27.0	–
HSBC GIF Global Lower Carbon Eq ACEUR	295	2.3	8.4	12.0	3.9	12.4	8.0	-13.1	30.5	3.8	27.2	–
THEAM Quant Wld Clmt Carb Offst PlnCEInc	1'062	1.8	6.8	11.6	4.4	11.6	n.a.	-12.3	26.9	2.6	n.a.	–

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

## Investment Specialist

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# JSS Sustainable Equity – Tech Disruptors

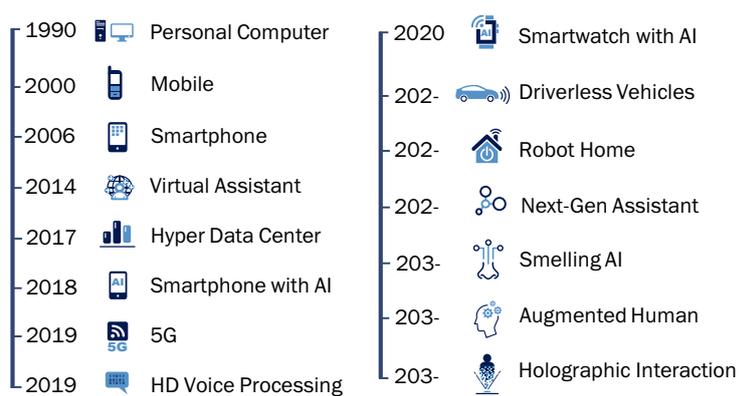
The JSS Sustainable Equity – Tech Disruptors aims to capitalise on the development of emerging and transformational technological trends. To this end, the fund targets companies globally with strong competitive advantages and long-term secular growth prospects across a range of technologies in order to maximise the return potential while applying our in-house sustainability expertise to gain deeper levels of insights.

## Why Invest Today

### Consuming Technology is the New Normal



### Accelerating Pace of Technological Innovation



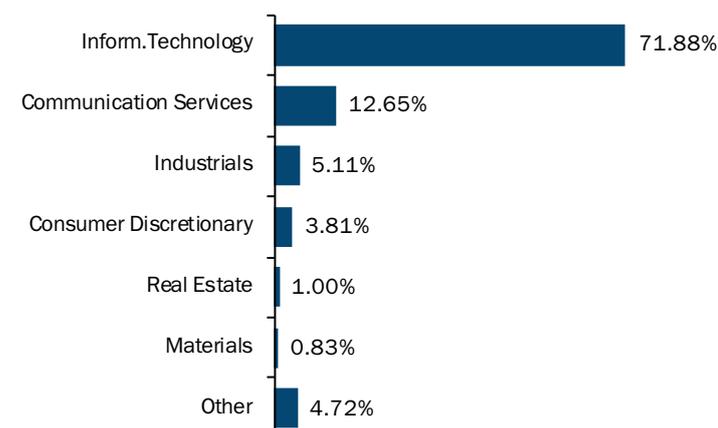
## One Solution, Potential Sources of Returns

Tech Winners	Multiple Tech Themes	Sustainability Insights
Identify companies with a strong competitive advantage	Detect future growth opportunities early on	Select solutions that improve environmental and social conditions
Focus on companies characterised by high barriers to entry and scalable business models	Navigate different phases of the cycle through diversification and a broad exposure to themes	Benefit from a favorable regulatory environment and wider user adoption

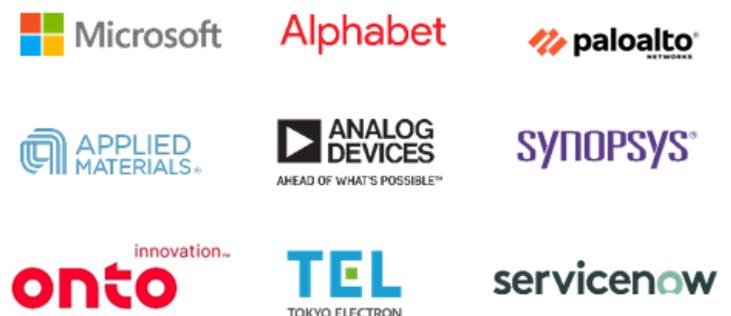
## Exposure to a Broad Range of Technology Themes

High-Tech Products	Information Processing	Connectivity
Robotics	Big Data & Analytics	Edge Computing
Virtual Reality	Cybersecurity	5G/6G/IoT
Future Mobility	Artificial Intelligence	Cloud

## Sector Allocation<sup>1</sup>



## Sample Holdings<sup>1</sup>



1) Source: Bank J. Safra Sarasin Ltd, data as of 31.07.2023. Allocations and holdings are subject to change without notice. 2) Brands shown are for illustrative purpose only and the companies shown may or may not be in the fund's portfolio.

## Review

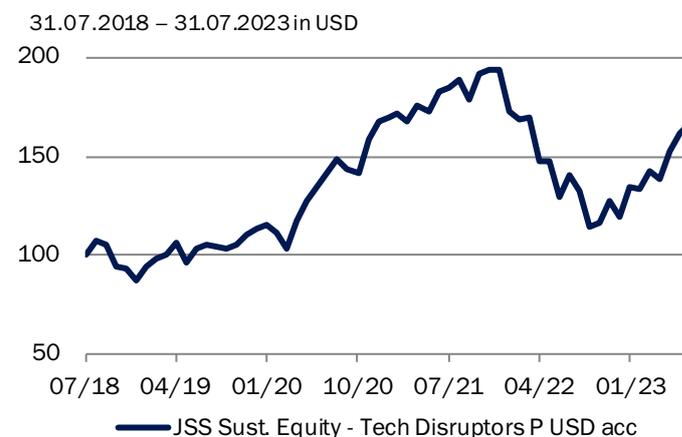
July was another strong month for global equities as the soft landing narrative became investors' base case scenario once again. The technology sector also participated in the rally. Small cap and high beta names were the main drivers of returns in July, while mega caps took a breather. Q2 earnings have been in line with or slightly better than expectations so far, but high expectations going into the earnings season have led to sharp sell-offs. Against this backdrop, the fund underperformed the MS peer group in July. Semis and software were the positive contributors, while the underweight in the consumer discretionary and financials sectors eroded the fund's performance.

Fund size in millions	263.93 USD
Fund launch date	31 May 2018
Benchmark	none
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Tomasz Godziek, D. Lurch, H. Turan
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.60%
Ongoing charges (P USD acc)	1.88%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR acc / LU1752456696 P EUR dist / LU1752456852 P USD acc / LU1752456340 P USD dist / LU1752456423 P CHF dist / LU1842718261
SFDR Classification	Article 8
SRRI Risk Level	5/7

## Outlook

The COVID-19 pandemic will have long-lasting implications and will change the future behaviour of corporates and consumers. The rising need for faster internet bandwidth, innovative cybersecurity solutions and decentralised computing is set to rapidly increase in the coming years. We have therefore tilted towards these long-term winners and taken advantage of certain mispricing in the market. Going forward, we are confident that our differentiated investment approach will help us to navigate through this environment. Although we continue to build the core of the portfolio around the secular growers (i.e. software), we still "embrace cyclicality" by investing in industries whose multiples are lower and whose end markets have been contracting for a very long time (i.e. memory, logistics automation, analogue semiconductors).

## Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	23.54%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	0.20	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Tech Disruptors P USD acc</b>	<b>264</b>	<b>3.4</b>	<b>20.2</b>	<b>40.3</b>	<b>18.9</b>	<b>5.7</b>	<b>10.8</b>	<b>-38.6</b>	<b>15.3</b>	<b>48.1</b>	<b>30.6</b>	<b>65.5</b>
Pictet - Robotics P USD	7'978	3.3	20.3	38.2	21.8	9.9	12.8	-35.0	17.7	46.1	36.6	-
CS (Lux) Robotics Equity B USD	1'848	1.1	9.5	22.6	15.1	3.1	5.8	-32.8	10.6	34.1	28.9	-
DNB Fund Technology retail A (USD)	1'345	4.0	9.8	32.3	19.1	12.9	13.1	-22.2	18.1	28.0	30.3	-
Polar Capital Global Tech R Inc	5'450	3.8	22.2	43.1	19.7	4.3	13.1	-39.6	9.5	58.6	37.9	-
Fidelity Global Technology A-Acc-USD	18'507	4.3	13.7	31.7	20.5	15.5	17.8	-23.5	22.4	44.0	43.6	-
T. Rowe Price Glb Tech Eq A USD	543	2.6	23.6	49.7	19.0	-4.1	5.6	-56.9	7.0	72.3	31.8	-
Pictet-Digital PUSD	3'612	6.6	19.2	36.5	21.5	-0.9	4.0	-36.7	-3.2	33.2	25.3	-
Allianz Global Artfcl Intlgc AT USD	8'139	5.3	30.3	43.0	14.8	5.6	12.9	-45.6	7.9	100.5	28.9	-
Xtrackers MSCI World IT ETF 1C	2'501	2.5	18.0	42.0	24.0	15.2	18.7	-30.7	30.0	43.4	48.7	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

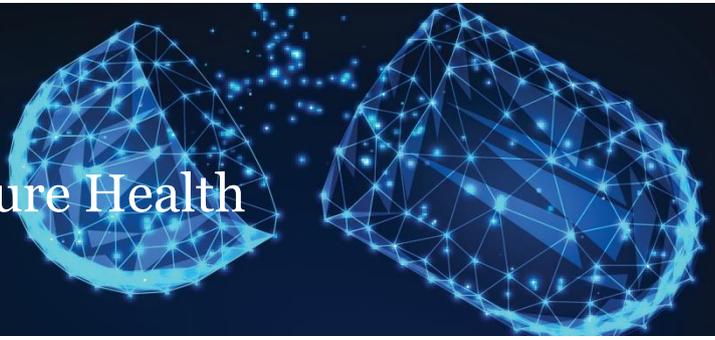
Investment Specialist

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# JSS Sustainable Equity – Future Health



The strategy invests in leading and innovative companies, whose products and services contribute to the improvement of health outcomes in cost efficient and convenient ways. To this end, the JSS Sustainable Equity – Future Health Fund seeks investment opportunities both within the traditional healthcare sector and beyond by targeting companies that are using modern technology to drive better health outcomes through improved services, infrastructure, medical devices, therapeutics, nutrition and fitness options.

## Health: A Shifting Landscape

New investment opportunities are arising in the healthcare space:

- **Demographic shifts:** rising medical costs due to old age coupled with population and income growth in emerging countries will drive health spending
- **From Patients to Consumers:** increased consciousness and willingness to control individual health outcomes is reshaping the passive patient into an active health consumer
- **Medical Innovation:** Medical innovation is providing solutions to global health challenges and enabling better outcomes for patients

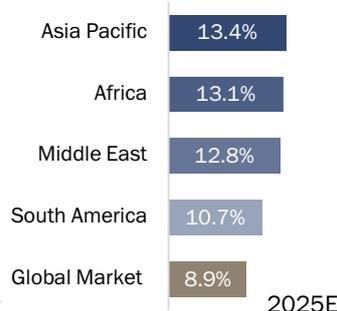
## The Future Is Digital<sup>2</sup>

Point-of-Care Diagnostic Market in USD Bn



New technologies are paving the way to early and accurate diagnosis of diseases

Expected Health Spending Growth p.a.



Spending by governments and individuals on health is set to grow across regions

## Three Key Differentiating Factors

- 1 **Capture growth opportunities across health trends:** we go beyond the healthcare sector
- 2 **High conviction investments:** we build a concentrated portfolio (~ 50 stocks) and are in constant dialogue with our portfolio companies
- 3 **Sustainable expertise:** we gain deeper levels of insight through our sustainability analysis

## Health-related Players Are Going Mainstream<sup>1</sup>

Telehealth	Healthy Nutrition	Smart Wearables
		
Growth p.a: +17%	Growth p.a: +6%	Growth p.a: +18%

## Strategy Portfolio – Dynamic Allocation

Treatment	Pharmaceuticals, Biotechnology, Medical Equipment & Services
Tech & Infrastructure	Health Technology, Big-data, Home Health Facilities
Prevention & Diagnostics	Sports & Fitness, Diagnostics, Nutrition & Ingredients

## Sample Holdings<sup>4</sup>



1) Telehealth: Marketsandarkets.com; CAGR 2020-2025, Nutrition: PR Newswire CAGR 2020-2024; Wearables: Market Watch, CAGR 2020-2025. 2) Marketsandarkets.com, Global Forecast to 2024, as of Oct. 2019 / Expected Health Care Spending growth by Region to 2022, as of June 2019. Information containing forecasts are intended for information purpose only and are neither projections nor guarantees for future results and could differ significantly for various reasons from actual performance. 4) Brands shown are for illustrative purpose only and the companies shown may or may not be in the fund's portfolio.

## Review

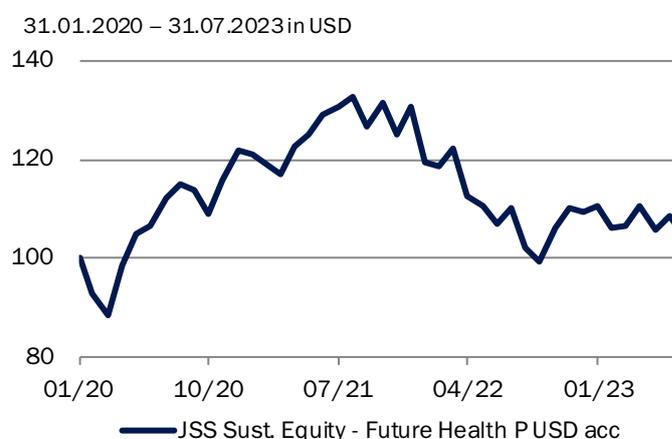
July was a strong month for the equity markets, even though the US Federal Reserve was determined to increase the fed funds rate by another 25bps in the face of subsiding inflation. Continued low unemployment is fuelling healthy consumer spending and demand for technology. In this environment, the healthcare sector, along with other defensive sectors such as utilities and consumer staples, are still underperforming the broader market. This has also been underpinned by a generally poor earnings season for healthcare stocks, with consensus expectations being undershot more than in other sectors. Yet it was actually the companies that beat and raised expectations that tended to perform poorly. "Sell on the news" was a rampant practice, while the poorer earnings reporters often saw short-covering rallies. As a result of the aforementioned stock-trading phenomena, the fund underperformed the Morningstar Healthcare category. Dexcom and Boston Scientific were some names with stellar earnings results that witnessed sell-offs.

Fund size in millions	249.07 USD
Fund launch date	21 January 2020
Benchmark	none
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	C. Tran-Brändli, J.C. Belvo
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.60%
Ongoing charges (P USD acc)	1.91%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,ES,FR,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF acc / LU2041625497 P EUR acc / LU2041625141 P USD acc / LU2041624920 P USD dist / LU2041625067
SFDR Classification	Article 8
SRRRI Risk Level	4/7

## Outlook

The recent rise in interest rates on the back of Fitch's downgrade of the US sovereign debt rating and the surge in oil prices has triggered a sell-off in growth stocks and undermined our assumption that the rally would broaden to include smid cap healthcare growth names. We are reducing our overweight in smid cap Biotech growth stocks in the fund versus the Morningstar Healthcare peers. We have increased our weighting of value smid caps such as Fresenius AG. We remain neutral in the pharmaceuticals sector. The ongoing discussion on drug pricing reform and the expected political rhetoric against the industry as we head into the US presidential election cycle make it untenable to invest in large caps at present. We are also maintaining our overweight in medtech and healthcare facilities. These companies have reported strong Q2 2023 earnings and positive 2023 outlooks. Our smid cap biotech holdings have largely derisked pipelines.

## Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	14.59%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	-0.64	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Performance and Peer Group Comparison (AUM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Future Health Y USD acc</b>	<b>249</b>	<b>-3.8</b>	<b>-5.2</b>	<b>-4.1</b>	<b>-4.4</b>	<b>-1.5</b>	<b>n.a.</b>	<b>-15.5</b>	<b>8.5</b>	<b>23.2</b>	<b>n.a.</b>	<b>15.2</b>
Polar Capital Healthcare Opports R Inc	1'705	-1.6	1.9	7.0	12.6	6.2	7.1	-8.8	8.4	18.2	18.3	-
BGF World Healthscience E2	13'850	0.2	-0.2	0.7	3.3	4.6	8.0	-5.7	13.6	13.4	23.7	-
Fidelity Sust Glb Hlthcare A-Acc-USD	1'727	1.5	0.4	3.3	0.5	5.5	7.2	-14.5	22.5	10.7	24.2	-
Wellington Global Hlthcr Eq USD D Ac	2'811	0.5	1.9	2.5	2.7	1.8	5.4	-11.6	1.8	24.2	29.5	-
Pictet-Health P dy USD	625	0.9	-0.7	5.8	2.9	0.2	3.5	-19.3	12.9	10.1	23.2	-
BNP Paribas Health Cr Innovtr Cl USD Cap	1'607	0.5	-0.7	1.7	2.8	5.2	7.0	-5.1	10.4	19.3	23.3	-
AB Intl Health Care I USD	3'306	1.7	0.6	4.9	5.6	8.4	10.2	-9.6	24.3	19.4	21.0	-
SPDR® MSCI World Health Care ETF	513	1.3	0.2	2.0	4.2	7.4	8.9	-5.6	19.6	13.3	23.3	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (24 months, basis USD).

## Investment Specialist

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# JSS Sustainable Equity – Next-Gen Consumer

The next-gen consumers were born in 1981 or later, and account for two-thirds of the world's population. They are set to become the highest earners and they are shaping the consumption of tomorrow. The JSS Sustainable Equity – Next-Gen Consumer fund focuses on a range of consumption growth themes driven by the next-gen consumer. To this end, the fund targets globally established companies with strong competitive advantages, and trend-setters - smaller companies that are creating new markets. In addition, the fund considers companies' efforts to align with the era of responsible consumption and integrates sustainability at every step of the investment process.

## Next-Gen Consumer Strategy

Distinctive equity strategy aiming to generate attractive long-term returns while **harnessing the full power of the next-generation across consumer themes** while providing:

- Access to the best ideas:
  - High conviction portfolio of 30–50 sustainable stocks
- Balanced exposure:
  - Diversified across consumer sectors, geographies and market caps

## Why Invest Today

- **Resilient to inflation**
  - Our holdings have robust gross margins that can absorb or pass-on rising input prices
- **Attractive multiples**
  - Our holdings in the media and consumer sectors are trading below historical valuation levels
- **Strong consumer demand**
  - Consumers are in good shape, with more savings than before Covid-19

## Harnessing the Full Power of the Next-Generation across Consumer Themes

### Responsible Living



#### Conscious choices

- Circular Consumption
- Smart Mobility
- Nutrition & Sports

### Seamless & Connected



#### Digital shift

- E-Commerce
- Social Media
- Digital Payments

### Experience First



#### Lasting memories

- Live Events
- Dining & Travelling
- Metaverse

### Premium Offering



#### Aspire for quality

- Quality Content
- Luxury Products
- Beauty

## One Solution, Three Sources of Returns

### 1 Winners

Established companies with a strong edge



Quality companies with high growth margins to deliver strong returns

### 2 Trend-Setters

Detect future growth opportunities early on



High growth companies creating new markets to enhance returns

### 3 Responsible Mindset

Aligned with the era of responsible consumption



Companies supporting a circular economy

## Sample Holdings<sup>1</sup>

YETI



align



The Ordinary.

NETFLIX

CeraVe

Please note: The fund used to be called JSS Sustainable Equity – Consumer Brands. The portfolio fully transitioned to reflect the new strategy by July 2021. Effective February 1st 2022, the Fund was renamed JSS Sustainable Equity – Next-Gen Consumer.

1) Allocations and holdings are subject to change without notice.

## Review

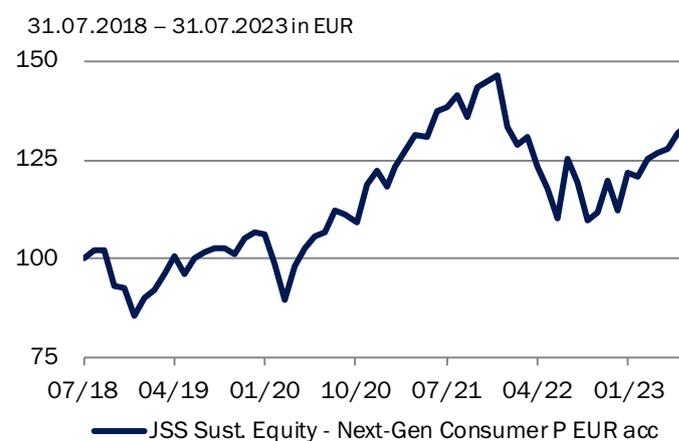
July was a stellar month for equities. The US market in particular was supported by falling inflation and robust economic data, which raised hopes of a less aggressive monetary policy and the potential for a near-term end to US rate hikes. However, uncertainty regarding the strength of economic activity in H2 2023 is high as the effect of higher interest rates remains to be seen. In a strong market for cyclical consumer stocks, the Next-Gen Consumer fund performed in line with the broader group of peer consumer funds. The fund benefited from a highly positive performance across next-gen themes such as gaming, live events, online advertising, travel, smart mobility and sportswear. On the other hand, the fund suffered from profit-taking across luxury names, with Q2 results proving slightly disappointing compared to high expectations. In the fast casual dining segment, Chipotle also suffered from relatively underwhelming Q3 guidance after its strong pre-publication performance. We see no major change to our investment assumptions and view the weakness as an opportunity.

Fund size in millions	59.89 EUR
Fund launch date	31 May 2018
Benchmark	none
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Jean-Charles Belvo, Kaisa Paavilainen
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.60%
Ongoing charges (P EUR acc)	2.04%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR acc / LU1752454998 P EUR dist / LU1752455292 P USD acc / LU1752454642 P USD dist / LU1752454725
SFDR Classification	Article 8
SRRI Risk Level	4/7

## Outlook

The macro situation has been better than expected in 2023, mainly thanks to household savings and a de-synchronized vs synchronized global economic cycle. This has been primarily reflected by robust services versus weaker manufacturing, and has led to deviations in sector performance. We consider growth expectations to be crucial for equities going forward and are maintaining a balanced portfolio, investing in companies in structurally growing areas and with fundamentally attractive investment cases. The portfolio strategy is unchanged. Consumer priorities are changing at a fast pace, a transformation driven by the specific consumption choices of next-gen consumers. We have positioned the portfolio to benefit from this transformation with a concentrated selection of quality companies well exposed to next-gen consumer preferences across 12 subthemes. The quality bias is clear: the average ROE of companies in the portfolio currently sits close to 25%, with modest leverage.

## Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	17.31%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	0.44	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Next-Gen Consumer P EUR acc</b>	<b>66</b>	<b>1.7</b>	<b>5.6</b>	<b>19.5</b>	<b>6.8</b>	<b>7.8</b>	<b>6.0</b>	<b>-23.4</b>	<b>19.5</b>	<b>14.9</b>	<b>24.8</b>	<b>31.5</b>
Robeco Global Consumer Trends Eqs D \$	4'332	2.7	7.5	23.4	4.6	1.6	8.2	-33.4	8.6	36.4	36.7	-
Pictet-Premium Brands P EUR	2'757	0.9	1.6	14.9	6.1	17.2	11.3	-17.8	33.4	17.2	32.0	-
Fidelity Sust Cnsmr Brds A-Dis-EUR	1'267	1.7	5.4	21.3	9.0	7.7	8.3	-23.7	16.5	20.4	28.3	-
Invesco Gbl Cnsmr Trnds A EUR AD	2'922	4.5	14.0	24.9	-2.2	-1.3	2.9	-41.6	-0.3	47.1	28.1	-
BNP Paribas Consumer Innovtr CI C	1'076	2.1	6.2	18.3	2.2	6.1	7.7	-28.4	15.7	32.6	27.9	-
LO Funds World Brands EUR PA	821	3.4	9.7	23.0	10.6	8.6	10.3	-24.9	17.4	30.6	34.1	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023  
Past performance is not a reliable indicator for current or future performance.

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.  
2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

## Investment Specialist

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# JSS Sustainable Equity – Green Planet

The fund tackles a wide range of environmental themes and thereby aims to capture the full power of the green transition theme. To this end, the JSS Sustainable Equity - Green Planet fund invests in companies that provide solutions to major environmental issues facing our planet today. It targets pure-players and early stage businesses focused on improving water, soil and air quality, preserving biodiversity and fighting against climate change.

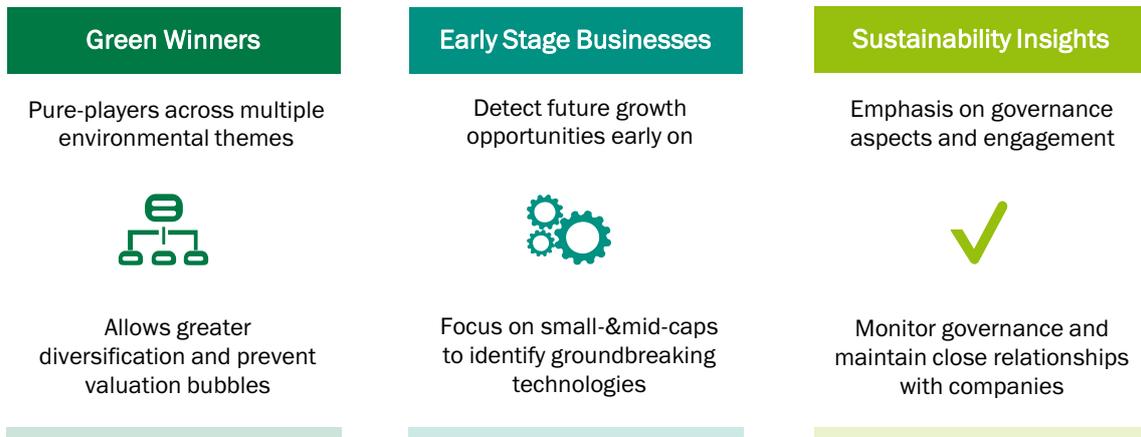
## Preserving our Planet by Investing in Solutions

- Builds upon our successful thematic approach by investing in sustainable themes that support the inevitable green transition and biodiversity.
- Invests in solutions that not only protect water resources, but also improve soil and air quality.
- We are convinced that by expanding our investment universe and broadening our range of themes the Green Planet fund is better positioned to generate superior risk-adjusted returns.

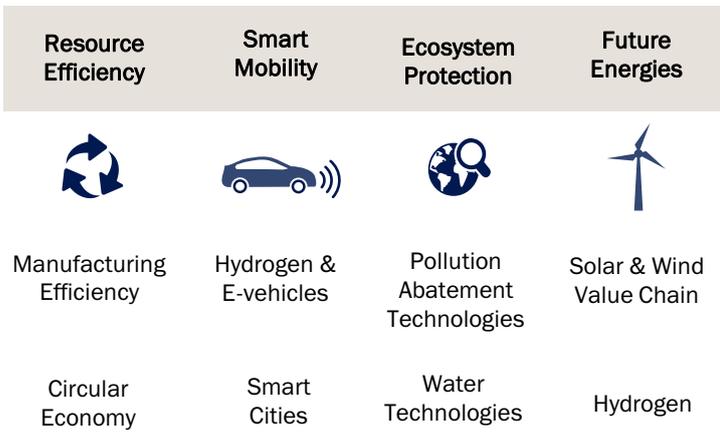
## Why Invest Today

- 1 Growing Awareness**  
Awareness of ecological issues is rising
- 2 Cost Competitiveness**  
Greener technologies are getting cheaper
- 3 Political Agenda**  
Recent government commitments are a game changer

## One Solution, Three Potential Sources of Returns...



## ...By Investing in Multiple Green Themes



## Sample Holdings



1) The companies above are shown for illustrative purposes only, and may not be part of the fund's portfolio. They do not represent a recommendation to buy or trade the respective shares. Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023. Allocations and holdings are subject to change without notice.

## Review

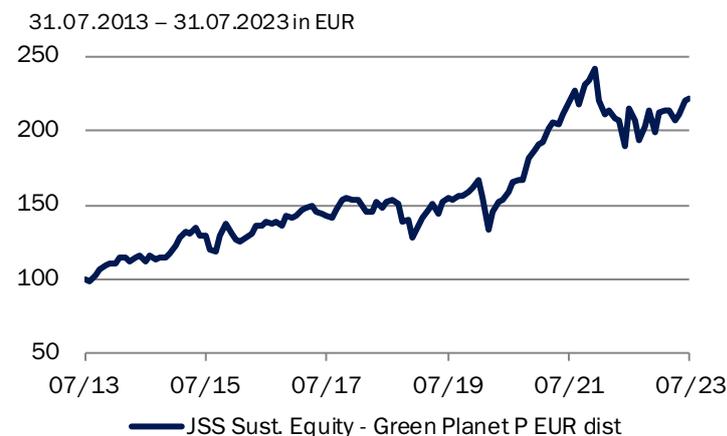
Equity markets maintained their upward momentum over the course of July as earnings updates topped relatively low expectations. During the month, the fund's performance was up, albeit slightly below the broader equity market, primarily due to a lack of exposure to the financials and energy sectors, which performed well. Positive performance contributions mainly came from the fund's semiconductor holdings – which reported strong Q2 results – and the life science tools holdings, which benefited from share price recoveries after a weak performance in the year to date. The main positive performance contributions during the month came from Onsemi, Sulzer and Infineon. The main detractors were SolarEdge Technologies, Metso and Valmont.

Fund size in millions	370.34 EUR
Fund launch date	27 December 2007
Benchmark	none
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Daniel Lurch
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.75%
Ongoing charges (P EUR dist)	2.08%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,BE,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF H1acc / LU1111702319 P GBP dist / LU1545800341 P USD H1acc / LU1120832198 P EUR dist / LU0333595436 P EUR acc / LU0707700596 P USD dist / LU0950593417
SFDR Classification	Article 9
SRRI Risk Level	4/7

## Outlook

Despite global economic risks in 2023, we expect that many companies exposed to green trends such as resource efficiency, smart mobility, future energies and ecosystem protection will see positive growth rates in 2023 and beyond. Structural green trends continue to accelerate, especially in Europe, where the energy situation will move from crisis management to long-term solutions that exclude Russian supplies. This will accelerate the build out of clean energy capacity and electric vehicles (EVs), onshore the production of critical components and build an inventory of critical materials. In our view, companies best placed to take advantage of this broader trend include clean technology providers, green capex plays in the capital goods and machinery space, power semiconductors that are focused on EVs and renewables, industrial metal producers and recyclers, and electricity grids.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	16.67%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	0.70	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Green Planet P EUR dist</b>	<b>408</b>	<b>1.0</b>	<b>7.2</b>	<b>11.8</b>	<b>3.1</b>	<b>11.9</b>	<b>8.0</b>	<b>-17.8</b>	<b>29.1</b>	<b>15.7</b>	<b>26.3</b>	<b>178.7</b>
UBS (Lux) ES Active Clmt Awr USD P	322	2.4	7.2	12.2	1.4	n.a.	n.a.	-19.7	26.5	n.a.	n.a.	-
Nordea 1 - Global Climate & Envir AP EUR	10'806	0.5	4.4	7.1	-2.1	12.9	12.1	-15.4	33.6	19.8	38.0	-
Vontobel Global Envir Change A EUR	2'076	1.0	9.8	15.7	4.9	13.5	11.5	-19.8	26.0	26.9	35.5	-
Schroder ISF Glb Clmt Chg Eq A Acc EUR	3'770	1.7	7.7	11.8	1.1	10.6	10.9	-20.2	19.4	37.7	26.8	-
Impax Environmental Mkts Ire B EUR Acc	19	1.9	4.8	8.1	-5.4	12.1	8.5	-19.2	27.1	17.7	31.8	-
CS (Lux) Environmental Impact Eq CB EUR	625	1.0	2.9	6.3	-7.3	8.6	n.a.	-18.3	14.9	n.a.	n.a.	-
Templeton Glb Climate Change A(Ydis)EUR	1'488	3.0	8.0	16.4	12.7	15.3	9.4	-8.4	14.2	18.0	25.3	-
Pictet - Global Envir Opps P dy EUR	8'512	0.7	8.7	11.5	-0.2	9.6	10.2	-20.8	26.0	22.5	40.4	-
ÖkoWorld Klima C	776	3.6	10.6	9.0	-7.9	0.7	7.6	-30.2	9.0	46.1	37.1	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

## Investment Specialist

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# JSS Sustainable Equity – SDG Opportunities

The Fund aims to provide capital growth by investing in a well-diversified selection of companies supporting the United Nations' Sustainable Development Goals (SDGs). It invests globally in high-quality companies that have strong sustainability practices and create products and services contributing positively to society and the environment. The strategy aims to achieve positive outcomes by investing according to the Bank's sustainability matrix, SDG engine and targeted engagement.

## A Sustainable Future Offers Market Opportunities

- The World Is Changing**  
Unsustainable business models are under pressure
- Select the winners of tomorrow**  
Companies offering relevant products and services to growing end-markets
- Bet on a better, more sustainable future**  
SDGs aim to redirect investments towards solving global challenges
- Adapt or disappear**  
Companies that do not adapt quickly enough could become obsolete or face financial consequences

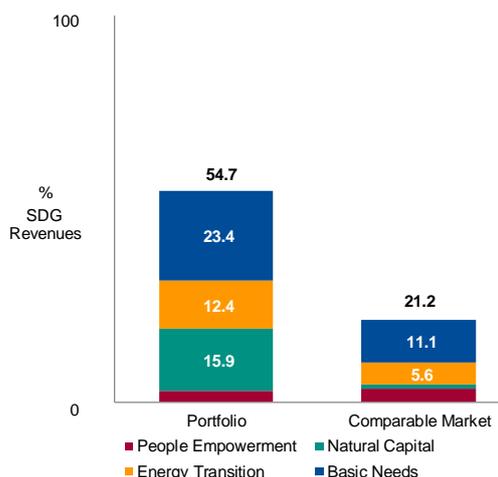
## The Fund in a Nutshell

Meaningful outcome for investors	Global equity portfolio	Focus on smaller companies	
Attractive long-term returns	Concentrated (40-50 positions)	Market Cap Allocation (USD bn)	
	Bottom-up fundamental research	0 – 5	20 – 30%
5 – 50		45 – 55%	
50 – 100		10 – 20%	
Participate in the achievement of the SDGs	Proprietary SDG Engine	100+	10 – 20%

## Contributing to the Planet and People

Empowering People	Preserving Natural Capital	Fulfilling Basic Needs	Achieving the Energy Transition
<ul style="list-style-type: none"> <li>Education &amp; Information</li> <li>Sustainable Finance</li> <li>Social Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Water</li> <li>Agriculture &amp; Forestry</li> <li>Recycling</li> </ul>	<ul style="list-style-type: none"> <li>Access to Healthcare</li> <li>Access to Nutrition</li> <li>Access to Energy</li> </ul>	<ul style="list-style-type: none"> <li>Renewable Energy</li> <li>Green Building</li> <li>Mobility</li> </ul>

## Average Share of SDG Revenues<sup>1</sup>



## Proprietary SDG Engine: A Sophisticated Approach to SDG Investing

- Target** companies with game changing **SDG-related products & services** that contribute to net positive SDG outcomes
- Measure** SDG contribution as % of **total corporate revenues** with our **proprietary SDG engine**
- Engage** on **targeted issues** impacting the achievement of the SDGs

1) Source: Bank J. Safra Sarasin Ltd; Vigeo Eiris, as of 28.02.2023. Comparable Market: MSCI World. Allocations and holdings are for indicative purposes only and are subject to change without notice.

## Review

July was a stellar month for equities. The US market in particular was supported by falling inflation and robust economic data, which raised hopes of a less aggressive monetary policy and the potential for a near-term end to US rate hikes. However, uncertainty regarding the strength of economic activity in H2 2023 is high as the effect of higher interest rates remains to be seen. After a strong performance in the year to date and a turbulent Q2 2023 reporting season, the SDG Opportunities fund underperformed its peers in July, driven by weak stock selection, especially in the healthcare, consumer discretionary and industrial sectors. In healthcare, Bavarian Nordic was the main detractor, as the company reported disappointing phase III data on its RSV vaccine and announced that it is discontinuing the programme and partnership with Nuvance Pharma for Asian markets. On a positive note, the strongest contributors during the month were On Semiconductor and Puma, both of which reported better-than-expected results.

Fund size in millions	73.77 USD
Fund launch date	17 November 2020
Benchmark	none
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Jean-Charles Belvo, Kaisa Paavilainen
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.60%
Ongoing charges (P USD acc)	1.93%
Subscription /Redemption	daily
Sales registration	AT,CH,DE,ES,FR,GB,GI,IT,LU,NL,SE,SG
Active P Share classes / ISIN/ Securities-No. <sup>1</sup>	I EUR acc / LU2207283669 P CHF acc / LU2207282851 P EUR dist / LU2207282422 P USD acc / LU2207282695
SFDR Classification	Article 9
SRRI Risk Level	4/7

## Outlook

The macro situation has been better than expected in 2023, mainly thanks to household savings and a de-synchronized vs synchronized global economic cycle. This has been primarily reflected by robust services versus weaker manufacturing and has led to deviations in sector performance. We consider growth expectations to be crucial for equities going forward and are maintaining a balanced portfolio, investing in companies in structurally growing areas and with fundamentally attractive investment cases. We believe that the fund's focus on companies with products and services materially contributing to SDGs will provide positive outcomes for investors, while generating robust performance as we adopt a concentrated investment approach focused on companies that can profitably lever SDG growth themes. Our SDG methodology and sustainability analysis allow us to identify relevant products and services and to enable positive change. Attractive investment opportunities are created by combining the above insights with rigorous fundamental analysis.

## Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	19.31%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	-0.02	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - SDG Opportunities BM-P EUR acc</b>	<b>74</b>	<b>0.1</b>	<b>5.1</b>	<b>9.6</b>	<b>-4.2</b>	<b>n.a.</b>	<b>n.a.</b>	<b>-17.8</b>	<b>18.8</b>	<b>n.a.</b>	<b>n.a.</b>	<b>17.0</b>
Triodos Global Equities Impact EUR R Acc	1'267	0.9	4.1	10.5	-0.4	6.6	5.7	-16.0	13.4	5.8	24.0	-
Wellington Global Impact EUR D Ac	1'128	2.5	6.8	6.3	-2.9	7.9	n.a.	-18.5	18.3	19.4	n.a.	-
GS Gbl EQImpct Opp-P Cap EUR	320	-0.3	1.2	2.2	-10.9	2.9	3.6	-22.5	18.4	13.3	28.8	-
DWS Invest SDG Global Equities LC	1'930	2.4	4.7	8.7	0.8	8.6	n.a.	-13.5	16.6	16.6	30.7	-
Federated Hermes Imp Opps Eq R EUR Acc	332	2.0	5.1	6.4	-2.6	0.5	4.5	-24.4	10.4	16.8	31.6	-
RobecoSAM Global SDG Equities D EUR Acc	71	1.5	4.7	9.6	1.0	9.5	7.9	-13.8	24.5	4.1	24.3	-
CT (Lux) SDG Engmnt Gbl Eq A EUR Acc	1'157	1.6	3.7	3.7	-4.3	10.0	n.a.	-17.2	27.3	8.7	n.a.	-
iShares MSCI World SRI ETF EUR Acc	8'701	1.9	9.2	16.6	5.2	14.4	12.0	-16.2	34.6	11.1	32.4	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (12 months, basis EUR).

## Investment Specialist

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# JSS Equity – All China

The fund invests in the growing Chinese equity market. It aims to benefit from the continuing rise of China to becoming the largest economy in the world as well as from its increasing innovation. Managed by a leading asset manager on the ground in Beijing, ChinaAMC, the fund harnesses the vast research infrastructure of the firm with +200 investment professionals and the firm's relationships in China. ChinaAMC's disciplined and successful research and investment process is evidenced by its excellent track record.

## Why China Now?

- **China is expected to become the largest economy in the world**
- **Global investors are still underinvested** and vast amounts of capital are expected to flow into the Chinese equity market
- The retail-dominated Chinese equity market is inefficient and a **fertile ground for alpha generation**.
- **Valuations are attractive** compared to other developed and emerging markets.

## Why JSS Equity – All China?

- The **first UCITS equity fund managed by a mainland Chinese firm**
- **ChinaAMC**, a leading and highly acclaimed firm, evidenced by numerous awards as China's premier asset manager.
- **First class local network, access and due diligence capabilities**. Over 120 equity analysts conducting over 3'000 company meetings per year.
- **Capturing key Chinese thematic trends**: Domestic consumption, increasing industrial value-add, health care and tech innovation
- Clear **proof of alpha generation** by the portfolio manager Richard Pan.

## Company Examples in the Mainland China A-Shares Market<sup>1</sup>

**CATL**

**Contemporary Amperex:** Globally leading manufacturer of batteries for electric vehicles. A key supplier of both foreign and Chinese EV makers, spending over USD 1bn on R&D per annum.



**Wuliangye:** Manufacturer of traditional Chinese spirits made from organic grains. Benefiting from brand to luxury consumption in China.

**Tencent 腾讯**

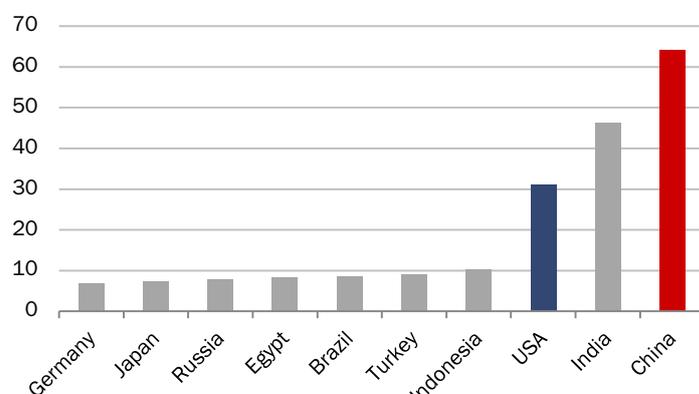
**Tencent:** Leading ecosystem of technology services like social networks, games, messaging, e-commerce and advertising.

## Leading Investment Manager: ChinaAMC<sup>3</sup>

- Leading asset manager in China with **USD 209 billion in AuM**
- Headquartered in Beijing with presence throughout China
- **200+ investment professionals** cover 80% of Chinese public companies
- Team of **300+ in operations, risk and trading** provide solid asset management infrastructure
- **On-the ground manager** and «plugged in» to mainland China network
- **Richard Pan's international team manages ca. USD 6bn** in Chinese equities across funds and mandates



## Top 10 Economies in 2030 (estimate) by nominal GDP using PPP<sup>2</sup>



## ChinaAMC Invests With a Local Edge

Challenge	ChinaAMC Solution
<b>Idea sourcing</b>	- PMs and analysts live in and are users of products and services available in China
<b>Accounting transparency</b>	- Dedicated personnel to conduct on-site due diligence, primary research, and fact checks.
<b>Active engagement</b>	- Leading manager with significant investments - Corporate access superior to global peers

1) Source: Contemporary Amperex as of 31.12.2021. Commercially free to use logos from Bing.com. Information on companies is shown for illustrative purposes only and does not constitute an offer, solicitation or recommendation to buy, hold or sell investments and does not consider the circumstances of any individual investor. Past performance is no indication for current or future performance. 2) Bloomberg, Standard Chartered 2019. PPP= purchasing power parity. Information containing forecasts is intended for information purpose only and is neither a projection nor guarantees for future results and could differ significantly for various reasons from actual performance or developments. 3) Source: ChinaAMC, OECD Economic Outlook: Statistics and Projections December 2020, World Bank Global Economic Prospects 2019 Report, Wind, National Bureau of Statistics of China. GDP is substantially affected by world and country-specific events and governmental responses to them. The actual GDP rate may be meaningfully higher or lower than estimates.

## Review

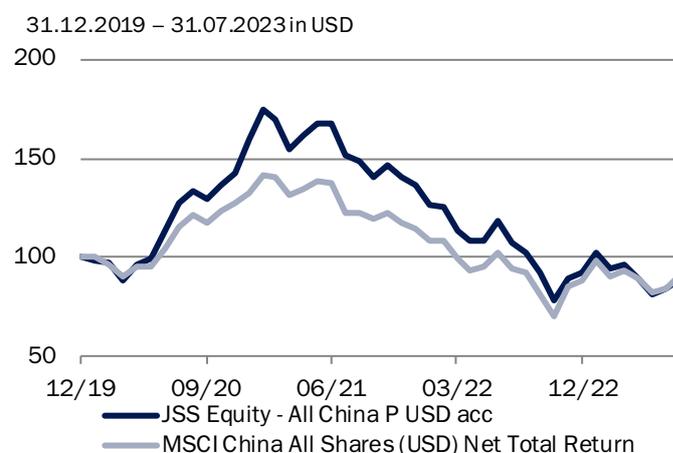
The Chinese equity market was trading range-bound during the first three weeks of July, then experienced a strong rally in the last week of the month after the long-awaited Politburo meeting. The economy saw a marginal improvement in factory activities, with the official PMI coming in at 49.3% in July, above the 49.0% level in June and beating market expectations of 49.2%. Travel and hotel bookings remained strong, while the box office exceeded 8 billion yuan this month, up 40% compared to July 2018. The 4Y CAGR of fixed asset investments and retail sales also picked up from 3.5%/3.5% in May to 4.8%/4.0% in June. However, the housing market remained sluggish, both on the supply and demand sides. To further fuel post-COVID recovery momentum and address longer-term challenges, the highly-anticipated Politburo meeting in late July signalled policy support in many aspects. Both the Chinese onshore and offshore equity markets rallied this month, boosted by positive signals from the Politburo meeting and a stabilising CNY.

Fund size in millions	310.00 USD
Fund launch date	17 December 2019
Benchmark	MSCI China All Shares (USD) Net Total Return
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	China Asset Management Co. Ltd. Beijing
Portfolio manager	Richard Pan
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.70%
Ongoing charges (P USD acc)	1.98%
Subscription /Redemption	daily
LTV	n.a.
Sales registration	AT,CH,CL,DE,ES,FR,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P USD acc / LU1900873529 P USD dist / LU1900873792 P CHF acc / LU1965940353 P CHF dist / LU1965940437 P EUR acc / LU1965940197
SFDR Classification	Article 6
SRRI Risk Level	5/7

## Outlook

China's economic growth was lower than expected in Q2 and property sales slumped within a short period, contributing to the mounting economic pressure. To shore up the economy, the regulator has signalled stronger counter-cyclical adjustments. The measures include promoting consumption, relaxing property market regulations and accelerating urban village renovation in megacities. We therefore expect a "high-quality" economic recovery in H2 to achieve the GDP growth target of "around 5%". The stock market also rebounded following the recent policy boosts, recording strong rallies in consumer goods, real estate and its supply chain, and financials. While we are maintaining exposure to these beneficiary sectors, we will also retain a balanced allocation to avoid losses caused by rapid sector rotation, which has dominated the stock market in the year to date.

## Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	31.52%	35.53%
Correlation	0.97	n.a.
Sharpe ratio	-0.65	-0.19
Inform. ratio	-1.58	n.a.
Alpha	-14.17%	n.a.
Tracking error	8.75%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Equity - All China P USD acc</b>	<b>310</b>	<b>6.0</b>	<b>0.1</b>	<b>-2.4</b>	<b>-16.6</b>	<b>-11.1</b>	<b>n.a.</b>	<b>-32.6</b>	<b>-14.7</b>	<b>59.9</b>	<b>n.a.</b>	<b>-9.2</b>
Benchmark	-	9.0	2.2	3.2	-2.8	-7.5	n.a.	-22.6	-13.3	32.1	n.a.	-6.9
Allianz All China Equity AT USD	132	8.5	1.5	-3.6	-12.2	-10.6	1.9	-29.7	-13.5	60.2	47.6	-
FSSA All China B USD Acc	68	9.3	1.4	-3.3	0.4	-5.0	5.3	-16.2	-10.7	45.1	42.8	-
Ninety One GSF All China Eq A Acc \$	590	6.2	0.6	2.0	-4.9	-10.3	-3.2	-26.9	-12.7	24.6	33.5	-
UBS (Lux) ES All China (USD) P acc	2'003	9.0	2.1	0.7	-3.4	-14.8	-2.1	-23.8	-25.4	28.5	42.7	-
CSIF (Lux) Eq China TitMkt ESG Blue FB \$	94	9.5	3.2	3.4	-2.3	-7.1	n.a.	-23.9	-12.0	33.3	n.a.	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (12 months, basis USD).

# JSS Responsible Equity – India

The JSS Responsible Equity - India fund invests in the growing Indian equity market and aims to benefit from the continuing rise of India to become one of the largest global economies. Advised by UTI<sup>1</sup>, a leading Indian asset manager, the fund harnesses the local expertise and relationships of the group, while also making use of Bank J. Safra Sarasin’s research on sustainability. The fund’s disciplined and bottom-up investment approach focuses on companies that demonstrate strong quality and growth while adhering to responsible investment practices.

## Why Invest in India Now

- India has a population of over 1.3 billion people today and favourable demographics.
- India is fast growing, averaging over 7% GDP growth over the last 15 years, and the country is expected to become the third largest economy in the world by 2030<sup>2</sup>.
- India’s middle class consumption is expected to make up 40% of global consumption by 2050, providing opportunities in the consumer space.
- Indian listed companies have shown strong earnings growth, averaging 12% p.a. since 1993<sup>3</sup>.

## Why JSS Responsible Equity – India

- **Managed by UTI**, a leading and highly acclaimed Indian investment firm which has won numerous awards.
- Rigorous **active bottom-up investment approach**.
- High conviction portfolio of **35 – 50 quality growth stocks**.
- Employing **responsible investment practices**, benefiting from the expertise of Bank J. Safra Sarasin in the domain of sustainability.
- **Proven track record** by Portfolio Manager Ajay Tyagi.

## Company Examples in the Indian Equity Market



**Bajaj Finance:** Retail financing services including mortgages and consumer finance, benefiting from India’s large and increasingly wealthy population.



**Infoedge:** Owner of a portfolio of Internet businesses including job portals, college comparison platforms and online matchmaking services.



**Avenue Supermart:** Supermarket chain with strong model of “everyday low prices” benefiting from increased consumer spending and increased organization of food retail in India.

## Our Investment Philosophy for Long-Term Value Creation



Quality



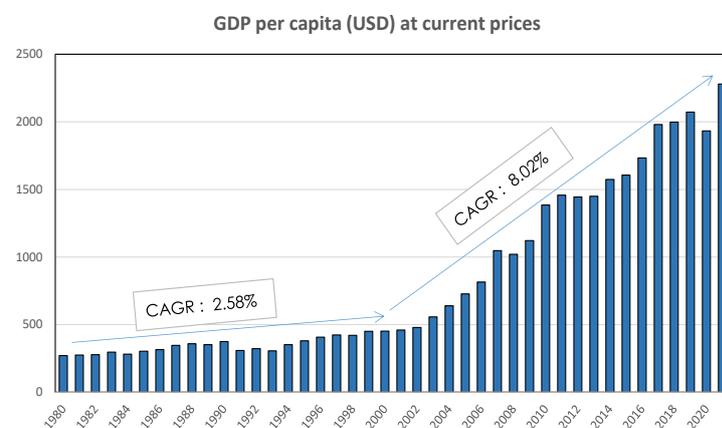
Growth



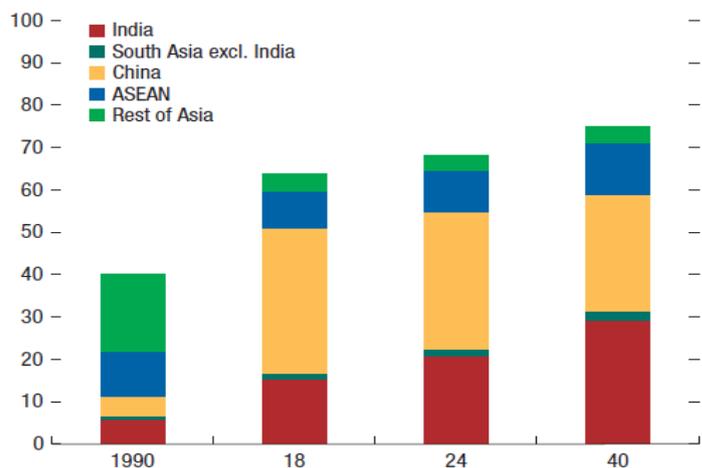
Valuation

Determined by	Capital efficiency	Profitability & earnings	Consistency & current price
Example	High return on assets	Secular drivers rather than cyclical upturn	Free cash flow yield

## Consumers of the Future: Rapidly Rising GDP per Capita in India<sup>4</sup>



## Contribution to Global Growth by Region (in%, using PPP)<sup>5</sup>



1) The appointed investment manager of the fund is UTI International (Singapore) Private Limited, advised by UTI AMC (India). 2) Standard Chartered Global Research. 3) Sensex Index FY 1993 until FY 2020. 4) IMF World Economic Outlook Database October, 2022, UTI AMC Research. 5) IMF Regional Economic Outlook October, 2019. Past data is not a reliable indicator of current or future developments.

## Review

CPI inflation in June 2023 rose marginally to 4.8%, compared to 4.3% in May. Food and beverages inflation increased to 4.6% (May: 3.3%), while fuel and light inflation moderated to 3.9% (May: 4.7%). Rural and urban inflation increased to 4.72% (May: 4.2%) and 4.96% (May: 4.3%), respectively. Core inflation (CPI excluding food and fuel) stood at 5.1% (May: 5.01%). As per the latest RBI data, foreign exchange reserves increased to USD 607.03 billion over the month. The USD appreciated by ~0.26% over the month, closing at 82.25 INR/USD vs. 82.04 INR/USD last month. Healthy earnings growth for the first quarter of FY 2024, along with declining global inflation, helped the equity market maintain positive momentum. Sensex delivered a return of 2.80% over the month. Nifty delivered a return of 2.94% over the month. The key outperforming and underperforming sectors in the benchmark over the month were industrials and financial services, respectively. Gland Pharma Ltd outperformed the index, while Metropolis Healthcare Ltd underperformed the index.

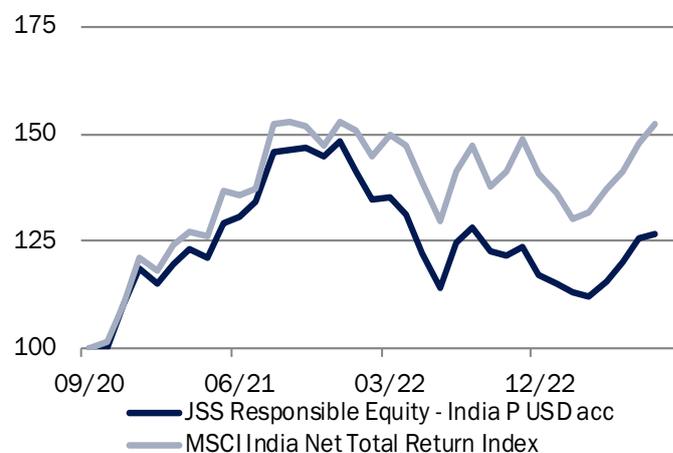
Fund size in millions	81.81 USD
Fund launch date	29 September 2020
Benchmark	MSCI India Net Total Return Index
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	UTI International (Singapore) Private Limited
Portfolio manager	Ajay Tyagi
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.70%
Ongoing charges (P USD acc)	2.19%
Subscription /Redemption	daily
LTV	n.a.
Sales registration	CH,CL,DE,ES,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF acc / LU2106615490 P EUR acc / LU2106615144 P USD acc / LU2106614923
SFDR Classification	Article 8
SRRI Risk Level	7/7

## Outlook

On the global front, it is becoming increasingly evident that the rate hike cycle is close to peaking, which is positive for growth assets such as equity. Resilience shown by large economies in the initial part of the year has prompted upwards revisions to global growth forecasts for 2023, which is a significant positive for the outlook of equities and reflected in equity market momentum. At the same time, expectations at the beginning of the year of a pick-up in economic growth in China seem to be running out of steam, prompting major global banks to revise down China's growth estimates. In comparison, India's stable economic parameters make it a more attractive destination to global investors, leading to higher capital flows. Domestically, corporate earnings announced so far support the expectations of steady revenues, with the benefit of declining input costs driving robust earnings growth. Equity valuations are still much lower than the peaks witnessed in the past and may become more attractive as earnings accumulation continues going forward.

## Net Performance Since Inception

30.09.2020 – 31.07.2023 in USD



Key ratios <sup>2</sup>	Fund	BM
Volatility	11.21%	14.92%
Correlation	0.88	n.a.
Sharpe ratio	-0.22	0.24
Inform. ratio	-0.83	n.a.
Alpha	-3.47%	n.a.
Tracking error	7.26%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Responsible Equity - India P USD acc</b>	<b>82</b>	<b>0.7</b>	<b>9.5</b>	<b>8.4</b>	<b>1.5</b>	<b>n.a.</b>	<b>n.a.</b>	<b>-21.3</b>	<b>25.1</b>	<b>n.a.</b>	<b>n.a.</b>	<b>27.2</b>
Benchmark	-	3.0	11.0	8.2	7.5	n.a.	n.a.	-8.0	26.2	n.a.	n.a.	52.6
Stewart Inv Indian Sbctnt Sustrby B USD	761	1.1	12.5	14.4	13.4	21.9	n.a.	-10.6	34.0	22.8	n.a.	-
JPM India A (acc) USD	526	0.6	7.1	7.1	6.1	13.1	1.9	-10.1	20.2	0.7	2.5	-
Schroder ISF Indian Equity A Acc USD	314	2.6	9.9	10.7	9.0	13.2	5.3	-14.0	22.0	12.3	5.2	-
Pictet-Indian Equities P USD	353	1.4	9.5	10.3	5.7	13.1	5.3	-17.0	20.4	16.1	9.9	-
GS India Equity Base Acc USD	2'172	3.5	13.2	12.0	11.1	18.4	7.7	-16.1	34.2	19.8	6.4	-
UTI India Dynamic Equity Retail USD	964	0.9	10.5	8.8	1.8	14.8	6.5	-23.2	30.3	26.3	9.0	-
iShares MSCI India ETF USD Acc	1'988	3.0	10.8	7.9	6.9	15.8	7.4	-8.5	25.1	14.9	6.8	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (12 months, basis USD).

## Investment Specialist

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# Sustainable Equity – Geography-focused Product Family

The Sustainable Equity – Geography-focused Product Family invests in sustainable companies within a specific country or region. The funds' bottom-up stock selection process integrates traditional financial analysis with an in-depth sustainability assessment, and ESG aspects are systematically analysed for all holdings. Available funds within this Product Family include Global, Europe, USA, Switzerland, and Small & Mid Caps Switzerland.

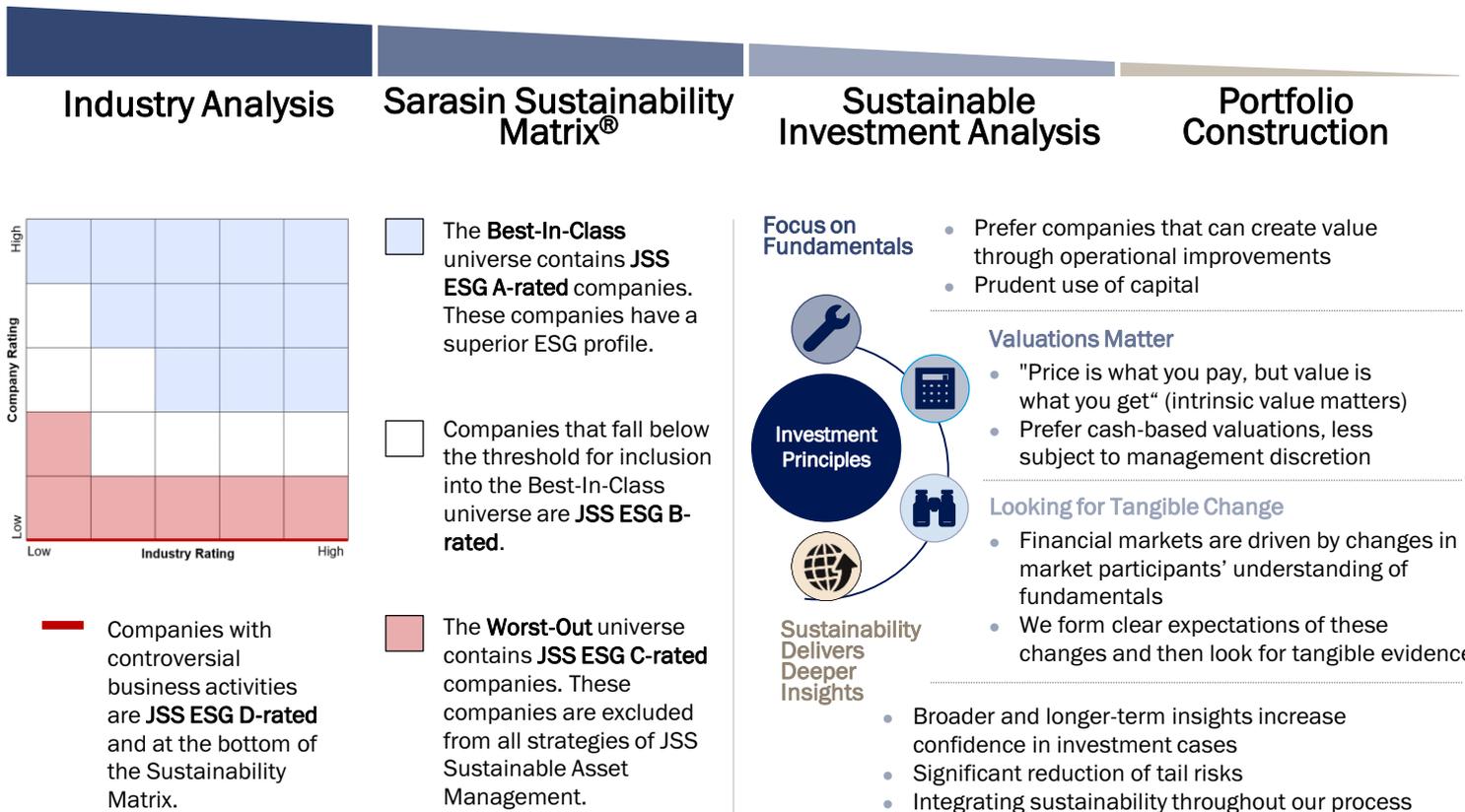
## The Case for Sustainable Equities

- As the world shifts towards new modes of producing, consuming, thinking, and living, companies that adopt sustainable practices are **optimally positioned to gain from long-term inexorable trends**.  
Examples include:
  - Companies with lower CO2 footprints and lower claim on CO2 reserves are better positioned to **transition to a low-carbon economy**.
  - Companies recognized for their responsible practices are building lasting reputations with **increasingly socially-conscious consumers**.
- Sustainable companies tend to be **less exposed to certain downside risks** (e.g. reputational hazards, corruption, environmental accidents, etc...).
- Ethically-minded investors can **participate in the push towards social and environmental responsibility** by investing in sustainable companies.

## Key Characteristics of the Product Family

- J. Safra Sarasin is a **pioneer in sustainable investments** with a decades-long solid track record, and is a **market leader** in this space.
- Sustainable process rooted in proprietary tools such as the **Sarasin Sustainability Matrix®**, capable of identifying sustainable industries and companies using a best-of-classes and best-in-class framework.
- Investment process supported by a team of **>18 analysts fully dedicated to sustainability research** with specialized expertise across industries.
- Active and engaged proxy shareholding**, interacting with each company's management to promote sustainable practices as well as a voting policy that systematically incorporates ESG concerns.

## Our Sustainable Investment Process



# JSS Sustainable Equity – Europe

## Review

July started on a weaker note for equity markets as Chinese economic data was rather disappointing, but moved into positive territory in the course of the month. The main driver of this development was the surprisingly strong decline in inflation in the US for the month of June, which fuelled hopes of a less aggressive monetary policy by the US Federal Reserve and triggered price surges accordingly. In July, the JSS Sustainable Equity – Europe fund slightly underperformed its reference index. While stock selection was positive, this was offset by both industry and factor effects. The best selections in July were Antofagasta, UMG and Logitech, while OSB Group, SIG and Amadeus contributed negatively. UMG reported what were arguably its best results since its listing. It is benefiting from price increases on streaming platforms and continuing to expand its large library of content. OSB had to take a one-off provision on its interest income expectations, which spooked investors. However, its underlying results remain strong and the company has accelerated its buybacks.

Fund size in millions	38.33 EUR
Fund launch date	26 February 1993
Benchmark	MSCI Europe
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Marcel Voogd, Christoph Lang
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.35%
Ongoing charges (P EUR dist)	1.69%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR dist / LU0058891119 P EUR acc / LU0484532444 P USD acc / LU1096900078
SFDR Classification	Article 8
SRRI Risk Level	4/7

## Outlook

The robust economic developments and a simultaneous sharper-than-expected decline in inflation rates have at least increased the probability of a soft landing for the US economy. Nevertheless, a closer look at the overall macroeconomic situation reveals continued sectoral and regional divergences beneath the surface of a comparatively resilient global growth path. In this environment, we are staying the course and aiming to select businesses that generate a strong cash return on their capital, have a reasonable growth path ahead and are led by management teams with good capital allocation abilities. We endeavour to obtain these stakes at the best valuation possible, leaving a margin of safety versus our intrinsic value estimation. In July, we added a position in Ashtead to our portfolio. Ashtead is a rental equipment company. It has good returns on capital and the company keeps adding smaller businesses to its group, thereby increasing both its network of locations as well as the products it offers.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	16.59%	15.49%
Correlation	0.98	n.a.
Sharpe ratio	0.55	0.83
Inform. ratio	-1.14	n.a.
Alpha	-4.30%	n.a.
Tracking error	3.16%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Europe P EUR dist</b>	<b>42</b>	<b>1.7</b>	<b>1.1</b>	<b>11.4</b>	<b>7.4</b>	<b>9.4</b>	<b>2.8</b>	<b>-11.9</b>	<b>20.3</b>	<b>-4.6</b>	<b>24.1</b>	<b>329.3</b>
Benchmark	–	2.0	1.8	13.3	10.6	13.0	6.4	-9.5	25.1	-3.4	26.1	948.8
Pictet-Quest Europe Sust Eqs P EUR	1'405	1.1	1.8	13.2	8.5	10.4	6.6	-12.0	23.0	-1.1	26.4	–
JPM Europe Sustainable Equity A (acc)EUR	908	0.4	1.5	12.3	8.8	11.5	6.9	-14.1	24.7	4.0	28.6	–
Mirova Europe Sust Eq R/C EUR	615	2.1	2.7	11.9	5.9	8.9	4.8	-15.1	11.1	10.9	30.1	–
Robeco Sustainable Eurp Stars Eqs D EUR	883	0.7	0.8	10.6	8.2	8.7	4.3	-10.7	22.3	-7.1	23.3	–
Allianz Europe Equity SRI A EUR	452	1.9	2.9	11.1	9.1	7.3	4.2	-13.9	19.3	-2.5	25.2	–
iShares MSCI Europe SRI ETF EUR Acc	4'361	1.6	0.3	13.5	7.4	11.1	8.0	-15.4	26.9	4.2	30.2	–

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

**Investment Specialist**

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# JSS Sustainable Equity – European Smaller Companies

## Review

July started on a weaker note for the equity markets as Chinese economic data was rather disappointing, but moved into positive territory in the course of the month. The main driver of this development was the surprisingly strong decline in inflation in the US for the month of June, which fuelled hopes of a less aggressive monetary policy by the US Federal Reserve and triggered price surges accordingly. In July, the JSS Sustainable Equity – European Smaller Companies underperformed its reference index, mostly due to negative stock selection. The best contributors in July were Diploma, Logitech and Berkeley Group, while OSB, Basic-Fit and Watkin Jones contributed negatively. Logitech, which is currently looking for a new CEO, reported good quarterly results, indicating end-market improvements as well as strong cost management. Conversely, OSB had to take a one-off provision on its estimated interest income, which spooked investors. Its underlying results are resilient and the company has accelerated the pace of its buyback programme to benefit from the lower share price.

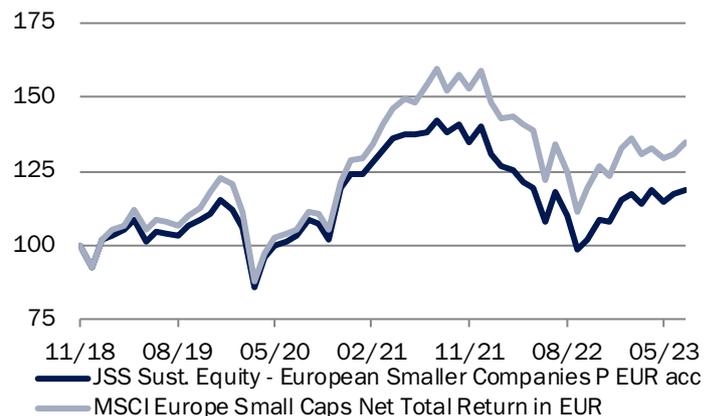
Fund size in millions	28.29 EUR
Fund launch date	13 November 2018
Benchmark	MSCI Europe Small Caps Net Total Return in EUR
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Marcel Voogd, Patrik Widmer
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.60%
Ongoing charges (P EUR acc)	1.94%
Subscription /Redemption	daily
LTV	55%
Sales registration	AT,CH,DE,ES,FR,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR acc / LU1859216464 P EUR dist / LU1859216548
SFDR Classification	Article 8
SRRI Risk Level	4/7

## Outlook

The robust economic development and a simultaneous sharper-than-expected decline in inflation rates have at least increased the probability of a soft landing for the US economy. Nevertheless, a closer look at the overall macroeconomic situation reveals pronounced sectoral and regional divergences beneath the surface of what looks like a comparatively resilient global growth path. In this environment, we are staying the course, carefully identifying and selecting companies that generate a strong cash return on their capital, have a reasonable growth path ahead and are led by management teams that have good capital allocation abilities. We endeavour to obtain these companies at good valuations, allowing for a margin of safety versus our intrinsic value estimation. We made no significant changes to the portfolio in June, as we refrained from needlessly buying in and out of stocks, instead allowing the quality of our holdings to be reflected through the continued compounding of returns.

## Net Performance Since Inception

30.11.2018 – 31.07.2023 in EUR



Key ratios <sup>2</sup>	Fund	BM
Volatility	17.64%	19.62%
Correlation	0.97	n.a.
Sharpe ratio	-0.45	-0.36
Inform. ratio	-0.17	n.a.
Alpha	-1.74%	n.a.
Tracking error	5.25%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
JSS Sustainable Equity - European Smaller Companies P EUR dist	31	1.2	-0.1	10.1	0.6	4.6	n.a.	-23.4	13.1	7.7	24.8	13.9
Internal Benchmark	-	3.4	1.6	9.2	0.4	8.7	n.a.	-22.5	23.8	4.6	32.5	30.3
BNP Paribas Europe Small Cap I C	542	2.6	1.7	7.9	2.1	5.5	3.8	-19.7	18.7	2.4	34.9	-
Metzler European smlr Coms Sustnby C	495	2.9	1.7	9.8	-1.8	3.0	1.9	-29.2	14.2	15.0	31.7	-
Janus Henderson Hrzn PanEurSmrComs I1€	634	2.1	2.2	8.3	3.9	12.9	6.1	-16.5	22.3	14.7	35.5	-
Xtrackers MSCI Europe Small Cap ETF 1C	873	3.4	1.7	9.5	0.7	8.8	3.3	-22.4	23.8	4.5	32.5	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

Past performance is not a reliable indicator for current or future performance.

1) Additional share classes may be available. Please refer to the fund prospectus for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

## Investment Specialist

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# JSS Sustainable Equity – USA

## Review

US equities continued to advance in July, driven by a notable rebound in cyclicals and commodities. As a result, the strongest performing sector was energy. The weakest performing sectors were healthcare, real estate and consumer staples, the more defensive segments of the US equity market. Fund performance was slightly behind the benchmark last month. Our style and industry allocation had a slightly negative impact on performance as momentum underperformed, while our underweight in auto explains most of the detraction in the industry allocation. Stock selection was positive as Carrier Global performed well on the back of good earnings. Carrier Global and our Underweight in Tesla were the best stock selection performance contributors, while our underweight in Nvidia and Calix were the largest performance detractors last month.

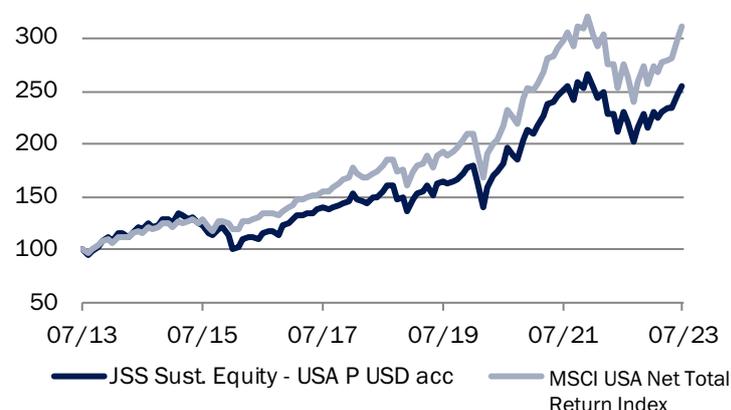
Fund size in millions	184.80 USD
Fund launch date	29 October 2010
Benchmark	MSCI USA Net Total Return Index
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Andreas Nigg, Barbara Janosi, Frédéric Fayolle
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.40%
Ongoing charges (P USD acc)	1.68%
Subscr. / Red.	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P USD acc / LU0526864581 P USD dist / LU2076232706
SFDR Classification	Article 8
SRRI Risk Level	5/7

## Outlook

The US economy continues to surprise to the upside as most economic releases have been better than expected. In fact, the strong rebound in the Citi Economic Surprise index since the middle of May correlates well with the robust recovery we have seen in the same time frame for the various US equity indices. There is now a sense that the US can avoid a recession, and market participants have become more positive. Rather than trying to anticipate the next economic shift, we prefer to maintain a balanced stance. This kept us more involved than what we might have been comfortable with last year when economic surprises were falling, and it keeps us from getting too excited now.

## Net Performance

31.07.2013 – 31.07.2023 in USD



Key ratios <sup>2</sup>	Fund	BM
Volatility	17.73%	18.31%
Correlation	0.99	n.a.
Sharpe ratio	0.59	0.62
Inform. ratio	-0.30	n.a.
Alpha	-0.23%	n.a.
Tracking error	2.44%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - USA P USD acc</b>	<b>185</b>	<b>3.0</b>	<b>8.9</b>	<b>18.7</b>	<b>10.5</b>	<b>12.0</b>	<b>10.4</b>	<b>-19.3</b>	<b>24.7</b>	<b>20.1</b>	<b>29.8</b>	<b>246.9</b>
Internal Benchmark	-	3.4	10.9	20.8	12.6	12.7	11.6	-19.8	26.5	21.1	30.5	361.3
Wellington US Research Eq USD D Ac	1'625	2.3	7.9	17.0	7.7	8.9	8.8	-22.9	22.5	20.9	30.1	-
Etoile Actions US C	157	2.7	9.3	15.6	6.6	9.0	8.6	-21.1	24.4	16.8	28.1	-
Amundi Actions USA ISR P C	938	2.8	8.8	14.2	8.8	9.8	8.6	-18.2	24.6	12.8	30.8	-
JPM America Equity A (acc) USD	4'412	3.6	13.6	24.2	12.3	14.3	11.9	-19.2	25.7	21.1	27.9	-
AAF-Parnassus US ESG Eqs A\$	2'399	3.3	9.0	18.4	11.2	11.5	11.3	-19.6	26.2	19.7	28.7	-
Xtrackers MSCI USA ETF 1C	6'815	3.2	10.9	20.3	12.6	12.9	11.7	-19.5	26.9	20.8	32.2	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

Investment Specialist

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# JSS Sustainable Equity – Switzerland

## Review

July started on a weaker note for equity markets as Chinese economic data was rather disappointing, but moved into positive territory in the course of the month. The main driver of this development was the surprisingly strong decline in inflation in the US for the month of June, which fuelled hopes of a less aggressive monetary policy by the US Federal Reserve and triggered price surges accordingly. In July, the JSS Sustainable Equity – Switzerland performed largely in line with its comparable index. While stock selection was slightly negative, this was mostly compensated by a positive style contribution. The best monthly holdings were Logitech and the underweights in Roche and Medacta, while Georg Fischer, Richemont and SIG Group were the largest detractors. Logitech, which is currently looking for a new CEO, reported good quarterly results indicating end-market improvements as well as strong cost management. Georg Fischer, which is currently trying to take over Uponor, reported results slightly below expectations, which were mostly hit by weak Uponor numbers.

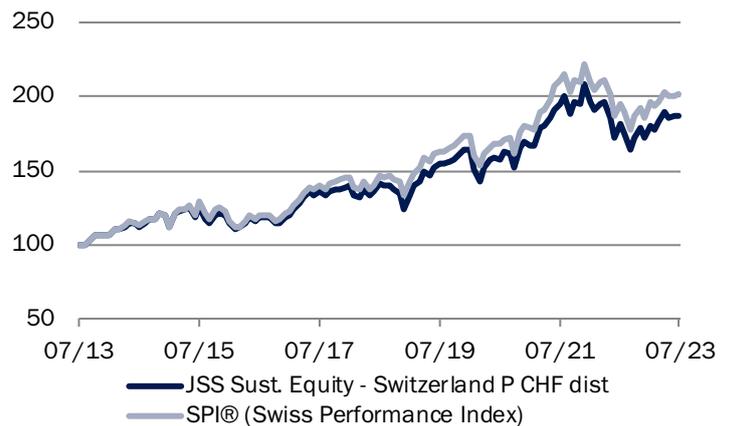
Fund size in millions	151.38 CHF
Fund launch date	03 January 1994
Benchmark	SPI® (Swiss Performance Index)
Accounting currency	CHF
Domicile	Switzerland
Legal structure	FCP
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Christoph Lang, Michael Romer
Fund management company	J. Safra Sarasin Investmentfonds Ltd, Basel
Custodian bank	Bank J. Safra Sarasin Ltd, Basel
Management fee	1.25%
Ongoing charges (P CHF dist)	1.47%
Subscription /Redemption	daily
LTV	70%
Sales registration	CH,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF dist / CH0001630703
SRRI Risk Level	4/7

## Outlook

The robust economic developments and a simultaneous sharper-than-expected decline in inflation rates have at least increased the probability of a soft landing for the US economy. Nevertheless, a closer look at the overall macroeconomic situation reveals pronounced sectoral and regional divergences beneath the surface of a comparatively resilient global growth path. In July, we exited our positions in Sulzer and Geberit. While the fundamental development of Sulzer remains solid, we see limited upside given its governance structure. Geberit remains under pressure given the weak construction market, particularly in its main market of Germany. We also took some profits in Logitech after the strong results. On the other hand, we added to our holdings in ABB, SIG Group and SPS. As a result, the portfolio was further concentrated to contain only 21 holdings. Overall, the portfolio structure remains attractive with a better cash flow profile, broadly comparable earnings revisions and a significantly lower carbon footprint with a comparable valuation.

## Net Performance

31.07.2013 – 31.07.2023 in CHF



Key ratios <sup>2</sup>	Fund	BM
Volatility	14.66%	13.68%
Correlation	0.99	n.a.
Sharpe ratio	0.42	0.49
Inform. ratio	-0.23	n.a.
Alpha	-0.92%	n.a.
Tracking error	2.42%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Switzerland P CHF dist</b>	<b>175</b>	<b>0.2</b>	<b>-1.5</b>	<b>8.4</b>	<b>3.1</b>	<b>5.8</b>	<b>5.7</b>	<b>-17.3</b>	<b>23.1</b>	<b>3.5</b>	<b>32.0</b>	<b>399.5</b>
Benchmark	-	0.4	-1.0	8.7	3.3	6.4	6.5	-16.5	23.4	3.8	30.6	690.0
SWC (CH) EF Responsible Switzer AA CHF	1'118	-0.6	-2.9	6.7	0.8	4.7	4.5	-16.8	20.5	2.3	27.6	-
Pictet CH Quest - Swiss Sust Eqs P dy	208	0.5	-1.2	8.4	3.3	6.9	6.6	-11.5	20.4	2.9	27.0	-
Vontobel (CH) Sust Swiss Equity A	538	0.3	-1.4	8.8	3.6	4.8	4.5	-19.9	24.3	1.2	29.2	-
UBS (CH) Equity Fund CH Sustainable P	1'163	-0.1	-1.9	7.4	3.8	5.6	5.4	-14.1	19.4	-0.7	30.2	-
LO Funds (CH) Swiss Leaders PD	100	-0.1	-1.9	7.1	1.0	4.6	4.9	-19.2	23.3	2.6	28.6	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis CHF).

## Investment Specialist

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# JSS Sustainable Equity – Small & Mid Caps Switzerland

## Review

July started on a weaker note for equity markets as Chinese economic data was rather disappointing, but moved into positive territory in the course of the month. The main driver of this development was the surprisingly strong decline in inflation in the US for the month of June, which fuelled hopes of a less aggressive monetary policy by the US Federal Reserve and triggered price surges accordingly. In July, the JSS Sustainable Equity – Small & Mid Caps Switzerland slightly underperformed its reference index. While stock selection was positive, this was offset by the style impact, with the overweight in momentum contributing negatively. The best holdings were Logitech, Sulzer and SPS, while Georg Fischer, SIG Group and Barry Callebaut were the largest detractors. Logitech, which is currently looking for a new CEO, reported good quarterly results indicating end-market improvements as well as strong cost management. Georg Fischer, which is currently trying to take over Uponor, reported results slightly below expectations, which were mostly hit by weak Uponor numbers.

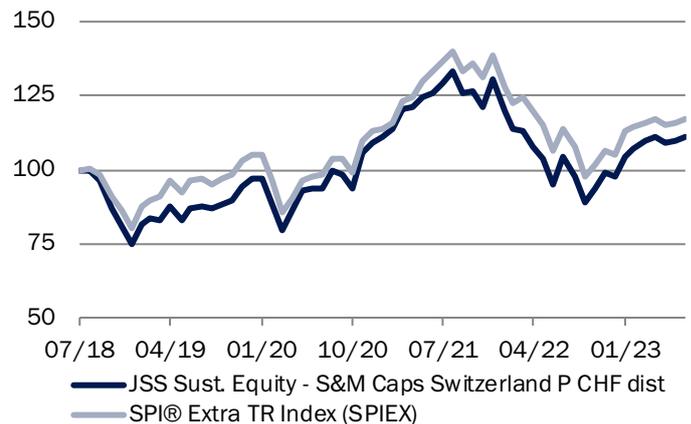
Fund size in millions	40.57 CHF
Fund launch date	01 December 2017
Benchmark	SPI® Extra TR Index (SPIEX)
Accounting currency	CHF
Domicile	Switzerland
Legal structure	FCP
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Christoph Lang, Michael Romer
Fund management company	J. Safra Sarasin Investmentfonds Ltd, Basel
Custodian bank	Bank J. Safra Sarasin Ltd, Basel
Management fee	1.50%
Ongoing charges (P CHF dist)	1.76%
Subscription /Redemption	daily
LTV	50%
Sales registration	CH
Active P Share classes / ISIN <sup>1</sup>	P CHF dist / CH0368915770
SRRI Risk Level	4/7

## Outlook

The robust economic developments and a simultaneous sharper-than-expected decline in inflation rates have at least increased the probability of a soft landing for the US economy. Nevertheless, a closer look at the overall macroeconomic situation reveals pronounced sectoral and regional divergences beneath the surface of a comparatively resilient global growth path. In July, we did not make any changes to the portfolio as we think that it is well positioned for the current environment with strong underlying investment cases. As a result, the portfolio remains highly concentrated with 26 conviction holdings and a high active share. The strategy remains focused on identifying attractively valued stocks with an indication of tangible change ahead as well as above-average sustainable benefits embedded in the investment case. Overall, the portfolio structure remains attractive with a better cash flow profile, better earnings revisions and a lower carbon footprint with a comparable valuation.

## Net Performance Since Inception

31.07.2018 – 31.07.2023 in CHF



## Key ratios<sup>2</sup>

	Fund	BM
Volatility	18.11%	16.10%
Correlation	0.98	n.a.
Sharpe ratio	0.34	0.40
Inform. ratio	-0.06	n.a.
Alpha	-0.9%	n.a.
Tracking error	3.96%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Small &amp; Mid Caps Switzerland P CHF dist</b>	<b>47</b>	<b>0.9</b>	<b>-0.1</b>	<b>13.7</b>	<b>6.2</b>	<b>5.8</b>	<b>2.1</b>	<b>-25.1</b>	<b>19.5</b>	<b>12.4</b>	<b>29.4</b>	<b>19.9</b>
Benchmark	-	1.4	0.3	11.6	2.9	6.1	3.2	-24.0	22.2	8.1	30.4	23.6
BGF Swiss Small & MidCap Opps A2 CHF	707	-0.9	-1.6	7.9	1.1	3.5	3.7	-30.6	32.8	13.2	32.1	-
Vontobel Swiss Mid and Sm Cp Eq A CHF	310	1.0	-1.7	10.2	1.9	5.3	1.9	-27.0	25.8	7.8	29.4	-
SWC (CH) EF Resp SMC Switzerl (I) AA CHF	789	0.1	-1.6	7.8	-1.5	4.3	2.1	-24.7	20.8	9.0	28.5	-
Pictet CH Swiss Mid Small Cap R dy CHF	1'655	2.6	2.5	16.7	8.9	5.8	3.2	-28.0	21.9	10.8	32.1	-
LO Funds (CH) Swiss Small & Mid Caps PD	500	0.4	-1.1	9.3	0.4	4.6	2.5	-27.8	24.2	9.0	32.9	-
GAM Swiss Sustainable Comp A	541	-0.3	-0.2	14.3	8.9	8.8	6.3	-30.5	37.8	17.3	39.7	-
UBS (CH) Equity Fund Md Cp Switz CHF P	1'122	1.2	-0.8	10.1	2.8	3.3	1.7	-25.2	16.7	6.4	30.8	-
CS (CH) S&M Cap Switzerland EF B	165	1.0	0.9	10.6	3.3	3.1	-0.5	-24.4	16.3	4.2	18.5	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis CHF).

## Investment Specialist

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# JSS Sustainable Equity – Global Dividend<sup>1</sup>



The fund provides access to a concentrated portfolio of global companies offering attractive dividend yields. It combines J. Safra Sarasin's leading sustainability know-how and expertise in selecting companies with stable dividend payments. The attractive risk/return profile, limited drawdowns, stable income, inflation mitigation and performance contribution from dividends are key benefits of the strategy.

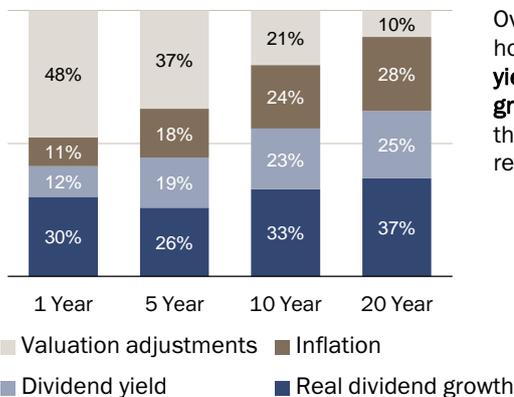
## Why Dividend Stocks

- **Stable distributions:** Dividend stocks should continue to offer stable dividend distributions and are therefore appropriate for long-term investors looking for income.
- **Hedge against political and economic risk:** In the current environment, strategies with a focus on quality firms with an attractive dividend yield and good dividend visibility should continue to offer competitive performance.
- **Attractive risk/return profile:** Dividend stocks are expected to benefit from downside protection with smaller drawdowns and faster recovery potential due to the focus on quality companies.

## Benefits of the Fund

- **Solid track record:** The fund is managed by the Equity Income team that delivered top quartile performance continuously over the past 5 years.
- **Experienced management team:** Since inception, same dedicated team of investment professionals supported by research and sustainability analysts with sector expertise.
- **High conviction:** 40 to 70 quality stocks with a tilt to large/mid-caps.
- **Sustainability lens:** The Sarasin Sustainability Matrix<sup>®</sup> improves the ESG profile of the portfolio and our sustainability analysis provides deeper levels of insight.

## Dividends: Key Long-term Driver<sup>2</sup>

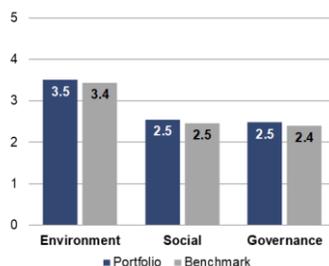
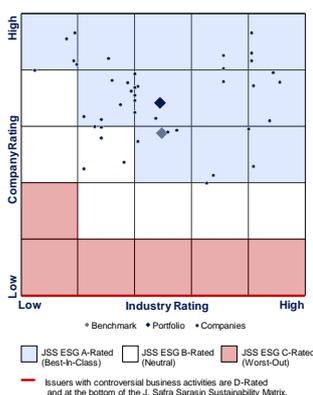


Over a longer term horizon, **dividend yield** and **dividend growth** have been the dominant return drivers.

## Generating Alpha, Sustainably



## Sustainability Profile<sup>4</sup>



## Top 10 Holdings<sup>3</sup>

Darden Restaurants	4.08%
Paccar	3.90%
Home Depot	3.89%
CME Group Inc -A-	3.82%
Caterpillar	3.75%
Mc Donald's	3.71%
Texas Instruments	3.68%
Procter & Gamble	3.62%
IBM	3.59%
Royal Bank of Canada	3.56%
<b>Total</b>	<b>37.59%</b>

Past performance is not a reliable indicator of current or future performance. 1) Morningstar rating valid for share class JSS Sustainable Equity – Global Dividend P USD Acc 2) Source: MSCI Research, decomposition of MSCI ACWI Index total return, analysis over period Dec 1994 to Feb 2019. Study by MSCI on behalf of the Ministry of Finance, Norway (October 2019). 2) Source: Bank J. Safra Sarasin Ltd, allocations and holdings are subject to change without notice, as of 31.07.2023. 3) Source: Bank J. Safra Sarasin as of 31.01.2023.

## Review

The JSS Global Dividend fund delivered a positive performance in July, with key contributions from CME, Caterpillar, Home Depot, IBM and PNC Financials. Exposure to Home Depot and Caterpillar was increased in H1 this year. Most of our holdings continue to benefit from strong results and increasing dividend distribution. IBM delivered revenues slightly below expectations, but earnings were 9% ahead of expectations. Bottom-line results benefited from productivity improvements and the product mix. PNC Financials reported quarterly revenues below expectations, although adjusted earnings were ahead of expectations. The results were reassuring overall and confirmed the quality of the business model in this challenging time for regional banks in the US. At the beginning of July, we reduced the position in Novo Nordisk and increased our exposure to DHL Group (previously Deutsche Post). We realised gains on Novo Nordisk after its recent strong performance and reduced the concentration risk.

Fund size in millions	343.22 USD
Fund launch date	17 February 2015
Benchmark	MSCI World NR Index
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Jean-Philippe Hechel
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P USD acc)	1.79%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,BE,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE, SG
Active P Share classes / ISIN <sup>1</sup>	P USD acc / LU1096892549 P EUR acc / LU0533812276 P EUR dist / LU0375216479 P USD dist / LU1732170565
SFDR Classification	Article 8
SRRI Risk Level	4/7

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Global Dividend P USD acc</b>	<b>343</b>	<b>2.5</b>	<b>3.9</b>	<b>7.9</b>	<b>11.0</b>	<b>10.7</b>	<b>6.7</b>	<b>-6.9</b>	<b>18.6</b>	<b>6.6</b>	<b>19.0</b>	<b>66.4</b>
SPDR® S&P Global Div Aristocrats ETF	1'099	5.2	2.5	2.1	-2.2	10.2	1.7	-7.0	15.3	-9.2	20.2	-
Xtrackers Stoxx Global Div100 Swp ETF 1D	703	6.2	2.3	3.5	6.5	11.0	3.5	-7.2	14.2	-0.4	20.9	-
Schroder ISF GIB Div Mxmsr A1 Acc USD	1'121	3.6	4.0	14.1	15.6	14.1	2.4	-7.5	16.3	-8.8	13.7	-
Fidelity Global Dividend A-Qlnc(G)-USD	12'828	1.5	1.1	10.1	11.3	5.9	6.1	-12.1	11.1	7.9	23.6	-
Lyxor.SG Global Qual Inc NTR ETF C GBP	308	2.6	-0.6	6.7	4.7	6.9	3.3	-3.8	11.3	-3.3	17.5	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

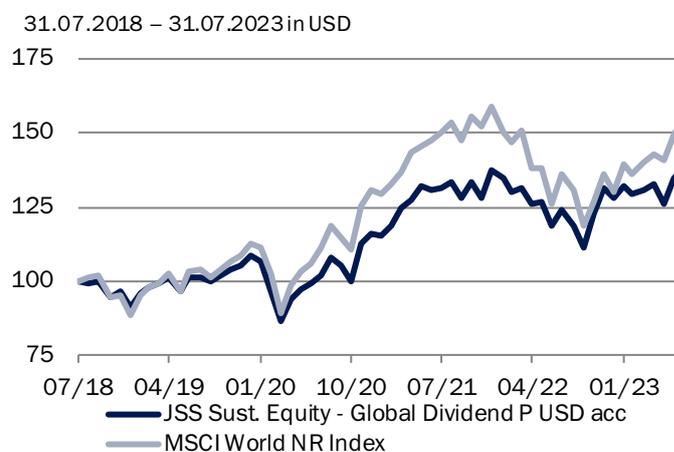
1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

## Outlook

The robust economic development and a simultaneous sharper-than-expected decline in inflation rates have increased the odds of a soft landing for the US economy. However, the real surprise of the reported US inflation figure was not the falling goods prices, but the fact that core inflation in the services sector (excluding residential real estate) remained unchanged on a month-on-month basis, despite continued strong wage growth. After the euro area economy slipped into a mild recession over the winter months due to the crisis stemming from higher energy prices, the outlook for the second half of the year remains gloomy. This is at least what the leading indicators are signalling. Conversely, the US economy has remained robust. Consumer confidence is at its highest level for two years despite the sharp increase in US policy rates by more than five percentage points since March 2022. Our strategy remains well positioned in this environment of uncertainty thanks to its focus on high-quality companies with strong balance sheets, good operating cash flows and dividend visibility.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	16.12%	17.78%
Correlation	0.91	n.a.
Sharpe ratio	0.58	0.58
Inform. ratio	-0.13	n.a.
Alpha	1.06%	n.a.
Tracking error	7.18%	n.a.

## Investment Specialist

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# JSS Sustainable Equity – Global Multifactor<sup>1</sup>



The fund holds a global equity portfolio that provides exposure to factors that tend to outperform over the economic cycle: Value, Momentum, Quality and Low Volatility. Given that no factor outperforms at all times, our approach dynamically allocates to factors based on our quantitative model. The exposure to the four factors is pre-defined for each of the four economic cycle stages: Early, Mid, Late and Recession. Moreover, the fund invests in equities from the J. Safra Sarasin Sustainable Investment Universe.

## The Case for Multifactor Investing

- There is strong evidence that some equity factors tend to outperform the market over the economic cycle.
- No factor outperforms the investment universe in all stages of the economic cycle, therefore it is essential to know the current stage and to allocate the factors accordingly.
- Provides diversification in a multi asset and / or equity portfolio.

## Key Benefits

- Exposure to factors that have historically tended to outperform the market in the long run.
- Systematic approach determines the current position in the economic cycle (“Global Adaptive Allocation”).
- Dynamic allocation aims to generate additional alpha by adapting factor exposure to the phase of the economic cycle.
- Bank J. Safra Sarasin stock selection thorough proprietary ESG (Environmental, Social and Governance) screening.

## JSS Factor Investing Approach

- **Selection**
  - Maximize factor extraction and capture the essence of each factor
  - Simple, intuitive and transparent factors
  - Diversifying factor selection with limited overlap
- **Business Cycle Rotation**
  - Dynamic factor allocation based on prevailing environment to capture the cyclical component in factor returns
  - We aim to improve the risk profile with defensive allocation during weak market environments
- **Sustainability**
  - Aim for best-in-class environmental, social and governance standards

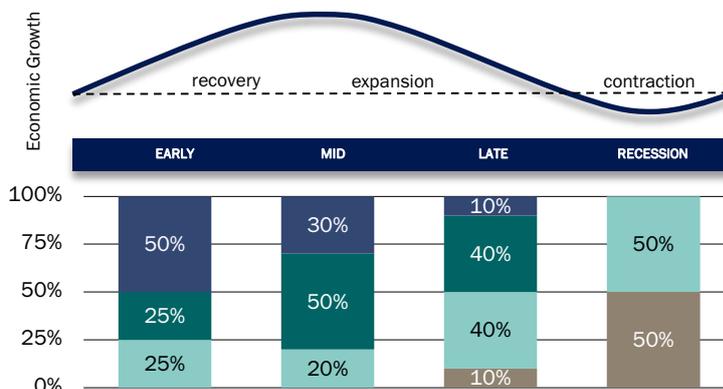
## Factor Exposure

	<b>Value:</b>	Undervalued companies
	<b>Momentum:</b>	Stocks with strong past performance
	<b>Quality:</b>	Profitable business models and stable earnings
	<b>Low Volatility:</b>	Less volatile compared to the market

## Target Factor Allocations through the Economic Cycle

### Our Factors

- Value**
- Momentum**
- Quality**
- Low Volatility**



Source: J. Safra Sarasin Ltd, performance of the backtested performance until launch of the fund (31.10.2018). Yearly capture ratio is based on 1-year rolling performances. Simulated performance figures/weights/model output of the Global Dynamic Multifactor strategy. For illustration only: Backtested Performance is presented for illustrative purposes only and should not be interpreted as an indication e.g. of future performance. Backtested Performance results have many inherent limitations. No representation is being made that any financial product will or is likely to achieve profits or losses similar to those shown herein. There are frequently sharp differences between backtested Performance results and the actual results subsequently realized by any particular financial product. One of the limitations of backtested performance results is that they are generally prepared with the benefit of hindsight. 1) Morningstar rating valid for share class JSS Sustainable Equity – Global Multifactor P USD Acc.

## Review

Over the course of July, global equity markets continued to march higher, as economic data continued to show relative resilience in the US, most notably in the areas of housing activity and the labour market. Newsflow pertaining to China turned incrementally positive over the month, whilst industrial and manufacturing indicators in all major regions continued to indicate a slowdown. The main market moving event was undoubtedly the US Treasury announcing its issuance programme, which caused substantial yield curve steepening. Amid this tepid macro backdrop, value stocks delivered strong performance, whilst quality and momentum stocks lagged behind. Financials and consumer staples were the main contributors to value's strong showing, whilst the underweight in mega cap consumer and technology stocks was the main contributor to other sub-portfolios. Overall, the strategy performed in line with the MSCI World over the month, with the positive factor selection and allocation largely offset by the underperformance of small caps.

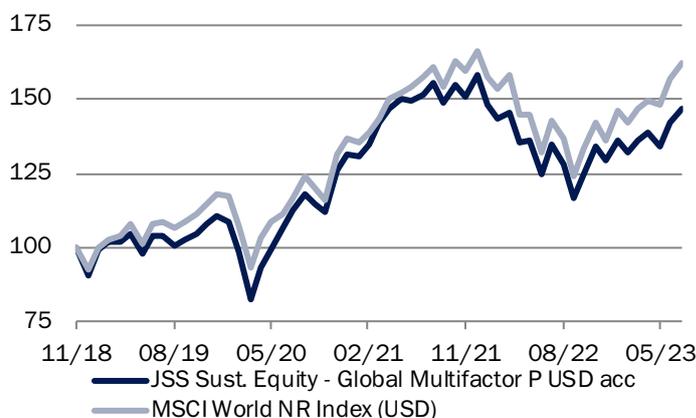
Fund size in millions	277.16 USD
Fund launch date	27 November 2018
Benchmark	none
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Equities, Bank J. Safra Sarasin Ltd
Portfolio manager	Mathilde Franscini
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.00%
Ongoing charges (P USD acc)	1.33%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,ES,FR,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P USD acc / LU1859215490 P USD dist / LU1859215573 P CHF acc / LU2041628913 P EUR acc / LU2041629135
SFDR Classification	Article 8
SRRI Risk Level	4/7

## Outlook

Due to a purely systematic investment process, assessments of developments in individual stocks or market trends do not influence the current and future composition of the portfolio. The investment policy is defined by three investment pillars: the Bank J. Safra Sarasin Sustainable Investment Universe, a rule based methodology for building factor sub-portfolios through targeted stock screening and a dynamic business cycle driven factor allocation mechanism. The long-term return potential of the JSS Sustainable Equity – Global Multifactor is therefore determined by the performance contribution of these three pillars. As of the end of May 2023, our in-house cycle model switched back from indicating recession to indicating mid as the prevailing market regime. This switch necessitated a change in the factor allocation to 30% value, 50% momentum and 20% quality, increasing the cyclicity and reducing the highly defensive tilt which was implemented during the recession stage. This positioning was implemented in June.

## Net Performance Since Inception

30.11.2018 – 31.07.2023 in USD



Key ratios <sup>2</sup>	Fund	BM
Volatility	17.24%	17.78%
Correlation	0.98	n.a.
Sharpe ratio	0.45	0.58
Inform. ratio	-0.72	n.a.
Alpha	-1.94%	n.a.
Tracking error	3.50%	n.a.

## Peer Group Comparison (AUM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Equity - Global Multifactor P USD acc</b>	<b>277</b>	<b>3.2</b>	<b>5.9</b>	<b>13.2</b>	<b>9.2</b>	<b>9.2</b>	<b>n.a.</b>	<b>-18.2</b>	<b>20.7</b>	<b>18.6</b>	<b>22.3</b>	<b>48.8</b>
Finreon World Equity Multi Premia® A	16	2.2	4.2	9.7	7.3	8.9	4.7	-14.0	18.5	6.5	22.2	-
SSGA State Street MultiFac Glb ESG Eq I	238	2.9	6.1	13.1	9.0	8.5	4.9	-19.3	23.5	8.4	16.1	-
Robeco QI Gbl Dev Multi-Factor Eqs D \$	311	2.5	5.9	11.2	10.4	11.9	5.1	-13.1	24.5	4.0	20.5	-
iShares Edge MSCI Wld Mlftct ETF \$ Acc	617	3.4	6.0	12.2	9.2	9.8	5.8	-15.3	20.2	10.7	21.6	-
Invesco Quant Strats ESGGlbEqMFETFUSDAcc	264	2.8	10.0	17.5	17.5	13.0	n.a.	-14.0	24.7	10.2	n.a.	-
Amundi IS EqGlb MltSmrtAllScBt ETF-C USD	44	3.4	4.7	9.9	7.7	8.6	5.1	-14.7	19.1	6.3	24.3	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on a reporting period of at least 36 months.

## Investment Specialist

Olivier Maris

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The fund invests in shares of small and medium-sized companies domiciled in Switzerland. This segment is considered to be the backbone of the Swiss economy and is well-known for its innovation. The investment strategy is based on the "value" approach. The fund's investments are focused on well-managed, cheaply valued companies with healthy balance sheets, free cash flows and leading market positions.

## Key Characteristics

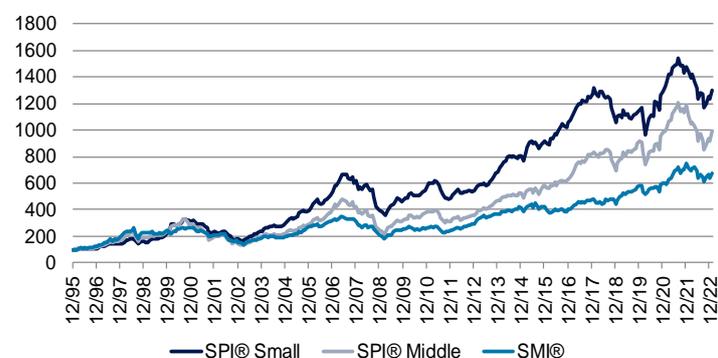
- **Distinct emphasis on industrials, technology and smaller caps** – a segment that is often overlooked by analysts and which seems best placed to profit from mega trends.
- **Well-managed, innovative and globally positioned companies** that are leaders in their niches.
- Companies with **solid balance sheets** and **established business models**. Investments are made from a long-term and anti-cyclical point of view.
- Invests **independently from the index**
- **Avoids non-transparent business models** (banks, biotech, insurances).

## Investment Rationale

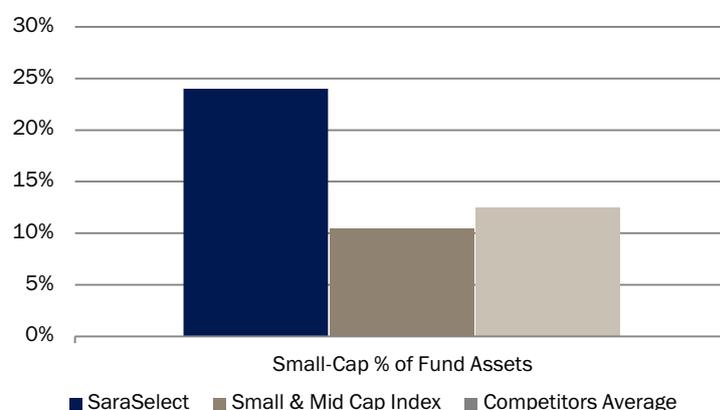
- The fund has a long and successful track record of more than 25 years and has been consistently placed in the top Morningstar **peer group rankings**.
- Distinctive investment approach – **very active, bottom-up approach** where the stocks are selected with a weighting that reflects fund managers' conviction.
- Swiss small and mid-caps are often backed by **anchor shareholders** who act very responsibly, which can help these companies to build better corporate cultures, superior strategies and deliver significantly better operating results
- The **fund accompanies "its companies" for the long run**, trusts the management and thinks as the co-owner.

## Small Caps: The Outperforming Segment in Switzerland<sup>2</sup>

31.12.1995 – 31.01.2023 in CHF



## Fund's Small Cap Positioning Against Benchmark and Competitors<sup>3</sup>



## Swiss World Champions as Global Leaders in Their Niches

**Nespresso** renews contract with **Dätwyler**



**Belimo's** technology used in the world's highest building

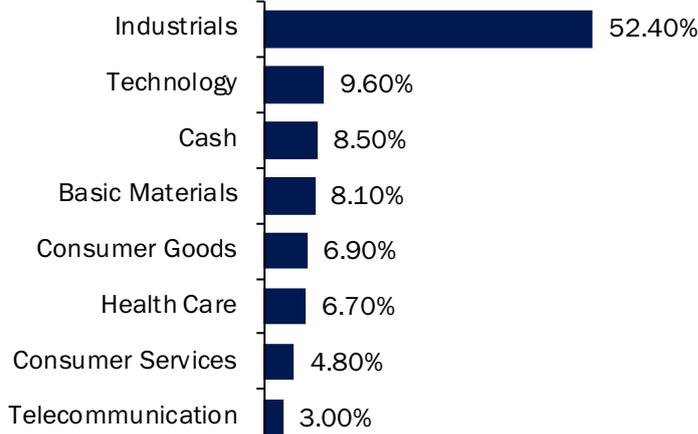


**Tesla** signs 3-year contract with **Bossard** for USD 140m



**Sika** was involved in building 11 stadiums for the World Cup 2014 in Brazil

## Allocation by Sector<sup>4</sup>



1) Morningstar rating valid for share class SaraSelect P CHF dist

2) Source: Datastream. Past performance is not a reliable indicator of current or future performance. For illustrative purposes only.

3) VV Vermögensverwaltung AG, Bloomberg, as of 31.03.2021. Allocations and holdings are subject to change without notice.

4) Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023. Allocations and holdings are subject to change without notice.

## Review

The latest economic data have increased the chances that the economy in the US and in Europe will only experience a mild recession or none at all. This noticeably boosted the stock markets in July. The overall market (SPI) achieved a gain of 0.44% during the reporting period. Small caps gained 0.72%, while mid caps advanced by as much as 2.32%. Large caps delivered a performance of 0.04%. The SaraSelect fund's overweight in global market leaders led to a performance of 0.54%. It thus underperformed the benchmark, which gained 2.13%. The relative monthly performance of the SaraSelect portfolio was significantly influenced by the following positions. The largest positive contributions stemmed from Sika (31bps), the underweight in Lindt & Sprüngli (20bps), Also (18bps), Belimo (18bps) and Georg Fischer (18bps). Performance was negatively impacted by the exclusion of Julius Baer (-40bps), Adecco (-37bps) as well as Daetwyler (-33bps) and Lem (-21bps).

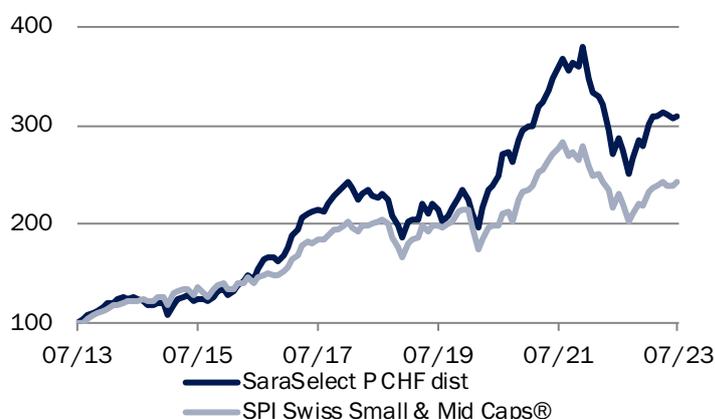
Fund size in millions	1408.39 CHF
Fund launch date	01 February 1996
Benchmark	SPI Swiss Small & Mid Caps®
Accounting currency	CHF
Domicile	Switzerland
Legal structure	FCP
Portfolio management	VV Vermögensverwaltung Ltd, Zug
Portfolio manager	Marc Possa
Fund management company	J. Safra Sarasin Investmentfonds Ltd, Basel
Custodian bank	Bank J. Safra Sarasin Ltd, Basel
Management fee	1.50%
Ongoing charges (P CHF dist)	1.70%
Subscription /Redemption	daily
LTV	45%
Sales registration	CH,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF dist / CH0001234068
SRRI Risk Level	4/7

## Outlook

July turned out to be a positive month, confirming the recovery trend seen so far in 2023. The year has been influenced by persistent fears of inflation. China's re-opening has helped to bolster healthy growth expectations to some degree, but so far has led to some disappointments. This trend could continue until there is more certainty about the persistent inflation, which is a function of increases in the labour force participation rate and reduced labour costs. So far, the US economy has held up very well. Despite the risk of an upcoming recession and all the existing uncertainties, the mid to longer-term outlook for the world economy remains healthy. The central banks globally have to combat the upcoming inflation, but will only do what is really necessary. On a global basis, rates will therefore have to stay at reasonable levels with some upward pressure. This environment should eventually become favourable for equity investments again.

## Net Performance

31.07.2013 – 31.07.2023 in CHF



Key ratios <sup>2</sup>	Fund	BM
Volatility	16.73%	15.54%
Correlation	0.95	n.a.
Sharpe ratio	0.47	0.46
Inform. ratio	0.14	n.a.
Alpha	0.55%	n.a.
Tracking error	5.08%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>SaraSelect P CHF dist</b>	<b>1'625</b>	<b>0.5</b>	<b>-1.7</b>	<b>11.0</b>	<b>7.5</b>	<b>7.5</b>	<b>6.4</b>	<b>-26.7</b>	<b>28.2</b>	<b>25.8</b>	<b>25.6</b>	<b>1214.5</b>
Benchmark	-	2.1	0.1	11.4	5.4	6.8	3.6	-22.0	20.3	8.0	30.0	938.3
BGF Swiss Small & MidCap Opps A2 CHF	707	-0.9	-1.6	7.9	1.1	3.5	3.7	-30.6	32.8	13.2	32.1	-
GAM Multistock Swiss Sm & Md Cp Eq CHF A	341	-0.4	-0.4	13.7	8.1	8.0	5.8	-31.1	37.1	16.2	38.4	-
Pictet CH Swiss Mid Small Cap P dy CHF	1'655	2.6	2.7	17.1	9.4	6.4	3.7	-27.7	22.6	11.3	32.7	-
Vontobel Swiss Mid and Sm Cp Eq A CHF	310	1.0	-1.7	10.2	1.9	5.3	1.9	-27.0	25.8	7.8	29.4	-
Vontobel (CH) Ethos Eq Swiss M&S A	1'162	0.7	-0.5	10.1	1.9	6.1	3.6	-22.0	21.5	6.8	34.2	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis CHF).

## Investment Specialist

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# Fixed Income

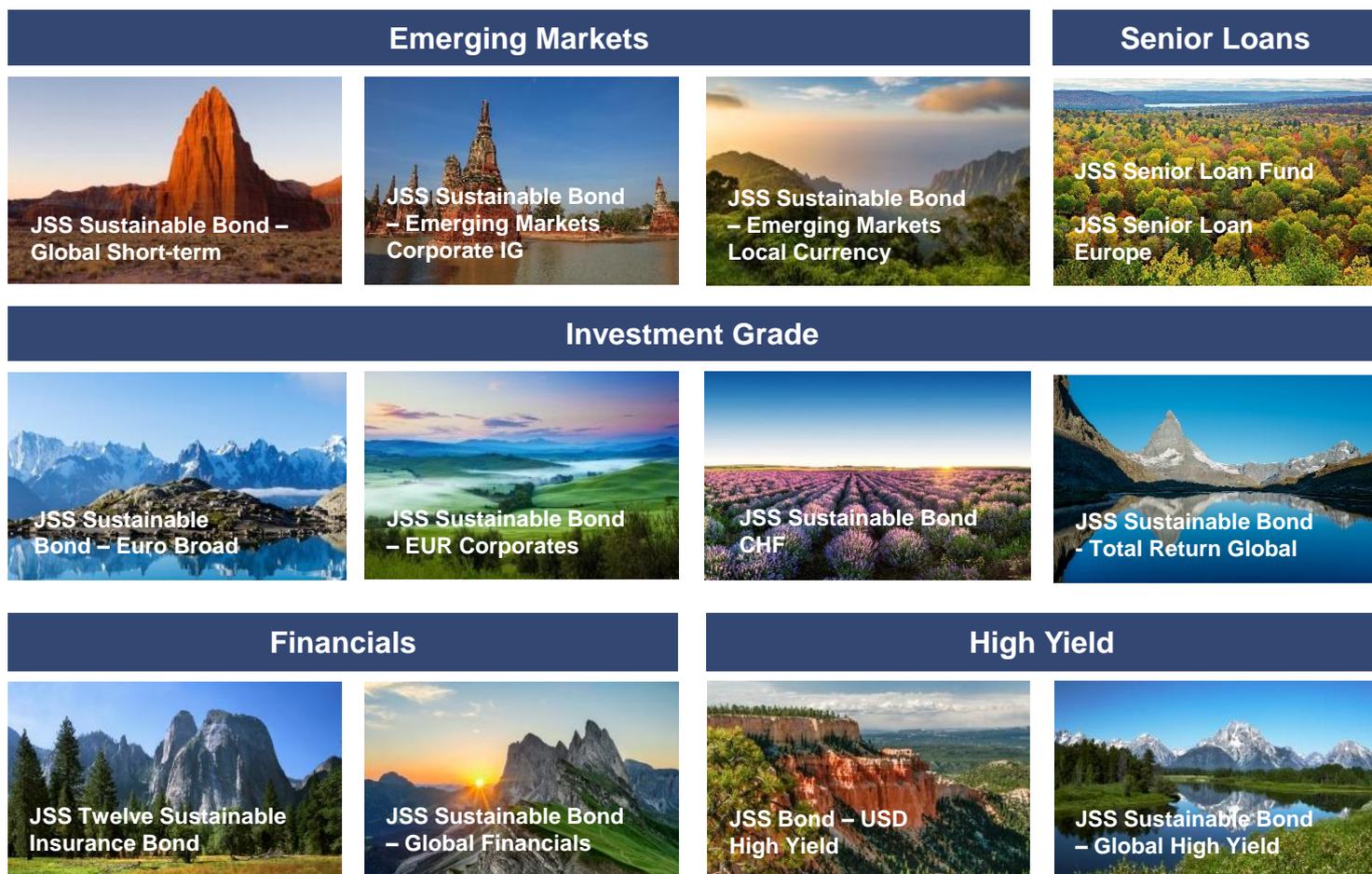
## Fixed Income

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JSS Sustainable Bond – Emerging Markets Corporate IG	p. 63
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# Key Bond Strategies Overview

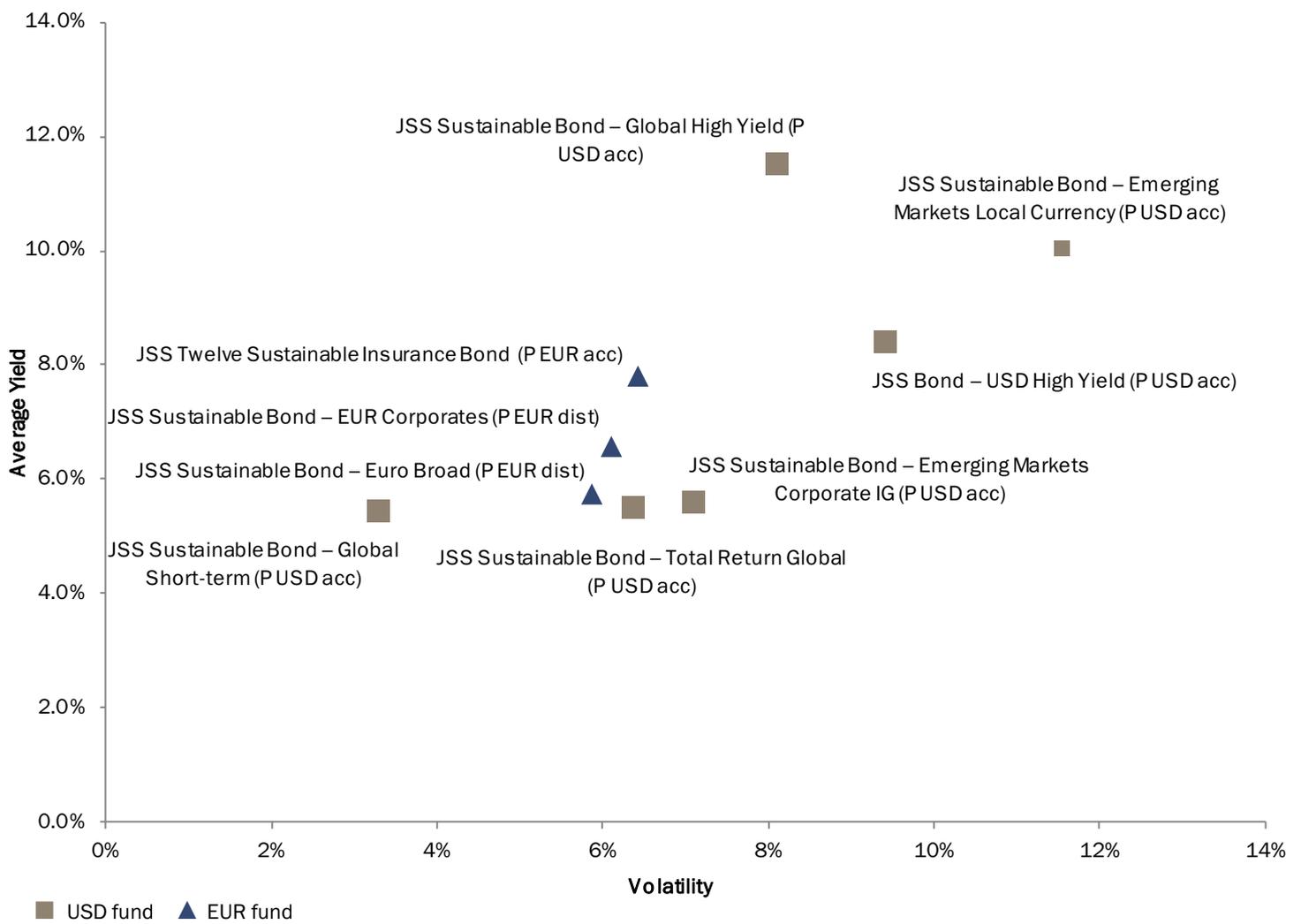


## Broad Collection of Value-adding Bond Strategies Across the Risk & Return Spectrum

	Yield <sup>1</sup>	Volatility <sup>2</sup>	Sharpe Ratio <sup>3</sup>	Avg Rating	Performance YtD (%) Fund / Alpha	Duration (years)	TER (%)
JSS Sustainable Bond – Total Return Global (P USD acc)	5.60%	6.19%	-0.79	A+	2.7 / n.a.	5.9	1.28
JSS Sustainable Bond – EUR Corporates (P EUR dist)	6.56%	5.91%	-0.68	BBB+	2.2 / -0.9	5.2	1.05
JSS Sustainable Bond – Euro Broad (P EUR dist)	5.43%	5.63%	-1.09	A+	1.4 / -0.7	6.3	1.00
JSS Sustainable Bond – Global Short-term (P USD acc)	5.94%	3.06%	-0.74	BBB	2.8 / 0.0	1.7	1.09
JSS Sustainable Bond – Emerging Markets Corporate IG (P USD acc)	5.95%	6.28%	-0.85	BBB+	2.8 / -0.9	5.2	1.62
JSS Sustainable Bond – Global High Yield (P USD acc)	9.67%	7.73%	-0.21	BB-	2.9 / -3.5	3.6	1.76
JSS Twelve Sustainable Insurance Bond (P EUR acc)	7.77%	6.32%	-0.37	BBB-	1.7 / n.a.	3.3	1.32
JSS Sustainable Bond – Emerging Markets Local Currency (P USD acc)	9.23%	11.48%	-0.33	BBB+	11.0 / 0.1	6.2	1.87
JSS Bond – USD High Yield (P USD acc)	8.30%	8.84%	0.08	B	6.5 / -0.3	3.9	1.72
JSS Sustainable Bond – Global Financials (P USD acc)	11.40%	11.09%	0.11	BB	5.8 / n.a.	2.3	1.49

Source: Bank J. Safra Sarasin, Bloomberg, Datastream, as of 2023-07-31

1) EUR-denominated strategies that includes hedging costs (EUR of 1.76% p.a.) in the Average Yield. 2) Volatility of monthly returns and Sharpe Ratio over the past 3 years. Funds with less than 3 years track record will show “n.a.”



Source: Bank J. Safra Sarasin Ltd, Bloomberg, Datastream, as of 2023-07-31

The correlation between a selection of our fixed income strategies and indices used as proxy to asset classes typically represented in investment portfolios

	Sustainable Corp Bonds EUR	Total Return	EM Corp Bonds	Insurance Bond Opps	USD HY Bonds	EM HY Bonds	Sust Global HY Bonds	Asia Bonds	MSCI World	MSCI EM	S&P 500	Barclays Global Aggregate	Barclays US Corp Aggregate
Sust Corp Bonds EUR	1	0.873	0.790	0.898	0.842	0.601	0.823	0.353	0.793	0.682	0.783	0.822	0.855
Total Return	0.873	1	0.855	0.826	0.766	0.643	0.849	0.584	0.722	0.762	0.684	0.923	0.951
EM Corp Bonds	0.790	0.855	1	0.835	0.702	0.801	0.877	0.591	0.680	0.778	0.655	0.753	0.855
Insurance Bond Opps	0.898	0.826	0.835	1	0.848	0.582	0.852	0.358	0.855	0.738	0.841	0.770	0.821
USD HY Bonds	0.842	0.766	0.702	0.848	1	0.815	0.928	0.187	0.884	0.664	0.868	0.740	0.758
EM HY Bonds	0.601	0.643	0.801	0.582	0.815	1	0.897	0.804	0.687	0.554	0.634	0.486	0.598
Sust Global HY Bonds	0.823	0.849	0.877	0.852	0.928	0.897	1	0.778	0.813	0.787	0.767	0.747	0.801
Asia Bonds	0.353	0.584	0.591	0.358	0.187	0.804	0.778	1	0.203	0.648	0.131	0.506	0.495
MSCI World	0.793	0.722	0.680	0.855	0.884	0.687	0.813	0.203	1	0.706	0.988	0.725	0.759
MSCI EM	0.682	0.762	0.778	0.738	0.664	0.554	0.787	0.648	0.706	1	0.647	0.778	0.77
S&P 500	0.783	0.684	0.655	0.841	0.868	0.634	0.767	0.131	0.988	0.647	1	0.683	0.733
Barclays Global Aggregate	0.822	0.923	0.753	0.770	0.740	0.486	0.747	0.506	0.725	0.778	0.683	1	0.937
Barclays US Corp Aggregate	0.855	0.951	0.855	0.821	0.758	0.598	0.801	0.495	0.759	0.770	0.733	0.937	1

Correlation matrix: Bank J. Safra Sarasin Ltd, Bloomberg, Datastream, as of 28.03.2023

Internal Use Only

# JSS Sustainable Bond – Euro Broad

The fund invests in euro-denominated, predominantly investment-grade bonds, issued by sovereigns, quasi-sovereigns, and corporates, that are sustainable according to our ESG investing approach. Its objective is to deliver risk-adjusted returns in excess of the benchmark. This is achieved by identifying investment opportunities at attractive valuations, and actively managing the duration and yield curve positioning, as well as the credit profile of the portfolio. The investment process combines traditional financial analysis with our in-house ESG investment approach in order to identify attractive investment opportunities.

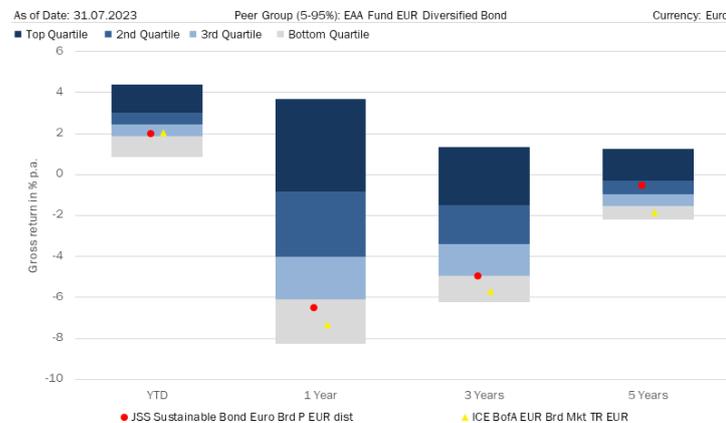
## The Case for the Euro Aggregate Bond Market

- Well-balanced mix of sovereign, quasi-sovereign, and corporate issuers.
- Diversified and liquid market of high quality issuers, with ample market breadth and depth.
- High quality bonds provide stability and diversification for risky assets in investment portfolios.
- Corporate bonds offer a positive yield pickup to sovereign bonds
- The Euro Aggregate market is well advanced in terms of Sustainable investing, with a higher share of Sustainable issuers in the market

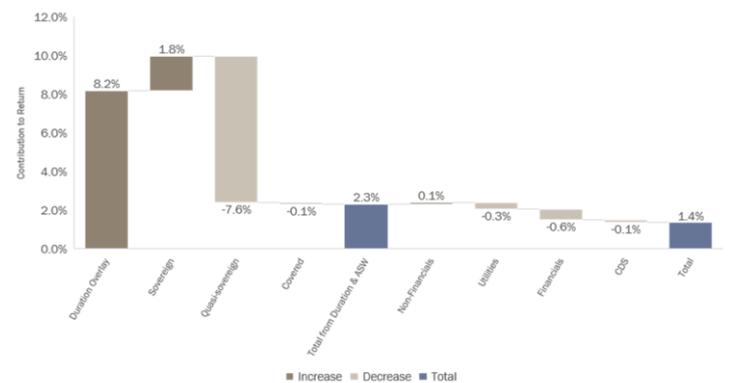
## Key Advantages of the Fund

- Incorporates ESG factors throughout the investment process, according to our Best-in-Class approach.
- Dynamic allocation between corporates and sovereigns, achieving the optimal balance between stability and return enhancement.
- Active duration management aims to capture capital gains / mitigate capital losses during phases of falling / rising interest rates.
- Opportunistic investments:
  - of up-to 10% at least BB-rated corporate names
  - in subordinate bonds, such as corporate hybrids
  - up to 10% in additional tier 1 bonds

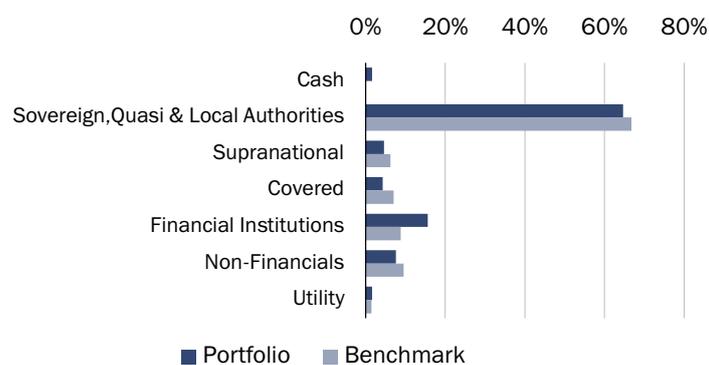
## Peer Group Comparison (gross performance)<sup>1</sup>



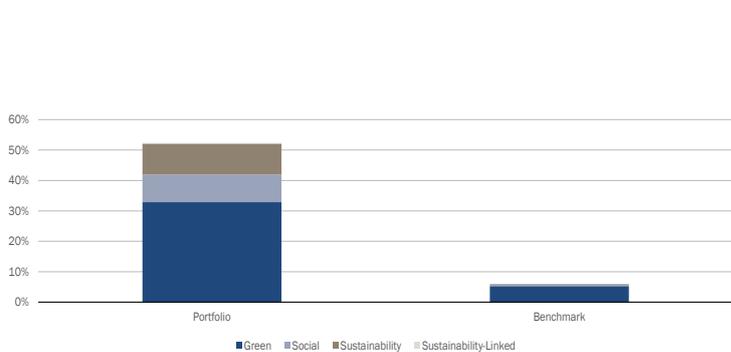
## Breakdown of the 2022 performance<sup>2</sup>



## Current Positioning in Terms of Issuer Type<sup>3</sup>



## Share of Sustainable-labelled Bonds



1) Source: Morningstar, as of as of 31.07.2023. Past performance is not a reliable indicator for current or future performance.

2) Source: Bloomberg, Bank J. Safra Sarasin Ltd. as of 31.12.2022.

3) Source: Bank J. Safra Sarasin Ltd, as of 28.02.2022. Allocations and holdings are subject to change without notice.

## Review

In July, the bond markets continued to shift the narrative from recession to a soft landing in the US after a better CPI reading and generally encouraging signs for the US economy. In addition, the decision by the Bank of Japan to move to more flexible yield curve control pushed sovereign bond yields higher. The credit market benefited from the lack of issuance during the summer months and the soft landing narrative. While a soft landing has become more likely in the US, the economic outlook for the euro area remains dire, particularly in Germany. The composite PMI for the euro area has fallen below 50, which indicates that a contraction of the euro area economy is likely. The diverging outlook for the economies on either side of the Atlantic is also becoming apparent in the yield differential between US Treasuries and German Bunds. The fund outperformed its benchmark due to active duration management and the strong performance of financials.

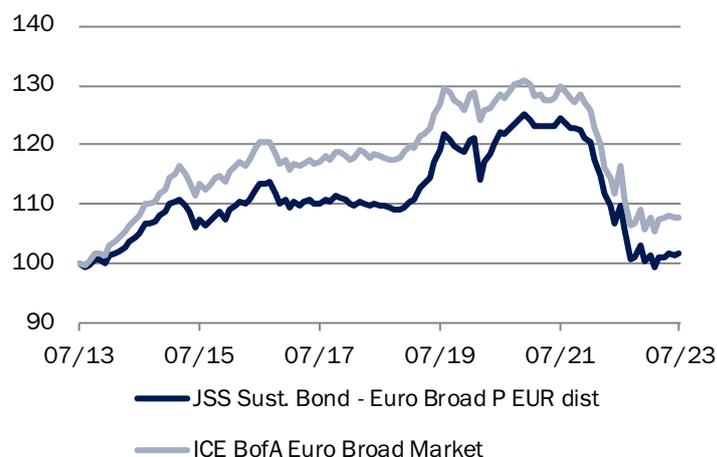
Fund size in millions	118.35 EUR
Fund launch date	06 January 2003
Benchmark	ICE BofA Euro Broad Market
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Bond, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	Florian Weber
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	0.70%
Ongoing charges (P EUR dist)	1.00%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,BE,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR dist / LU0158938935 P CHF dist hedged / LU2076224273 P EUR acc / LU2076223622
SFDR Classification	Article 9
SRRI Risk Level	2/7

## Outlook

While core inflation remains stubbornly high on both sides of the Atlantic, economic activity is diverging. Purchasing manager indices for the US continue to show strong economic activity in the US service sector. By contrast, the latest numbers for the euro area suggest that the service sector is “catching down” with the already recessionary manufacturing sector. While the market pricing of slightly below 4% for the European Central Bank’s terminal rate makes sense to us, we believe the intermediate segment of the euro area yield curve is trading too high against the economic backdrop in the euro area. We therefore favour a long duration stance if 10-year German Bund yields move above 2.5%. Within our corporate bond holdings, we are continuing to derisk the portfolio by switching from subordinated to senior financials. We believe senior financials offer the best risk/reward profile within the European corporate bond space.

## Net Performance

31.07.2013 – 31.07.2023 in EUR



Key ratios <sup>2</sup>	Fund	BM
Volatility	5.63%	6.35%
Correlation	0.95	n.a.
Sharpe ratio	-1.09	-0.93
Inform. ratio	-0.10	n.a.
Alpha	-1.10%	n.a.
Tracking error	2.03%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond – Euro Broad P EUR dist</b>	<b>130</b>	<b>0.2</b>	<b>0.8</b>	<b>1.4</b>	<b>-7.4</b>	<b>-5.9</b>	<b>-1.5</b>	<b>-17.3</b>	<b>-3.2</b>	<b>5.3</b>	<b>8.6</b>	<b>42.0</b>
Benchmark	–	0.2	0.2	2.1	-7.3	-5.7	-1.8	-16.9	-2.8	4.0	6.0	74.6
HSBC RIF SRI Euro Bond AC	264	0.1	0.1	2.3	-7.0	-6.2	-2.4	-18.1	-3.2	3.1	5.8	–
BSF Sustainable Euro Bond A2 EUR	733	0.4	0.3	2.4	-7.1	-6.3	-2.3	-17.6	-4.0	4.2	5.7	–
Candriam Sst Bd Euro R € Acc	1'054	0.1	0.0	2.3	-7.2	-5.8	-2.2	-17.2	-3.1	3.2	6.2	–
Mirova Euro Green And Sust Bd R/A (EUR)	760	0.5	0.5	2.9	-6.1	-6.3	-2.4	-20.0	-3.4	4.6	7.8	–
BNP Paribas Sust Euro Bd CI Cap	545	0.1	0.1	2.2	-7.6	-6.2	-2.9	-17.5	-3.4	2.2	4.3	–

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

## Investment Specialist

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# JSS Sustainable Bond – EUR Corporates

The fund invests in EUR-denominated investment grade (IG) corporates that are Sustainable according to our ESG investing approach. The objective of the strategy is to achieve attractive risk-adjusted returns in excess of the benchmark via recurring income and capital gains. This is achieved by actively managing the sector allocation, the credit selection and the yield curve positioning. The investment process combines traditional financial analysis with our ESG investment approach in order to identify attractive investment opportunities.

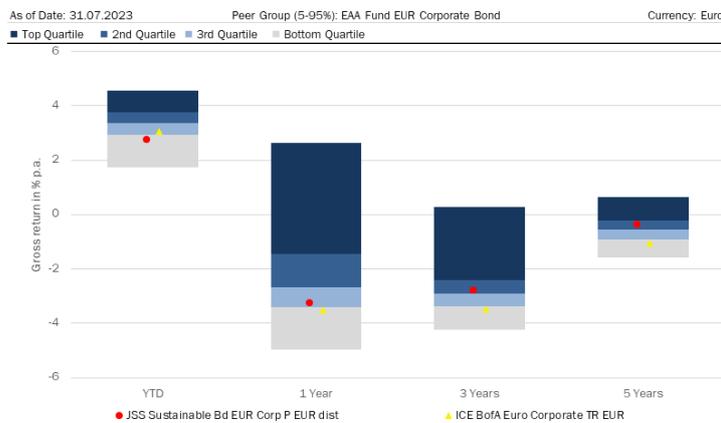
## The Case for the EUR Corporates Market

- IG corporate bonds are mainly issued by large and well-known issuers.
- Default risk is relatively low for IG corporate bonds.
- IG corporate bonds offer a positive yield pickup to sovereign bonds
- The Euro IG corporate bond market is a deep and liquid market.
- The broad diversification in terms of sectors and issuers provides interesting investment opportunities
- The Euro IG corporate bond market has a high share of issuance of innovative sustainability bonds, e.g. green bonds

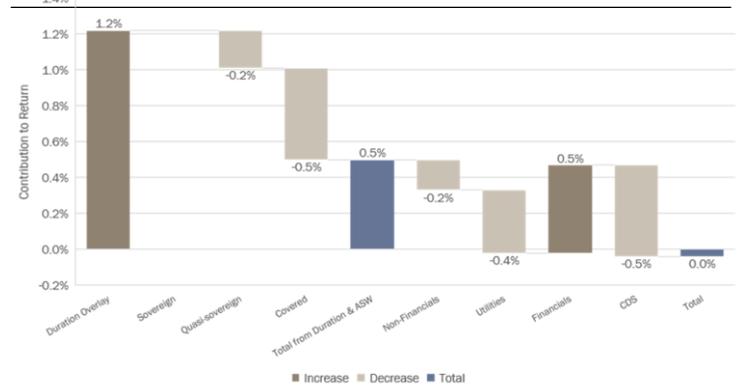
## Key Advantages of the Fund

- Incorporates ESG factors throughout the investment process, following our Best-in-Class approach.
- Opportunistic allocation to high yield credit (max. 15%, min. rating BB-) and subordinated bonds (max. 10%) to enhance returns.
- Sector allocation, issuer and instrument selection benefit from our ESG analysis.
- Active sector allocation enables the fund to benefit from long-run trends and short-term tactical opportunities
- Active duration management aims to capture capital gains / mitigate capital losses during phases of falling / rising interest rates or credit spreads

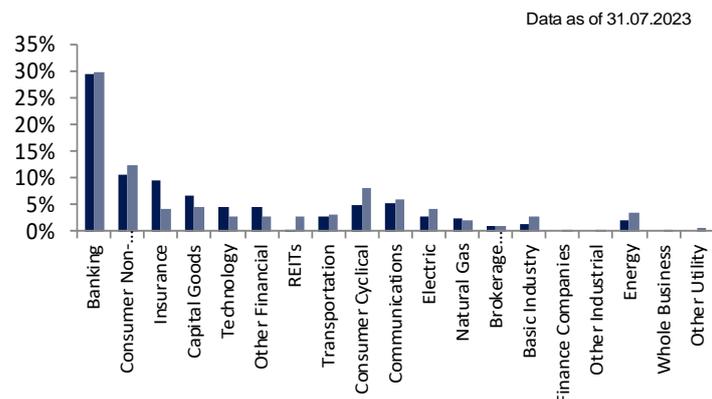
## Peer Group Performance Comparison<sup>1</sup>



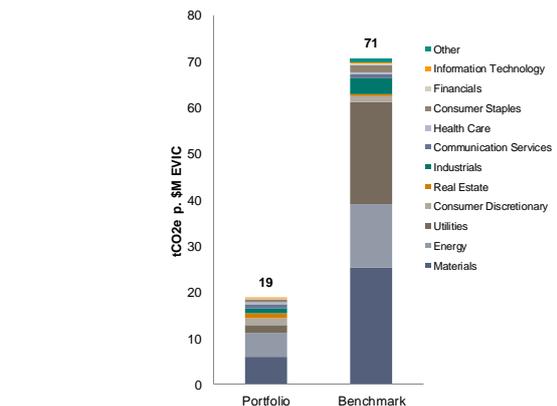
## Breakdown of the 2022 Performance<sup>2</sup>



## Sector Allocation



## Portfolio Carbon Footprint (GICS sectors)<sup>3</sup>



1) Source: Morningstar, as of 30.04.2023. Past performance is not a reliable indicator of current or future performance.

2) Source: Bloomberg, Bank J. Safra Sarasin Ltd, as of 31.12.2022. 3) Sources: Bank J. Safra Sarasin Ltd; Certain information ©2021 MSCI ESG Research LLC. Reproduced by permission. Allocations and underlying holdings may change without notice. Note: Global Industry Classification Standard (GICS) assigns companies to economic sectors and industries. Data as of 28.02.2023. Benchmark: 100% ICE BofA EUR Corp.

## Review

In July, the bond markets continued to shift the narrative from recession to a soft landing in the US after a better CPI reading and generally encouraging signs for the US economy. In addition, the decision by the Bank of Japan to move to more flexible yield curve control pushed sovereign bond yields higher. The credit market benefited from the lack of issuance during the summer months and the soft landing narrative. While a soft landing has become more likely in the US, the economic outlook for the euro area remains dire, particularly in Germany. The composite PMI for the euro area has fallen below 50, which indicates that a contraction of the euro area economy is likely. The diverging outlook for the economies on either side of the Atlantic is also becoming apparent in the yield differential between US Treasuries and German Bunds. The fund outperformed its benchmark due to active duration management and the strong performance of financials.

Fund size in millions	88.30 EUR
Fund launch date	02 September 1992
Benchmark	ICE BofA Euro Corporate Index
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Bond, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	Michail Gasparis
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	0.75%
Ongoing charges (P EUR dist)	1.05%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE
Active P Share classes / ISIN <sup>1</sup>	P EUR dist / LU0045164786
SFDR Classification	Article 8
SRRI Risk Level	2/7

## Outlook

While core inflation remains stubbornly high on both sides of the Atlantic, economic activity is diverging. Purchasing manager indices for the US continue to show strong economic activity in the US service sector. By contrast, the latest numbers for the euro area suggest that the service sector is “catching down” with the already recessionary manufacturing sector. While the market pricing of slightly below 4% for the ECB’s terminal rate makes sense to us, we believe the intermediate segment of the euro area yield curve is trading too high against the economic backdrop in the euro area. We therefore favour a long duration stance if 10-year German Bund yields move above 2.5%. Within our corporate bond holdings, we are continuing to derisk the portfolio by switching from subordinated to senior financials. We believe senior financials offer the best risk/reward profile within the European corporate bond space.

## Net Performance

31.07.2013 – 31.07.2023 in EUR



Key ratios <sup>2</sup>	Fund	BM
Volatility	5.91%	6.00%
Correlation	0.98	n.a.
Sharpe ratio	-0.68	-0.62
Inform. ratio	-0.27	n.a.
Alpha	-0.46%	n.a.
Tracking error	1.23%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond - EUR Corporates P EUR dist</b>	<b>94</b>	<b>1.0</b>	<b>0.9</b>	<b>2.2</b>	<b>-4.2</b>	<b>-3.8</b>	<b>-1.4</b>	<b>-15.2</b>	<b>-1.0</b>	<b>3.8</b>	<b>5.7</b>	<b>209.5</b>
Internal Benchmark	-	1.0	0.8	3.1	-3.5	-3.5	-1.0	-13.9	-1.0	2.5	6.2	-
Candriam Sst Bd Euro Corp C € Acc	2'138	1.0	0.8	3.2	-3.1	-3.4	-1.3	-13.5	-1.8	2.0	5.8	-
RobecoSAM Euro SDG Credits D EUR	1'175	0.9	0.8	2.6	-3.5	-3.8	-1.3	-13.6	-1.8	2.9	5.6	-
abrdnll- Euro Corp Sus Bd A Acc EUR	2'095	1.0	1.2	2.6	-4.0	-4.4	-1.9	-15.0	-2.2	2.0	6.1	-
BNP Paribas Sust Euro Corp Bd Cl C	1'225	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-
LO Funds TargetNetZero Euro IG Corp PA	57	1.1	0.7	2.4	-3.5	-4.1	-2.1	-14.4	-1.8	0.5	5.4	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

## Investment Specialist

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# JSS Sustainable Bond – Global High Yield

The fund invests globally in high yield bonds that are issued by sustainable issuers, according to our ESG investing approach. The Investment process combines our traditional bottom-up fundamental analysis with Sustainability Research. We believe that Sustainability is an effective tool that helps mitigating risks typically underestimated by investors (environmental, reputational, legal). The objective is to deliver alpha via security selection and by detecting temporary valuation discrepancies between the fundamental and market valuation. The strategy is managed by a team of experienced credit managers supported by our Sustainability Research capabilities.

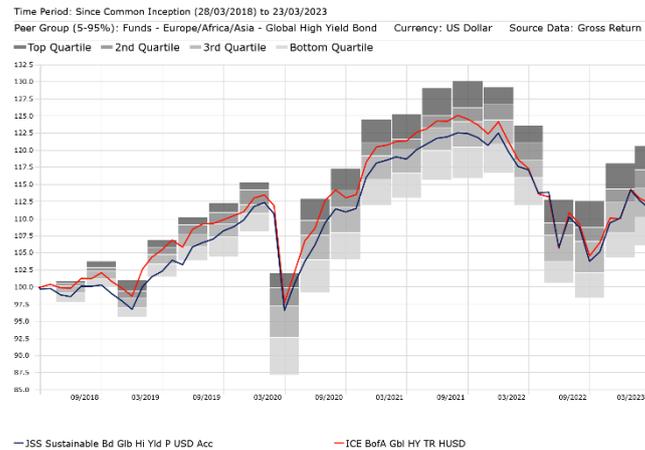
## The Case for Sustainable Global High Yield Bonds

- Attractive risk/return profile, with historically equity-like returns but lower volatility.
- Sustainable issuers tend to default less frequently than non-Sustainable ones, indicating that ESG investing helps select the more viable enterprises.
- High Yield bonds tend to perform well in times of rising interest rates.
- The shorter duration profile, compared to other bond segments, and the high & recurring coupon payments mitigate the risk of rapidly rising interest rates.
- Well diversified market in terms of regions, sectors and issuers.

## Key Advantages of the Fund

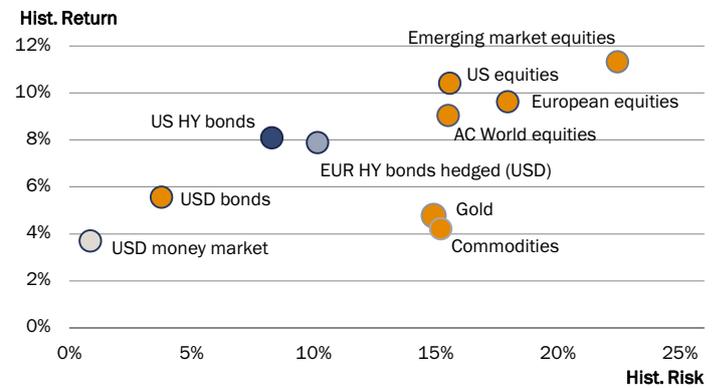
- Combines bottom-up driven fundamental analysis with our ESG Best-in-Class investing approach.
- Conservative strategy with a defensive edge, designed to deliver attractive risk-adjusted returns with lower volatility than the benchmark.
- Managed by an experienced team of investment professionals supported by our Sustainable Research capabilities.

## Peer Group Performance Comparison (gross performance)<sup>1</sup>

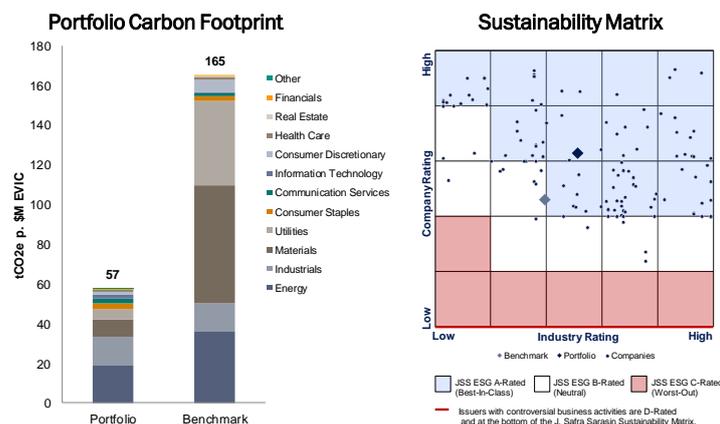


## Equity-like Returns<sup>2</sup>

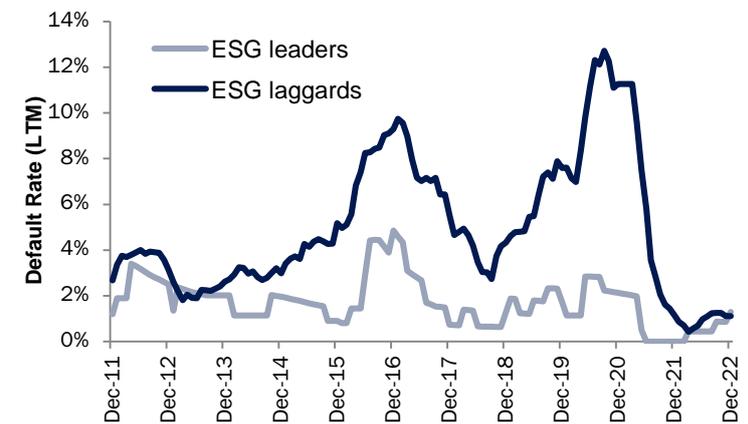
December 1984 to March 2023



## Enhanced Sustainability Profile vs Benchmark<sup>3</sup>



## Sustainable High Yield Issuers Tend to Default Less Frequently<sup>4</sup>



Past results are not a reliable indicator of current or future performance. Allocations and holdings are subject to change without notice. Source: 1) Morningstar Direct, as of 23.03.2023 2) Datastream, as of March 2023 3) Bank J. Safra Sarasin Ltd; Certain information ©2023 MSCI ESG Research LLC. Reproduced by Bank J. Safra Sarasin Ltd with permission. Data as of 28.02.2023. Allocations and underlying holdings may change without notice. 4) Bloomberg, BofA ML, Bank J. Safra Sarasin Ltd. own calculations. All data as of 31.12.2022. Past default rates do not provide a reliable indication of current or future default rates. ESG leaders refers to issuers rated JSS ESG A, according to our ESG investing approach. ESG laggards refers to the rest of the investment universe, using the ICE BofA US HY index as a proxy.

## Review

While inflation moved closer towards the central banks' target range, the US Federal Reserve and the European Central Bank remained cautious on declaring victory early and continued to hike another 25bps. Against this backdrop, risky assets performed well, with high yield credit spreads tightening to year-to-date lows at the end of July. While the energy sector outperformed on higher oil prices and a steeper curve boosted financials, interest-rate sensitive industries such as tech and utilities underperformed. The fund decreased risk over the course of July and performed in line with the benchmark.

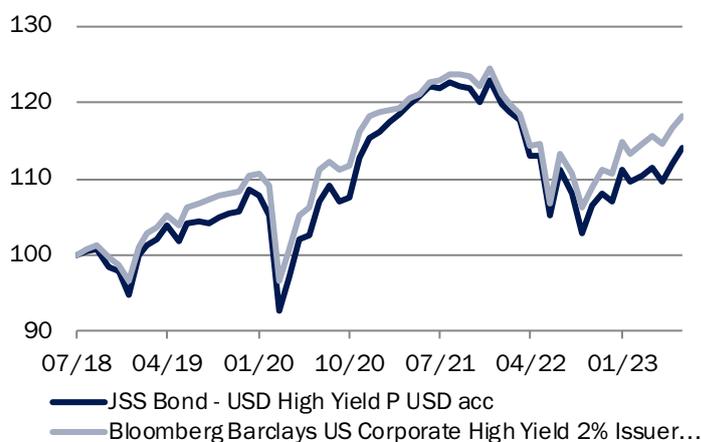
Fund size in millions	188.30 USD
Fund launch date	27 March 2018
Benchmark	ICE Bank of America Merrill Lynch Global High Yield Index hedged USD
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Bond, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	G. von Stockum, J. Mishra, K. Baker, B. Robaux
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.25%
Ongoing charges (P USD acc)	1.76%
Subscription /Redemption	daily
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN/ Securities-No. <sup>1</sup>	I CHF acc hedged / LU1711709078 I EUR dist hedged / LU1711709664 P CHF acc hedged / LU1711705084 P EUR acc hedged / LU1711705597 P USD acc / LU1711704608 P USD dist / LU1711704863
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

Due to the Bank of Japan's tweak in yield curve control, an important anchor for global fixed income is becoming more uncertain which, together with greater US Treasury supply, reinforces the higher-for-longer funding cost narrative. Given that credit metrics, which are still strong for most companies, will weaken going forward, high yield spreads are moderately rich. While technicals are still supportive, we think a slightly defensive positioning is adequate. Accordingly, we are continuing to underweight the lowest credit qualities and distressed names.

### Net Performance Since Inception

31.07.2018 – 31.07.2023 in USD



Key ratios <sup>2</sup>	Fund	BM
Volatility	7.73%	7.79%
Correlation	0.98	n.a.
Sharpe ratio	-0.21	-0.02
Inform. ratio	-1.03	n.a.
Alpha	-1.48%	n.a.
Tracking error	1.46%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond - Global High Yield P USD acc</b>	<b>187</b>	<b>1.0</b>	<b>-0.1</b>	<b>1.5</b>	<b>4.7</b>	<b>0.3</b>	<b>1.2</b>	<b>-11.7</b>	<b>1.9</b>	<b>4.0</b>	<b>14.0</b>	<b>4.7</b>
Benchmark	-	1.5	1.6	4.9	9.3	2.1	2.9	-11.4	3.0	6.6	14.7	15.4
M&G (Lux) Sust Gbl HY Bd A USD Acc	80	0.6	1.3	2.9	6.3	-0.1	1.2	-11.7	1.2	2.3	13.3	-
T. Rowe Price Gbl HY Bd A USD	605	1.7	2.0	5.0	8.9	1.9	2.2	-12.5	4.5	3.9	15.0	-
Principal Gbl High Yield A Acc USD	219	1.3	1.1	4.8	9.2	2.4	2.4	-11.0	4.6	5.3	13.8	-
BlueBay Global Hi Yld ESG Bd R USD	580	1.4	1.2	4.0	8.1	1.9	n.a.	-10.4	2.4	5.0	n.a.	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

### Investment Specialist

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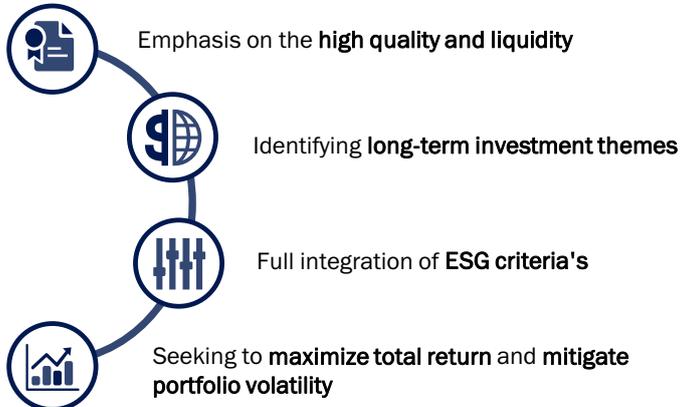
# JSS Sustainable Bond – Total Return Global

The fund is an actively managed strategy, invested globally in bonds. The objective of the strategy is to deliver regular and attractive risk-adjusted returns through a benchmark-free management. Total return means the combination of several sources of return where coupon income is complemented by capital gains from yield curve, credit and foreign exchange. The strategy systematically integrates ESG aspects throughout the entire investment process.

## JSS global core fixed income solution

- The Total return strategy offers investor a good balance between income generation and a strong potential for upside price appreciation
- The fund gives investor a global exposure, including emerging markets
- It is strongly diversified across diverse curves, credit and selected foreign currencies
- The non-benchmark approach allows higher flexibility in adapting allocation to new market conditions
- Permanent focus on delivering the best risk adjusted return since the launch of the fund in 2015

## Our fund in focus



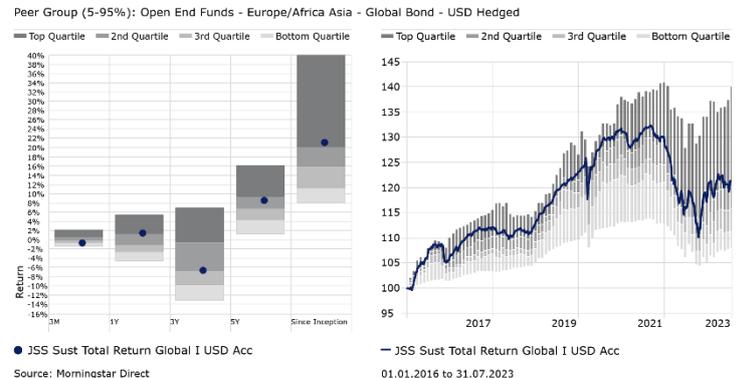
## Allocation by Maturity<sup>2</sup>

	Weight (%)	Ø Option Adjusted Duration	Ø Yield to Worst (%)	Ø Rating
0-1 year	5.4	0.3	5.6	A
1-3 years	14.6	2.2	6.4	BBB
3-5 years	26.5	4.0	5.9	A
5-7 years	17.0	6.3	5.0	A+
7-10 years	24.5	8.0	4.0	AA+
10-20 years	11.0	12.6	4.5	AA
[Cash]	2.5	0.0	4.8	0
[Currency Forward]	0.2	0.0	1.3	0
[Cash Offset]	-1.6	0.0	0.0	0
<b>Total</b>	<b>100.0</b>	<b>5.9</b>	<b>5.6</b>	<b>A+</b>

## Strategy guidelines

- Average portfolio rating is investment grade at all time
- High yield allocation limited to max. 25% (minimum BB- rating)
- Maximum portfolio duration at 6
- USD based portfolio with max. 10% exposure to non-USD unhedged currencies

## Peer Group Comparison (Gross Performance)<sup>1</sup>



## Allocation by Asset Class<sup>2</sup>

	Weight (%)	Ø Option Adjusted Duration	Ø Yield to Worst (%)	Ø Rating
<b>Government</b>	<b>61.1</b>	<b>7.1</b>	<b>4.3</b>	<b>AA+</b>
<b>Government-Related</b>	<b>7.2</b>	<b>3.1</b>	<b>8.1</b>	<b>AA-</b>
<b>Corporate</b>	<b>29.1</b>	<b>4.2</b>	<b>6.3</b>	<b>BB+</b>
[Cash]	2.5	0.0	4.8	0
[Currency Forward]	0.2	0.0	1.3	0
[Futures]	4.0	0.5	0.0	0
[Cash Offset]	-1.6	0.0	0.0	0
<b>Total</b>	<b>100.0</b>	<b>5.9</b>	<b>5.6</b>	<b>A+</b>

1) Source: Morningstar, as of 31.07.2023. Past performance is not a reliable indicator of current or future performance.

2) Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023. Allocations and holdings are subject to change without notice.

## Review

July proved volatile amid solid economic data in the first half, followed by positive disinflation prints and major central bank activity in the second half. The US economy remains resilient (Q2 GDP: +2.4%, unemployment: 3.6%) and inflation is falling rapidly (June core CPI: +4.8% vs 5.3% in May). The US Federal Reserve (Fed) hiked interest rates by 25bps to 5.375% and no further increase is currently expected. However, the first rate cut has been pushed back to the Q1 2024. The European Central Bank also opted for a 25bps hike, bringing the deposit rate to 3.75%, amid firm and higher-than-expected core inflation at 5.5%. The Bank of Japan adjusted its yield curve control by implicitly lifting the upper limit of its range to 1%. In this context, rates rose across the developed markets (DM). Credit remained well supported. Spreads tightened further and volatility remained low. The fund's performance was positive as excess return from credit and positive contributions from emerging market (EM) local currency more than offset weak DM rates.

Fund size in millions	436.98 USD
Fund launch date	30 December 2015
Benchmark	none
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	Bank J. Safra Sarasin AG, Genf
Portfolio manager	Vincent Rossier, Florian Weber
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.00%
Ongoing charges (P USD acc)	1.28%
Subscription /Redemption	daily
LTV	75%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF acc hedged / LU1332516852 P EUR acc hedged / LU1332517074 P USD acc / LU1332516696 P USD dist / LU1332516779 P EUR dist hedged / LU1332517157
SFDR Classification	Article 8
SRRI Risk Level	2/7

## Outlook

As inflation falls and interest rates are expected to approach their peak, we favour high-quality securities, such as attractive sovereigns bonds from countries with good fiscal and debt discipline (Australia, Singapore, Norway). Economic data in Australia has been weaker recently. Growth is slowing and inflation, although still too high, has scope to ease noticeably. The housing market (mainly variable rate loans) is clearly at risk. In the US, we believe there is no need for the Fed to raise rates further unless inflation picks up again. However, the first rate cut is still a distant prospect. The recent surge in oil prices needs to be watched closely. Our short position in JGBs is unchanged for now given the solid economic momentum and upside inflation risk. Positive momentum across the emerging markets should continue given the strong trend towards disinflation. EM central banks have been front-running their DM peers by cutting rates. We favour Brazil, Mexico and Poland. Credit is likely to face higher defaults as debt refinancing kicks in. Margins are also at risk as real wage growth currently exceeds inflation.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	6.19%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	-0.80	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond - Total Return Global P USD acc</b>	<b>432</b>	<b>0.5</b>	<b>-0.9</b>	<b>2.7</b>	<b>0.3</b>	<b>-3.5</b>	<b>0.4</b>	<b>-11.1</b>	<b>-2.6</b>	<b>5.9</b>	<b>7.5</b>	<b>9.8</b>
Janus Henderson Hirzn Ttl Ret Bd A2 HUSD	6	0.5	-1.4	1.2	-1.8	-2.7	0.7	-10.9	-1.1	8.6	7.8	-
AB Global Plus Fixed Income A2 USD	959	0.3	-0.9	2.4	-2.8	-3.8	-0.1	-12.9	-1.6	4.4	7.7	-
Nordea 1 - Flexible Fixed Income HB USD	2'131	0.7	0.4	3.6	2.3	-0.8	1.4	-6.3	0.4	1.6	7.8	-
Robeco Global Total Return Bond DH \$	431	0.0	-2.1	0.2	-5.3	-5.0	0.0	-12.8	-1.8	8.0	7.9	-
PIMCO GIS Glb Bd E USD Acc	12'718	0.3	-0.3	2.8	-2.0	-3.5	0.3	-12.2	-2.3	6.7	7.5	-
JPM Aggregate Bond A (acc) USD	3'149	0.1	-0.6	1.4	-3.0	-2.8	1.0	-10.6	-0.4	7.1	8.6	-
Vontobel Bond Global Aggt H Hdg USD	189	1.4	1.5	2.9	-1.3	-5.4	-1.0	-20.8	-0.9	4.9	11.0	-
Amundi Fds Glbl Aggt Bd A USD C	3'149	0.7	1.0	3.3	-0.5	-2.0	0.6	-9.4	-2.2	3.7	10.6	-
Schroder ISF Global Bond A Acc USD	915	0.7	-1.7	0.7	-4.7	-7.4	-2.3	-19.1	-5.7	8.4	8.8	-
PIMCO GIS Global Bond ESG E USD Inc	3'407	0.3	-0.4	2.4	-2.7	-3.7	n.a.	-12.5	-2.3	6.6	n.a.	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

## Investment Specialist

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# JSS Sustainable Bond – Emerging Markets Corporate IG

The fund invests hard currency bonds issued by corporates in the Emerging Markets region that are sustainable according to our ESG investing approach. The strategy focuses on the investment grade segment of the market, with an opportunistic allocation to high yield issuers to enhance returns. The primary objective is to deliver attractive risk adjusted returns with relatively low volatility. The strategy follows our conservative and long-term oriented investment philosophy. The fund is part of the Emerging Markets Fixed Income offering, and is managed by a team of experienced investment professionals with deep expertise in the region.

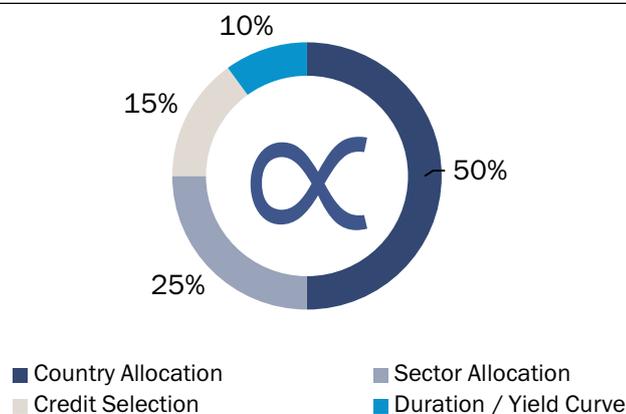
## The Case for Emerging Market Corporate Bonds

- Emerging markets offer better growth prospects than developed markets based on powerful long-term trends, such as demographics and socio-economic development potential.
- National champions in Emerging Markets, that compete successfully in the international markets, offer an attractive risk premium compared to corporates based in developed countries.
- Emerging Markets make a significant contribution to global economic growth, however, they are underrepresented in investment portfolios.
- Emerging Market corporate bonds provide diversification benefits.

## Key Advantages of the Fund

- Integrates our ESG investing approach throughout the investment process
- The objective is to achieve excess returns vs the benchmark with lower volatility. This is achieved by the unique combination of our fundamental analysis, enhanced risk management and our ESG investing approach.
- Focuses on credit quality (investment grade), with an opportunistic allocation to high yield credit with the objective of enhancing returns.
- Sustainability is an effective risk mitigation tool that helps in identifying risks that are typically underestimated, such as legal, environmental and reputational, among others.

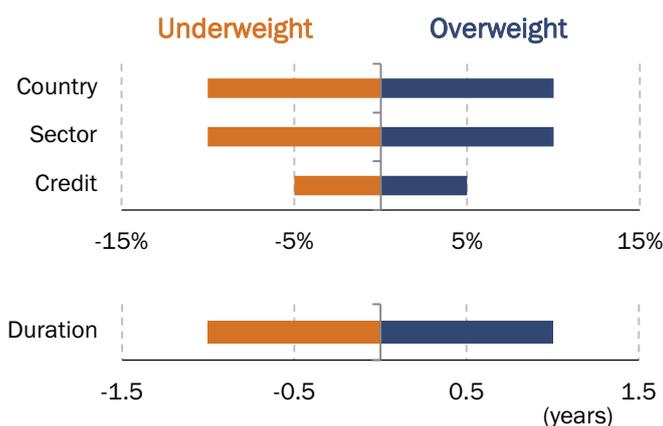
## Expected Sources of Alpha



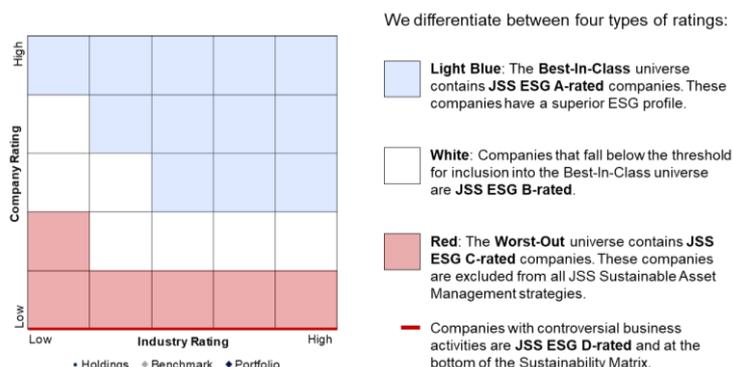
## Investment Parameters

Allocation	Min	Max
Corporate bonds	70%	100%
Government bonds	0%	20%
USD-denominated	80%	100%
High Yield	0%	30%
Cash	0%	10%

## Active Management – Typical Deviation from the Benchmark<sup>1</sup>



## J. Safra Sarasin Sustainability Matrix®



1) Source: Morningstar Direct, as of as of 31.07.2023. Past performance is not a reliable indicator of current or future performance.

## Review

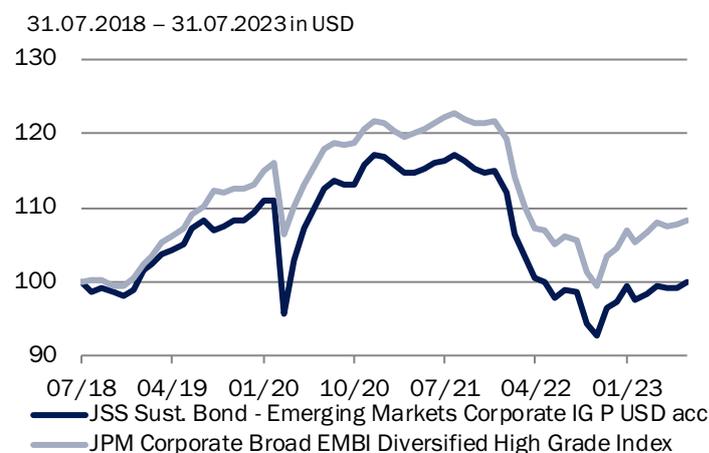
Favourable inflation readings in the US and Europe led to stronger risk sentiment in July. Emerging market (EM) credit spreads tightened by some 24 basis points, led by high yield credit, which saw spreads narrow in excess of 30 basis points. In regional terms, Asia underperformed due to already elevated valuations, as well as continued stress in the Chinese property sector. China's post-COVID recovery has continued to disappoint and even non-property sectors have been showing a slowdown. In Latin America, Colombia was one of the best performers in the investment grade segment as crude oil staged an impressive rally. Despite the sharp sell-off in US rates towards the end of the month, EM corporate credit behaved well and outperformed sovereigns. On the supply side, we saw issuers taking advantage of the positive sentiment, with issuance continuing even in the latter part of the month. Reflecting the general sentiment, the weekly flows turned positive in July after several weeks of outflows.

Fund size in millions	386.35 USD
Fund launch date	30 September 2014
Benchmark	JPM Corporate Broad EMBI Diversified High Grade Index
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	Bank J. Safra Sarasin AG, Switzerland
Portfolio manager	Rishabh Tiwari, Walid Bellaha
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.30%
Ongoing charges (P USD acc)	1.62%
Subscription /Redemption	daily
LTV	75%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P USD acc / LU1073943620 P CHF acc hedged / LU1073943893 P EUR acc hedged / LU1073943976 P USD dist / LU1210450281 P EUR dist hedged / LU1244594351
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

The market has turned quite bullish on weakening inflation and the persistently strong and resilient economic picture in the US. A Goldilocks outcome has become the base case for several investors, with the US Federal Reserve (Fed) managing to bring inflation back to its target without causing any disruption to economic activity. We are more cautious and believe that several uncertainties remain. Firstly, food and energy prices are rising once again and it is not completely unlikely that the Fed may need to hike rates further. Secondly, it is not clear whether the monetary tightening has been fully absorbed by the market. EM credit spreads have once again moved closer to their all-time tight and we prefer to maintain conservative positioning. We are retaining our low exposure to high yield paper, vulnerable names and sectors. In the medium term, we are more positive and would take advantage of a large sell-off to add risk to the portfolio. The fund has a yield to worst of 6.2%, a duration of 5.1 years and an average rating of BBB+.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	6.28%	5.93%
Correlation	0.98	n.a.
Sharpe ratio	-0.85	-0.72
Inform. ratio	-0.92	n.a.
Alpha	-0.97%	n.a.
Tracking error	1.18%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond - Emerging Markets Corporate IG I</b>	<b>385</b>	<b>0.7</b>	<b>0.4</b>	<b>2.8</b>	<b>1.0</b>	<b>-3.9</b>	<b>0.0</b>	<b>-15.4</b>	<b>-1.8</b>	<b>6.9</b>	<b>10.6</b>	<b>9.6</b>
Benchmark	-	0.5	0.4	3.7	2.2	-2.8	1.6	-14.2	0.1	7.4	12.6	21.1
UBAM EM Investment Grade Corp Bd AC USD	154	0.7	0.1	2.3	-0.9	-4.4	0.0	-16.2	-1.5	6.4	11.4	-
CS (Lux) Emerging Mkt Corp IG Bd B USD	912	0.4	0.3	2.9	1.3	-4.1	0.6	-15.7	-1.6	7.2	13.0	-
Swiss Life (LUX) Bd Em Mkts Corp F USD	556	0.5	0.4	3.1	1.4	-2.9	n.a.	-12.2	-1.1	6.7	11.0	-
FISCH Bond EM Corporates Defensive AC	467	3.1	1.7	6.9	6.2	-4.2	0.2	-17.4	-5.5	11.5	9.6	-
Ninety One GSF EM InvGrd CpDt A Acc USD	451	0.4	1.0	2.9	6.2	-3.4	n.a.	-14.5	-2.5	11.3	n.a.	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

## Investment Specialist

Monika Netelenbos

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# JSS Sustainable Bond – Emerging Markets Local Currency

The fund invests in local currency bonds from sovereigns in Emerging Markets that are sustainable according to our ESG investing approach. The strategy seeks to achieve attractive returns by generating attractive coupon income in local currencies, as well as capturing the potential currency appreciation. The strategy combines fundamental analysis with our unique ESG sovereign rating methodology, and is supported by our macro-economic research. The fund is part of the Emerging Markets Fixed Income team, and is managed by a team of experienced investment professionals with deep expertise in the region.

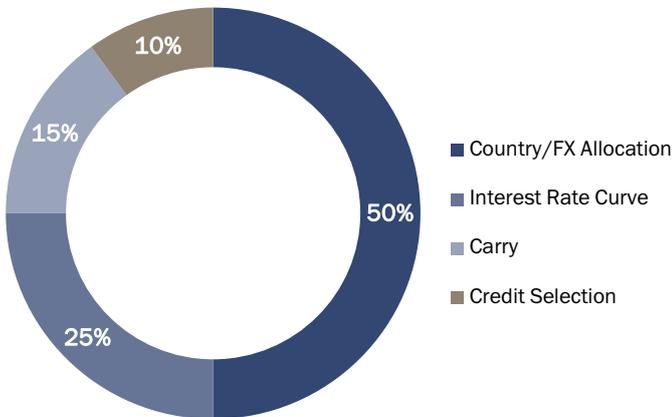
## The Case for Emerging Markets Local Currency Bonds

- Emerging Market sovereign bonds denominated in local currencies offer attractive returns driven by high and recurring coupon payments.
- The potential currency appreciation is an additional source of return
- Emerging Market economies contribute a significant share of global GDP growth, however, the region is under-represented in investment portfolios.

## Key Advantages of the Fund

- Integrates our innovative ESG investing approach applied to Emerging Market sovereigns.
- Includes an opportunistic allocation to corporate bonds with the objective of enhancing returns.
- Managed by a highly specialized team with vast expertise across Emerging Market segments and a deep understanding of the regional dynamics.
- Bank J. Safra Sarasin has a longstanding tradition and experience as investor in Emerging Markets.

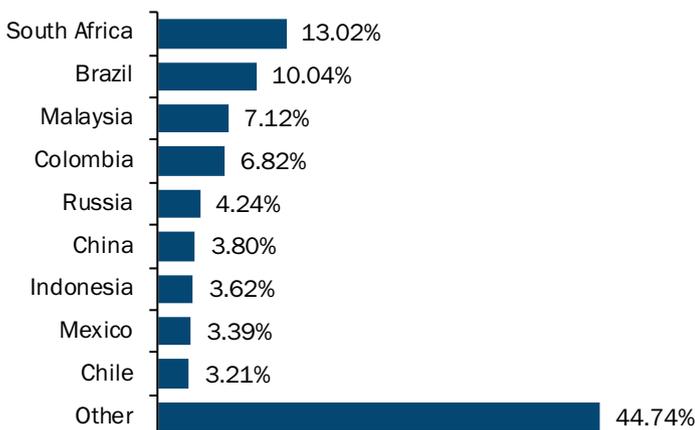
## Expected Sources of Value-add Through Our Active Approach<sup>1</sup>



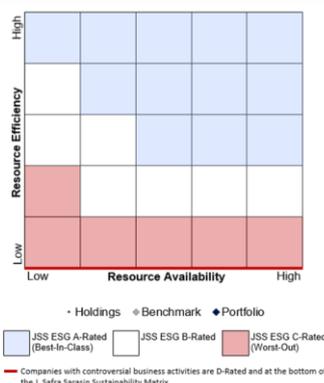
## Typical Investment Parameters<sup>1</sup>

Allocation	Min	Max
Corporate bonds	0%	15%
Government bonds	80%	100%
Local Currency bonds	80%	100%
High yield	30%	60%
Cash	0%	10%

## Country Allocation<sup>3</sup>



## J. Safra Sarasin Sustainability Matrix®



We differentiate between four types of ratings:

**Light Blue:** The **Best-In-Class** universe contains **JSS ESG A-rated** sovereigns. These companies have a superior ESG profile.

**White:** Sovereigns that fall below the threshold for inclusion into the Best-In-Class universe are **JSS ESG B-rated**.

**Red:** The **Worst-Out** universe contains **JSS ESG C-rated** sovereigns. These sovereigns are excluded from all JSS Sustainable Asset Management strategies.

**Red:** Sovereigns with controversial activities are **JSS ESG D-rated** and at the bottom of the Sustainability Matrix.

1) Source: Bank J. Safra Sarasin Ltd, simplified illustration for illustrative purposes only, as of 31.07.2023.

2) Source: Bank J. Safra Sarasin Ltd, allocation may change without notice, as of 31.07.2023.

## Review

Emerging market (EM) local currency bonds delivered positive returns in July, driven mostly by appreciating EM forex, although compression in local currency bond yields also contributed. Declining CPI data from the United States continued to bolster investor appetite for risk assets, as expectations of moderating monetary policy at the US Federal Reserve gained additional strength. Consequently, emerging markets with a higher beta than the benchmark outperformed and most overweight positions added value. Flows into EM local currency bonds ex-China have been volatile and the four-week average is slightly negative. China's economic momentum continues to be weak, raising fears of an adverse impact on global growth. The best performing region was Latin America, followed by Eastern Europe. The South Africa rand was by far the best performing currency, followed by the Colombian peso. Turkey was on the negative side as the lira weakened again after disappointing central bank intervention, as was the Chilean peso as rate cut expectations gained traction.

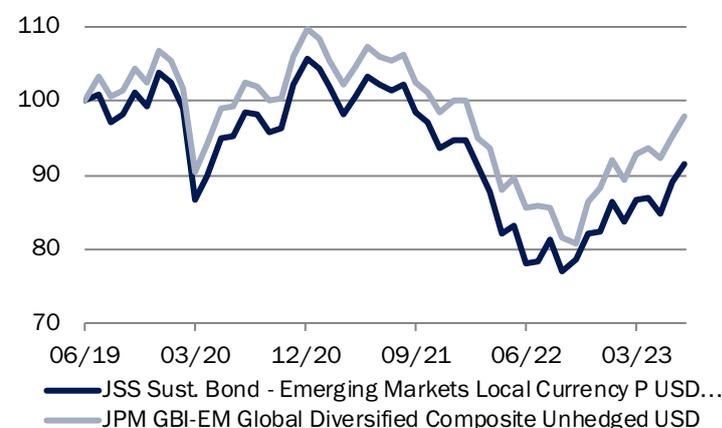
Fund size in millions	32.89 USD
Fund launch date	19 June 2019
Benchmark	JPM GBI-EM Global Diversified Composite Unhedged USD
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Bond, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	Aristoteles Damianidis
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P USD acc)	1.87%
Subscription /Redemption	daily
LTV	n.a.
Sales registration	AT,CH,DE,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P USD acc / LU1835934123 P USD dist / LU1835934396
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

We took the opportunity of the stronger market to reduce some of our currency exposure in favour of increasing interest duration in selected markets. But overall, we still favour the overweight in EM forex due to a combination of attractive valuations and weaker USD expectations. More specifically, we remain overweight in the Brazilian real, the Indonesian rupee, the Mexican, Colombian and Chilean pesos, while we are underweighting the South African rand and the Malaysian ringgit. We have increased our overweight in duration as we anticipate a steep decline in inflation over the next 12 to 18 months throughout the emerging markets. We continue to favour high real rate markets in which policy rates are higher than current and expected inflation. We are more cautious in Eastern Europe as elevated inflation and the economic slowdown are painting a difficult picture. We have local market overweight positions in South Africa, Brazil, Mexico, Chile and Indonesia, and underweights in Thailand and Romania.

## Net Performance Since Inception

30.06.2019 – 31.07.2023 in USD



Key ratios <sup>2</sup>	Fund	BM
Volatility	12.32%	11.57%
Correlation	0.91	n.a.
Sharpe ratio	-0.57	-0.49
Inform. ratio	-0.27	n.a.
Alpha	-1.45%	n.a.
Tracking error	4.98%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond - Emerging Markets Local Currenc</b>	<b>31</b>	<b>2.8</b>	<b>5.2</b>	<b>11.0</b>	<b>16.7</b>	<b>-2.4</b>	<b>n.a.</b>	<b>-12.9</b>	<b>-10.5</b>	<b>1.9</b>	<b>n.a.</b>	<b>-6.7</b>
Benchmark	-	2.9	4.6	10.9	14.3	-1.5	n.a.	-11.7	-8.7	2.7	n.a.	-2.0
BGF Emerging Markets Lcl Ccy Bd A2	1'740	2.7	5.7	12.4	17.3	0.3	0.4	-9.1	-8.2	2.2	11.8	-
Barings EM Local Debt E USD Acc	2'198	3.1	5.8	12.6	16.8	-1.0	2.4	-9.1	-11.6	8.0	12.2	-
GAM Multibond Local Emerging Bond USD B	1'336	2.7	4.6	11.5	14.0	-1.0	-0.1	-8.6	-11.5	2.9	10.4	-
Pictet-Emerging Local Ccy Dbt PUSD	2'998	3.0	3.6	8.6	10.5	-0.5	0.4	-8.8	-8.7	4.8	11.1	-
PIMCO GIS Emerg Lcl Bd E USD Acc	2'907	2.9	4.9	12.0	17.2	0.7	1.4	-7.5	-8.9	2.4	15.0	-
Ashmore EM Lcl Ccy Bd Z USD Acc	1'868	3.0	5.2	12.2	17.7	0.0	0.7	-9.9	-9.1	2.8	11.6	-
Neuberger Berman EM Dbt LclCcy USD A Acc	1'297	3.1	5.1	11.8	14.5	-2.4	-0.8	-13.5	-10.2	1.2	13.0	-
JPM Emerg Mkts Lcl Ccy Dbt A (acc) USD	1'717	2.9	4.7	11.2	15.0	0.4	1.1	-8.6	-7.8	3.1	12.4	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

## Investment Specialist

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# JSS Sustainable Bond – Global Short-term<sup>1</sup>



The fund invests in USD-denominated bonds issued by corporates and sovereigns that are sustainable according to our ESG investing approach. Focus of the strategy are high quality bonds with a short remaining life to achieve an average duration of maximum 3 years at the portfolio level. The primary objective of the strategy is to generate attractive and stable risk-adjusted returns. To achieve this, the fund invests at least 50% of the capital in Emerging Markets in order to capture risk premium and close the return gap. The strategy is part of our Emerging Markets Fixed Income offering, and is managed by a highly specialised team with a deep understanding of the regional dynamics.

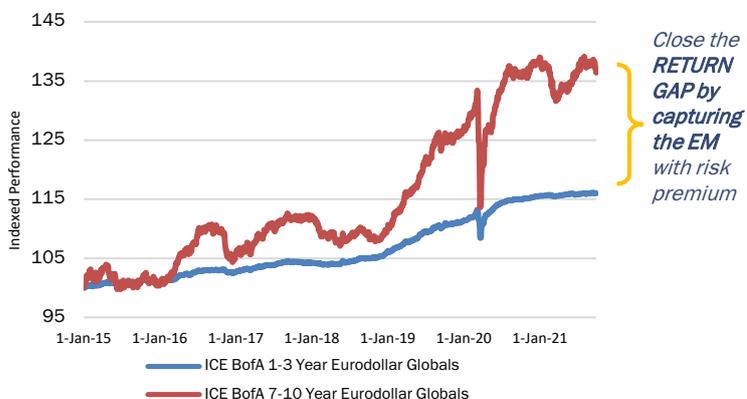
## The Case for Short-term Bonds

- Bonds with a short remaining life mitigate the risk of rising interest rates.
- A portfolio of bonds with a short average duration is significantly less volatile than a comparable portfolio with a longer duration
- In our view, Emerging Markets currently offer an attractive risk premium, and at the same time promising growth prospects.

## Key Advantages of the Fund

- Integrates our ESG investing approach throughout the investment process, including our unique ESG sovereign ratings
- Ideal solution to gain exposure to Emerging Markets with a conservative approach.
- Conceived to help investors with the following challenges:
  - Credit risk: Strong emphasis on fundamental credit analysis, focus on high credit quality
  - Interest rate risk: Invest in instruments with short remaining life; duration limit of max. 3-year at portfolio level
  - Low yield could mean low returns: Enhance returns by capturing the Emerging Markets risk premium

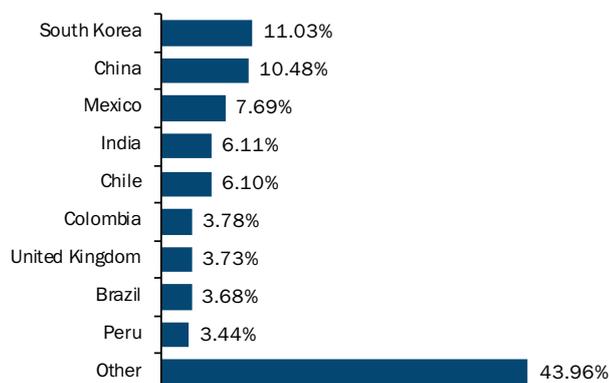
## Bonds With Short Duration are Stable<sup>2</sup>



## Investment Parameters<sup>3</sup>

Allocation	Min	Max
Corporate bonds	70%	90%
Government bonds	0%	20%
USD-denominated	80%	100%
High Yield	15%	30%
Emerging Market bonds	50%	100%
Cash	0%	10%

## Country Allocation<sup>3</sup>



## J. Safra Sarasin Sustainability Matrix<sup>®</sup>



1) Morningstar rating valid for share class JSS Sustainable Bond - Global Short-term P USD dist

2) Source: Bloomberg, as of 31.12.2021. Indexed returns. Indices shown: BofA Merrill Lynch 7-10 Year US Corporate & Government Index (B4A0); BofA Merrill Lynch 1-3 Year US Corporate & Government Index (B1A0). Both indices are subset of the BofA Merrill Lynch US Corporate & Government Index including all securities with a specific term to final maturity (1-3 and 7-10 years).

3) Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023. Allocations and holdings are subject to change without notice.

## Review

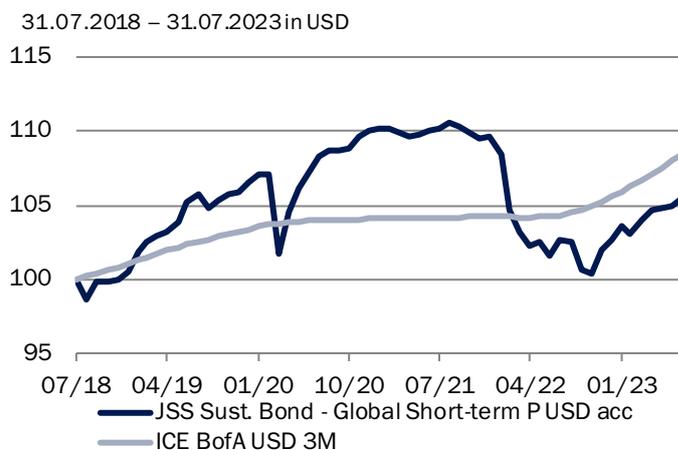
Favourable inflation readings in the US and Europe led to stronger risk sentiment in July and front-end US rates sold off sharply. Two-year US Treasury yields rose once again, moving closer to a multi-decade high of 5%. Emerging market (EM) credit spreads tightened by some 24 basis points, led by high yield credit, which saw spreads narrow in excess of 30 basis points. In regional terms, Asia underperformed due to already elevated valuations, as well as continued stress in the Chinese property sector. China's post-COVID recovery has continued to disappoint and even non-property sectors have been showing a slowdown. In Latin America, Colombia was one of the best performers in the investment grade segment as crude oil staged an impressive rally. Despite the sharp sell-off in US rates towards the end of the month, EM corporate credit behaved well and outperformed sovereigns. On the supply side, we saw issuers taking advantage of the positive sentiment, with issuance continuing even in the latter part of the month.

Fund size in millions	261.32 USD
Fund launch date	31 July 2014
Benchmark	ICE BofA USD 3M
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Bond, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	Rishabh Tiwari, Walid Bellaha
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	0.80%
Ongoing charges (P USD acc)	1.09%
Subscription /Redemption	daily
LTV	80%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P USD dist / LU1210451842 P USD acc / LU1073944867 P EUR acc hedged / LU1073945088 P CHF acc hedged / LU1073944941
SFDR Classification	Article 8
SRRI Risk Level	2/7

## Outlook

The market has turned quite bullish on weakening inflation and the persistently strong and resilient economic picture in the US. A Goldilocks outcome has become the base case for several investors, with the US Federal Reserve (Fed) managing to bring inflation back to its target without causing any disruption to economic activity. We are more cautious and believe that several uncertainties remain. Firstly, food and energy prices are rising once again and it is not completely unlikely that the Fed may need to hike rates further. Secondly, it is not clear whether the monetary tightening has been fully absorbed by the market. In this environment, we remain conservative and favour the risk/return characteristics of short-term bonds. With the US rates curve still sharply inverted, we favour the yields offered by investment grade/quality front-end bonds, while remaining resilient to a change in sentiment. The fund currently has a yield to maturity of 5.95%, a duration of 1.7 years and an average credit rating of BBB.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	3.06%	0.55%
Correlation	0.41	n.a.
Sharpe ratio	-0.75	0.01
Inform. ratio	-0.80	n.a.
Alpha	-4.08%	n.a.
Tracking error	2.88%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond - Global Short-term P USD acc</b>	<b>263</b>	<b>0.5</b>	<b>0.7</b>	<b>2.8</b>	<b>2.8</b>	<b>-0.9</b>	<b>1.1</b>	<b>-6.4</b>	<b>-0.4</b>	<b>3.3</b>	<b>5.9</b>	<b>13.0</b>
Benchmark	-	0.4	1.3	2.8	3.9	1.4	1.6	1.2	0.2	0.7	2.3	12.5
AXAWF ACT EmMktsShrDurBdsLwCarbACapUSD	430	0.9	1.7	2.3	4.4	-3.3	-0.4	-12.9	-2.7	3.5	8.8	-
Neuberger Berman Shrt DurEM DbtUSD A Acc	4'111	1.2	2.1	3.5	4.7	-0.7	1.2	-7.5	-0.6	3.5	6.8	-
Swiss Life (LUX) Bd EM S/T F USD	221	0.5	0.6	2.7	2.7	-0.3	n.a.	-3.9	-0.7	3.9	5.0	-
UBAM Emerg Mkt Corp Bd Short Dur AC USD	53	1.4	2.8	3.0	3.9	-3.2	-0.9	-13.6	-1.8	4.0	7.0	-
Muzinich EmergingMktsShrDur HUSD Acc R	968	1.0	1.0	2.6	3.8	-0.6	1.2	-8.2	0.2	4.4	7.6	-
Pictet-Short Term Em Corp Bds P USD	756	0.8	0.9	1.8	3.9	-0.3	1.0	-5.7	-0.6	3.3	6.0	-
Loomis Sayles S/T Em Mkts Bd RE/A USD	1'026	0.4	0.5	2.3	1.6	-1.6	0.2	-9.2	-0.9	2.8	6.8	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

## Investment Specialist

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# JSS Sustainable Bond – Global Convertibles

The fund invests in convertible bonds issued by corporates that are sustainable according to our ESG investing approach. The fund invests globally, and is managed by our partner The Putnam Advisory Company based in Boston MA. The objective of the strategy is to achieve risk-adjusted returns in excess of the benchmark through the cycle, benefiting from the combination of bond and equity attributes.

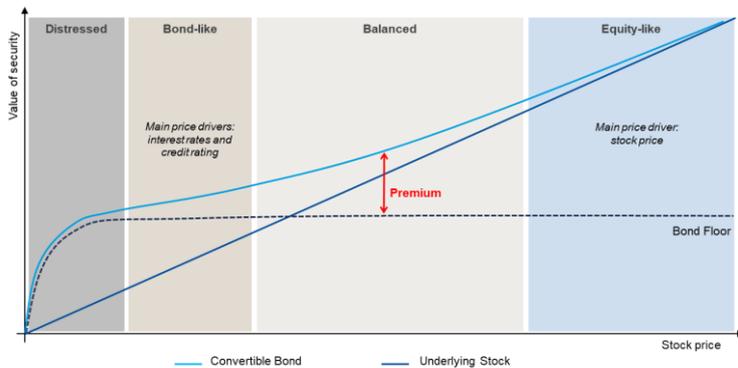
## The Case for Convertible Bonds

- Convertible bonds have delivered equity-like returns with lower volatility. This is explained by the combination of bond and equity attributes:
  - Bond: recurring coupon payments + principal at maturity (“Bond Floor”, see diagram below)
  - Equity: capture equity upside potential when equities perform strongly
- Solves the asset allocation dilemma:
  - “We don’t want to allocate to equities... valuations are high and a correction is due...” But...
  - “we don’t want to miss an equity rally in case deflation and growth gain traction...”

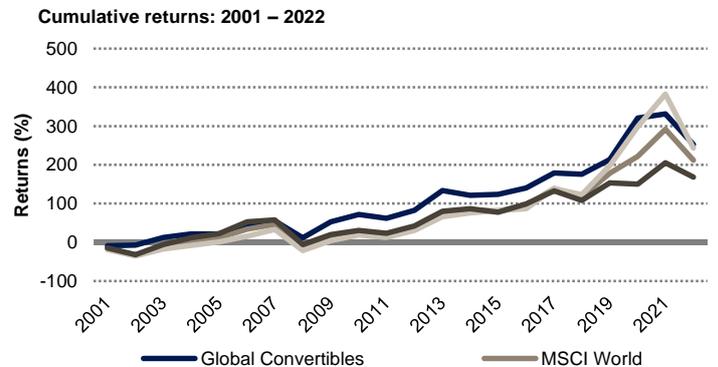
## Key Advantages of the Fund

- Integrates our ESG investing approach throughout the investment process.
- Designed to balance the portfolio delta, with the objective of outperforming the benchmark in all market conditions.
- The portfolio is managed by our partner The Putnam Advisory Company, with global expertise and more than \$167 billion in Assets Under Management.

## Bond Floor: Downside Protection + Equity Upside Potential<sup>1</sup>



## Potential Equity-like Returns with Lower Volatility<sup>2</sup>



## Bond Floor: Good Protection vs. Rising Interest Rates<sup>3</sup>

Period	Global yield changes (bps)			Global index performance (%)		
	10 Year U.S. Treasury Yield*	10 Year Bund Yield	10 Year Japanese Gov't Yield	ICE BofA Global 300 Convertible Index	BBG Global Aggregate Bond Index	MSCI World Index
Jun '03 – Jun '04	+176	+96	+140	8.02	0.21	19.41
Dec '08 – Jun '09	+189	+74	+37	16.75	-1.19	9.37
Jul '12 – Dec '13	+164	+69	+4	26.19	-0.21	42.22
Jul '16 – Nov '18	+188	+65	+41	23.01	-3.47	30.83
Aug '20 – Aug '22	+269	+209	+21	4.54	-17.24	15.96

## J. Safra Sarasin Sustainability Matrix®



1) Source: The Putnam Advisory Company. Past performance is not a reliable indicator of current or future performance.  
 2) Source: ICE BofA, MSCI, as of 30.06.2022. Global Convertibles represent ICE BofA Global 300 Convertibles Index. Calculations done by The Putnam Advisory Company. Past performance is not a guarantee of future results. Indexes are unmanaged and do not incur expenses.  
 3) Source: The Putnam Advisory Company, ICE BofA, MSCI, Bloomberg Finance L.P., as of 30.06.2022. Includes upward moves of 150 bps or greater. Past performance is not a guarantee of future results. Returns are cumulative, gross of fees in USD.

## Review

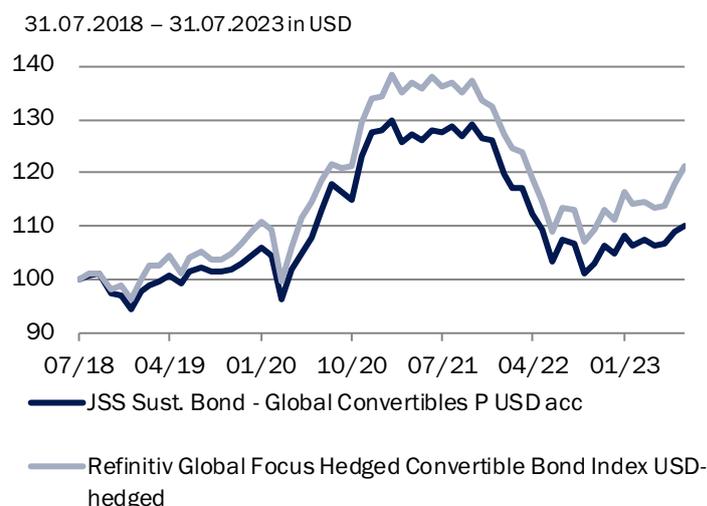
During July, your Global Convertible portfolio posted a positive absolute return, but underperformed the Refinitiv Global Focus Convertible Index. Outperformance was largely driven by security selection within the financials sector, while the underweight exposure and security selection within consumer discretionary detracted from relative returns. Regarding regions, the overweight positioning and security selection within Europe negatively impacted the performance. At the issuer level, positive performance was generated from the avoidance of Ford Motor Company, whereas the avoidance of Rivian detracted.

Fund size in millions	120.30 USD
Fund launch date	14 October 2015
Benchmark	Refinitiv Global Focus Hedged Convertible Bond Index USD-hedged
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Investment manager	Bank J. Safra Sarasin Ltd, Basel
Sub-Investment Manager	The Putnam Advisory Company, LLC
Portfolio manager	Robert Salvin, Anthony Daigle
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P USD acc)	1.81%
Subscription /Redemption	daily
LTV	65%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF acc hedged / LU1280137925 P EUR acc hedged / LU1280138063 P USD acc / LU1280137842
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

We maintain a cautious view of global equities and corporate credit amid an expectation of elevated volatility. Although corporate fundamentals remain resilient, macro forces of high inflation, central bank tightening and slowing growth remain considerable headwinds. However, the significant correction in growth stocks and the broader representation of value-focused names in the convertibles market provide the backdrop of greater convexity and potentially enhanced downside protection. Regarding new issuance, July saw USD 3.5 billion in proceeds come to the global markets, representing a year-to-date low due to the earnings blackout period.

## Net Performance



Key ratios <sup>2</sup>	Fund	BM
Volatility	9.78%	9.93%
Correlation	0.96	n.a.
Sharpe ratio	-0.23	-0.07
Inform. ratio	-0.56	n.a.
Alpha	-1.49%	n.a.
Tracking error	2.72%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
JSS Sustainable Bond - Global Convertibles P USD acc	129	1.2	3.7	5.0	2.5	-0.8	2.0	-16.9	-1.0	22.0	10.7	23.3
Benchmark	-	2.7	6.9	8.9	6.8	0.7	3.9	-16.0	-1.1	22.8	13.1	32.8
LO Funds Convertible Bond SH USD PA	1'480	2.5	3.5	6.6	4.3	0.0	1.7	-12.9	-2.6	15.2	9.9	-
SWC (LU) BF Resp Gbl Conv AT	97	1.9	6.2	8.1	5.3	1.2	2.8	-16.4	1.0	20.0	10.8	-
FISCH Convertible Global Sustainable AD	513	0.5	2.2	3.1	-0.5	-4.1	0.6	-18.3	-4.9	18.1	13.9	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

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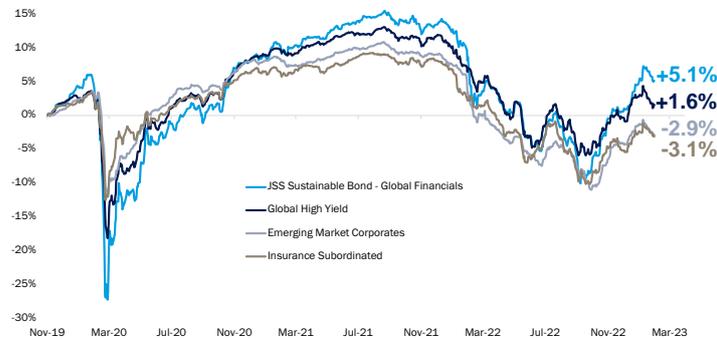
# JSS Sustainable Bond – Global Financials

The JSS Sustainable Bond – Global Financials invests in Contingent Convertible bonds (aka “AT1” or “CoCo bonds”) issued by global financial institutions that are sustainable according to our ESG investing approach. The objective is to deliver attractive risk-adjusted returns by generating coupon income and moderate capital appreciation. Investors are exposed to high quality balance sheets and achieve attractive returns via complexity and subordination premiums. The strategy is unconstrained (no benchmark), and includes an opportunistic allocation to Emerging Markets, with the objective of enhancing returns.

## The Case for AT1 Bonds

- In the aftermath of the Global Financial Crisis, regulators incentivised banks to capitalise and repair balance sheets via the issuance of bonds that count as regulatory capital:
  - Banks benefit from a lower cost of issuing capital
  - Investors benefit from recurring coupon payments that are higher than those from senior bonds
- AT1 bonds allow investors to gain exposure to high quality financial institutions and capture an attractive risk premium that compensates for the subordination and complexity risk.
- Banks today are very well capitalised, more closely regulated, and very well positioned to benefit from the expected economic growth and steepening yield curve.
- AT1 bonds offer some of the most attractive yields in the global fixed income market.

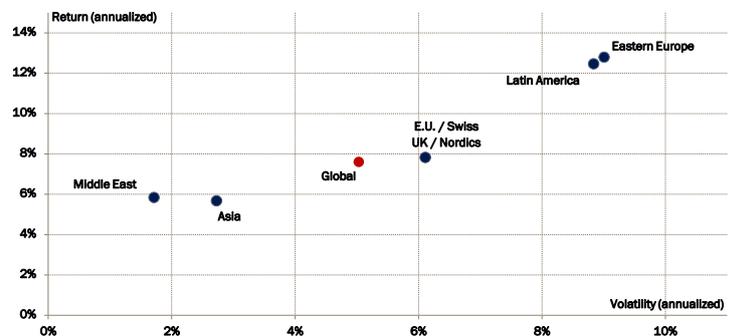
## Historical Performance Comparison vs Other Bond Segments<sup>1</sup>



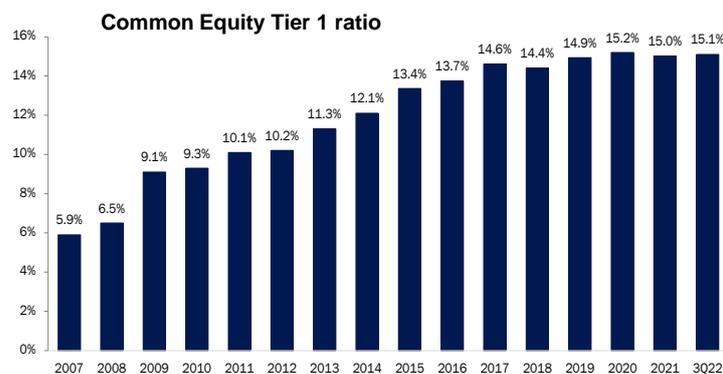
## Key Advantages of the Fund

- Integrates our innovative ESG investing approach throughout the investment process.
- Access to an attractive asset class typically only available to institutional investors.
- The strategy is unconstrained (no benchmark), allowing the portfolio manager to invest with enhanced flexibility.
- Opportunistic allocation to Emerging Market AT1s to enhance returns and portfolio diversification.
- The strategy benefits from our research and fixed income capabilities, as well as our local presence in relevant markets

## Investing Beyond European AT1s Enhances the Portfolio Risk and Reward Profile<sup>2</sup>



## AT1 Issuers Are Very Well Capitalised<sup>3</sup>



## J. Safra Sarasin Sustainability Matrix<sup>®</sup>



1) Institutional accumulating share class USD-hedged, net of fees. Source: Bank J. Safra Sarasin Ltd, Bloomberg, JP Morgan, ICE BofAML, as of 24.02.2023. Indices: Bloomberg Global High Yield Total Return Index Hedged USD, JP Morgan CEMBI Broad Diversified Composite Index Level. 2) Source: Bank J. Safra Sarasin Ltd, Bloomberg, ICE. Calculation over the 2014-2022 period 3) Source: Bank J. Safra Sarasin Ltd, Bloomberg, Company reports, as of 3Q22. Average CET1 ratio for European banks issuing AT1s. Fully loaded. Performance shown refers to the JSS Global Financials Fixed Income Certificate, which follows a similar strategy. Past performance is not a reliable indicator of current or future performance.

## Review

On the macro front, forward-looking survey data remained weak in July, while the hard economic data painted a different picture. In July, euro area PMIs worsened further, with the manufacturing PMIs now well within recessionary territory. Conversely, hard data were consistently stronger. Q2 US GDP came in at 2.4%, which was 0.6% above consensus and 0.4% above Q1. In late July, the market therefore saw an increasing probability of a soft landing or even a "no landing". In terms of central banks, the US Federal Reserve (Fed) hiked by 25bps as expected, with a statement that was very similar to the June meeting: the Fed is satisfied with the progress on the inflation front but recognises that levels and risks are still elevated. As a result, the FOMC did not pre-commit to any future decisions, instead leaving policy data-dependent and based on a meeting-by-meeting approach. Against this backdrop, markets showed a typical risk-on pattern in July, with higher rates, higher equities and lower credit spreads. The fund delivered a positive performance ahead of its investment universe.

Fund size in millions	134.21 USD
Fund launch date	26 November 2019
Benchmark	no representative benchmark available
Accounting currency	USD
Domicile	Luxembourg
Legal structure	FCP (SIF)
Portfolio management	AM Bond, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	Benoit Robaux
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.40%
Ongoing charges (P USD acc)	1.49%
Subscription /Redemption	daily
LTV	n.a.
Sales registration	CH,DE,ES,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF acc hedged / LU2040496619 P EUR acc hedged / LU2040496700 P USD acc / LU2040496536 P USD dist / LU2040496882
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

Looking ahead to H2 2023, we are scaling back our bullish view from early 2023 for three reasons: 1) AT1s were two points higher in Q2 2023, which is quite a lot given that Credit Suisse's failure is still recent; 2) the recent spike in rates means rate levels and/or volatility could be higher for longer; 3) we feel that global demand for AT1 might be somewhat lower than in the past due to the Credit Suisse trauma and higher yields elsewhere. However, we are not becoming pessimistic. AT1s still benefit from: 1) absolute valuations, with 70% of the market trading to perpetuity, which historically suggests that some cheap valuations are available; 2) relative value, although off the highs, is still attractive and above the long-term average versus bank Tier 2 or high yield; 3) banks are entering a potentially weaker macro environment with a strong fundamental starting point; 4) some upcoming expected calls (Barclays, SocGen) might create a positive catalyst to reduce extension risk.

## Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	12.53%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	-0.44	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Bond - Global Financials P USD acc</b>	<b>129</b>	<b>3.4</b>	<b>9.6</b>	<b>5.8</b>	<b>7.7</b>	<b>2.7</b>	<b>n.a.</b>	<b>-11.6</b>	<b>4.7</b>	<b>6.1</b>	<b>n.a.</b>	<b>5.8</b>
Algebris Financial Credit R USD Acc	10'802	3.1	5.0	4.6	3.6	2.2	4.5	-9.3	3.2	12.3	18.7	-
BlueBay Financial Cptl Bd B USD	1'682	3.1	4.7	-1.3	-1.2	0.6	3.1	-12.9	5.6	12.0	21.4	-
PIMCO GIS Capital Scs E USD Acc	5'450	2.4	3.1	0.7	-0.9	0.0	1.7	-12.3	4.1	5.3	16.4	-
Lazard Capital Fi SRI PVC H-USD	1'268	3.1	8.1	-0.5	0.4	3.3	4.6	-8.7	7.2	11.0	19.3	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (24 months, basis USD).

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# JSS Bond – USD High Yield

Note: The fund can invest up to 15% in equities

The fund invests predominantly in USD-denominated High Yield bonds. The strategy includes an opportunistic allocation to stocks issued by high yield companies, with a maximum 15%. The investment process is based on bottom-up fundamental research, combining equity and credit research in order to select the most attractive security in the capital structure. The objective is to generate alpha via security selection. The portfolio is managed by a 14-person dedicated team with over 20 years average experience. The strategy is ESG integrated, according to FederatedHermes' in-house ESG scoring process.

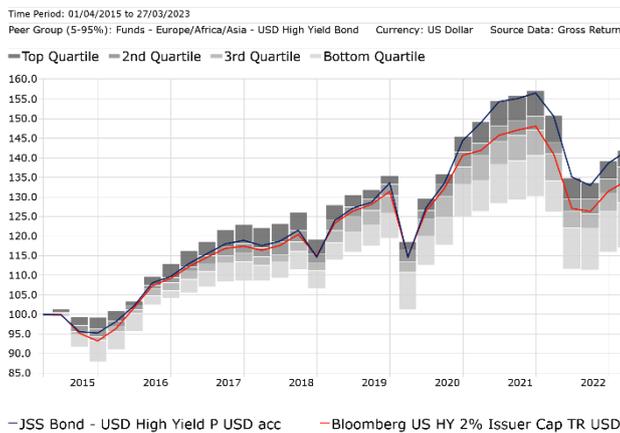
## The Case for US High Yield Bonds

- Attractive risk/return proposition, with historically equity-like returns but lower volatility.
- Low correlation vs other bond segments, acting as a good diversifier for bond portfolios.
- US High Yield bonds tend to perform well in times of rising interest rates.
- The shorter duration profile, compared to other bond segments, and the high & recurring coupon payments mitigate the risk of rapidly rising interest rates.
- Credit exposure to the US economy.

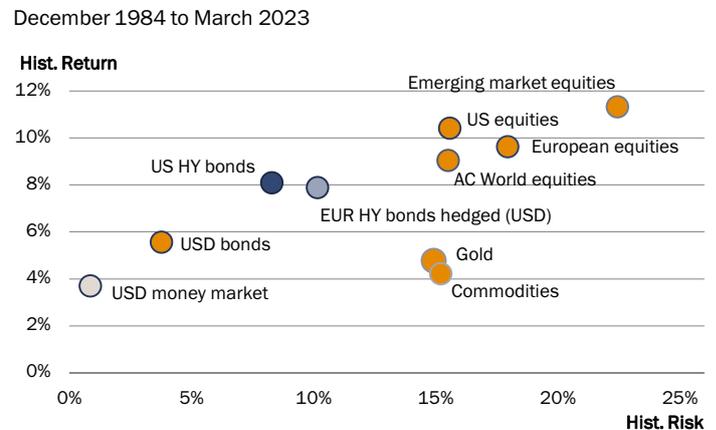
## Key Advantages of the Fund

- ESG Integrated, according to FederatedHermes' in-house ESG scoring process.
- Managed by a 14-person dedicated high yield team with over 20 years average investment experience and around \$18 billion assets under management.
- Opportunistic allocation to stocks of high yield companies, in order to capture the equity upside potential and enhance returns.
- Investment process based on bottom-up fundamental analysis; combines equity and credit research, allowing the manager to select the most attractive security in the capital structure.
- Experience in the US high yield market since 1972.

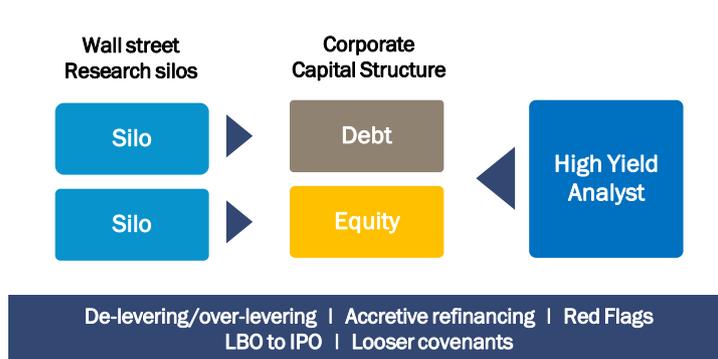
## Peer Group Performance Comparison (gross performance)<sup>1</sup>



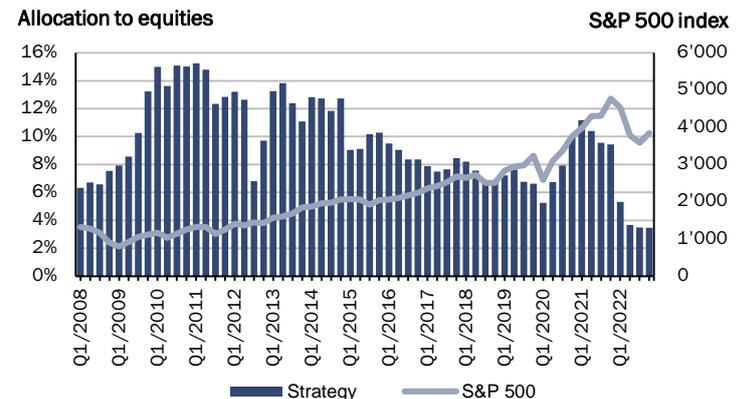
## Equity-like Returns<sup>2</sup>



## Integrated Research Enables to Identify the Most Attractive Security



## High Yield Strategy with an Allocation to Equities (max 15%)<sup>3</sup>



Past performance is not a reliable indicator of current or future performance. Allocations are subject to change without notice. 1) Source: Morningstar, as of 27.03.2022. 2) Source: Datastream. Indices: US HY bonds: ICE BofA US HY MASTER II (\$) - TOT RETURN IND; EUR HY bonds hedged (USD): ICE BofA EURO HIGH YIELD (E) - TOT RETURN IND hedged (USD); USD money market: ICE BofA US Dollar 3-Month Deposit Index - Total Rtn; USD bonds: ICE BofA US CRP/GVT 1-10Y A+ - TOT RETURN IND; US equities: MSCI USA U\$ - NET RETURN; European equities: MSCI EUROPE U\$ - NET RETURN; Emerging market equities: MSCI EM U\$ - NET RETURN. 3) Source: FederatedHermes, data as of 31.12.2022.

## Review

The high yield bond market returned 1.38% in July, with the banking, pharmaceuticals, and brokerage/asset managers/exchanges sectors generating the strongest returns. By credit rating, the BB-rated sector returned 1.10%, the B-rated sector returned 1.45% and the CCC-rated sector returned 2.11% for the month. Corporate credit quality remains solid, but higher interest rates and a slowing economy are pressuring some balance sheets. According to JP Morgan, the LTM par-weighted US high yield default rate decreased to 1.18%, which is the lowest since January and significantly lower than the long-term average. The high yield distressed ratio (bonds trading less than 50% of par value), a leading indicator of defaults, decreased by 50bps to 1.80% of the index. High yield new issuance activity slowed in July to only the second lightest month this year.

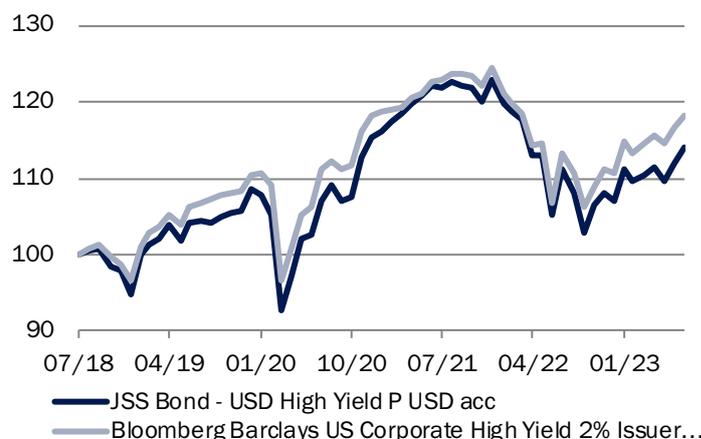
Fund size in m.	178.19 USD
Fund launch date	31 March 2015
Benchmark	Bloomberg Barclays US Corporate High Yield 2% Issuer Capped TR Index
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	Federated Investment Counseling, Pittsburgh US
Portfolio manager	Mark Durbiano
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.40%
Ongoing charges (P USD acc)	1.72%
Subscription /Redemption	daily
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN/ Securities-No. <sup>1</sup>	I USD acc / LU1184841770 I USD dist / LU1210450018 P CHF acc hedged / LU1184840293 P CHF dist hedged / LU1184840459 P EUR acc hedged / LU1184840533 P EUR dist hedged / LU1184840707 P USD acc / LU1184840020 P USD dist / LU1210449945
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

Underlying US economic fundamentals have slowed, yet a robust job market continues to provide support to the economy and fuel optimism that a recession will be avoided. However, persistently high, yet slowing, inflation, along with the Federal Reserve's rate hikes are negatively impacting certain sectors of the US economy, such as manufacturing and lower-income consumers.

## Net Performance

31.07.2018 – 31.07.2023 in USD



Key ratios <sup>2</sup>	Fund	BM
Volatility	8.84%	8.02%
Correlation	0.98	n.a.
Sharpe ratio	0.07	0.08
Inform. ratio	0.02	n.a.
Alpha	-0.14%	n.a.
Tracking error	1.70%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
JSS Bond - USD High Yield P USD acc	185	1.8	2.2	6.5	2.6	2.1	2.7	-12.9	6.5	6.2	14.5	29.2
Benchmark	-	1.4	2.1	6.8	4.4	2.0	3.4	-11.2	5.3	7.0	14.3	40.5
Fidelity US High Yield A-Acc-USD	2'744	1.3	1.3	4.9	2.6	1.9	2.5	-9.7	5.8	3.4	14.5	-
Nomura Fds US High Yield Bond A USD	3'084	1.6	2.2	7.3	5.0	3.6	2.9	-11.7	7.5	6.6	11.8	-
Neuberger Berman HY Bd USD A Acc	2'212	1.2	1.8	5.0	2.0	0.3	1.7	-12.4	3.8	4.5	13.2	-
PIMCO GIS US Hi Yld Bd E Acc	1'946	1.1	1.4	6.1	3.2	0.3	1.7	-13.0	3.5	4.4	13.9	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

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# JSS Twelve Sustainable Insurance Bond

The fund invests in subordinated bonds issued by insurance companies that are sustainable in line with our ESG investing approach. The objective of the strategy is to deliver attractive returns to our investors, consisting of high and recurring coupon income plus a moderate capital appreciation. This is achieved by investing in high quality issuers while capturing attractive subordination and complexity risk premium. The strategy is managed by our partner Twelve Capital, a highly specialised investment manager that combines insurance and capital markets expertise.

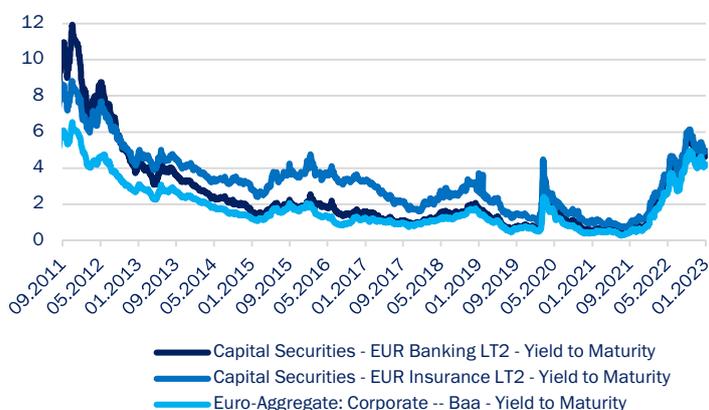
## The Case for Subordinated Insurance Bonds

- Insurance is one of the most stable and defensive industrial sectors in the economy:
  - Advantageous Asset/Liability structure
  - Highly regulated, very well capitalised
  - One of the lowest historical default rates
- Insurance subordinated bonds generally offer more attractive yields than other segments. This is explained by the complexity of the business model, under-research by the analysts community and lower outstanding volume.

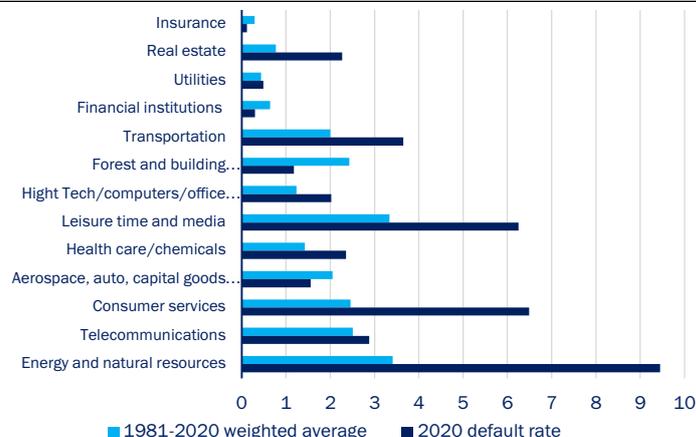
## Key Advantages of the Fund

- Integrates ESG factors into the investment process.
- Seeks to exploit opportunities in the financial markets using a highly analytical approach.
- Managed by Twelve Capital, a highly specialised team that combines insurance sector experience with capital markets expertise.

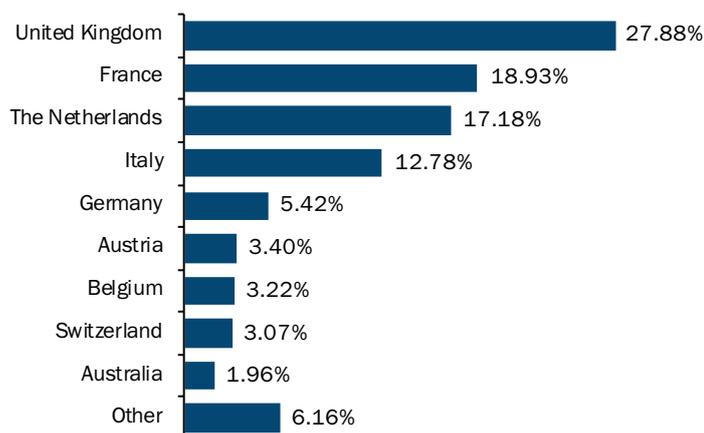
## Index Yield for Comparable Securities<sup>1</sup>



## Global Default Rates per Industrial Sector<sup>2</sup>



## Country Allocation<sup>3</sup>



## J. Safra Sarasin Sustainability Matrix<sup>®</sup>



1) Source: Barclays Live. As of 31.01.2023. Past performance is not a reliable indicator of current or future performance.

2) Source: Standard & Poors's Global Fixed Income Research and Standard & Poors's CreditPro

3) Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023. Allocations and holdings are subject to change without notice.

## Review

Global inflation data gave its first indications of beginning to slow, whilst GDP data remained resilient, giving further support to markets that western economies would avoid a hard landing following the aggressive interest rate hiking cycle. In terms of further rate rises, the US Fed increased interest rates by another 25bps, followed by the ECB which also raised rates by a further 25bps. For the insurance sector there were no significant headlines. Several insurance companies reported 1H results: Beazley, Scor and Mapfre were all in line with expectations. The Fund deployed recent inflows across multiple names, increasing exposure in particular to the life sector.

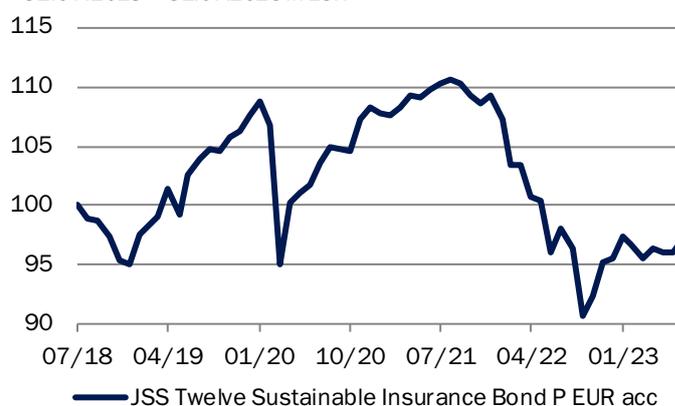
## Outlook

Twelve Capital expects markets to be sanguine over the coming weeks due to the summer period but expect new issuance to pick up from the sector in September.

Fund size in millions	443.81 EUR
Fund launch date	01 December 2014
Benchmark	no representative benchmark available
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	Twelve Capital Ltd., Zürich
Portfolio manager	Dinesh Pawar
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.00%
Ongoing charges (P EUR acc)	1.32%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P USD dist hedged / LU1244595242 P EUR dist / LU1210451099 P CHF acc hedged / LU1111708431 P USD acc hedged / LU1111708514 P EUR acc / LU1111708357
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Net Performance

31.07.2018 – 31.07.2023 in EUR



Key ratios <sup>2</sup>	Fund	BM
Volatility	6.32%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	-0.37	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Twelve Sustainable Insurance Bond P EUR acc</b>	<b>449</b>	<b>1.2</b>	<b>0.8</b>	<b>1.7</b>	<b>-0.9</b>	<b>-2.1</b>	<b>-0.6</b>	<b>-12.7</b>	<b>0.9</b>	<b>0.6</b>	<b>13.3</b>	<b>8.0</b>
Expert Inv SICAV-SIF Twelve Ins Bd B	15	1.1	0.6	1.7	-1.9	-2.4	-0.3	-14.0	1.1	3.3	13.0	-
La Française Sub Debt R	847	2.6	4.5	2.3	1.9	-0.7	0.1	-14.4	3.7	0.8	15.0	-
Nordea 1 - European Fincl Dbt BP EUR	1'299	2.4	4.1	1.4	1.8	-0.9	0.4	-11.7	2.8	1.6	12.7	-
Robeco Financial Institutions Bds D €	1'805	1.5	2.4	3.6	-0.7	-1.9	-0.1	-13.3	0.4	2.3	11.3	-
GAM Star Credit Opps (EUR) Ord EUR Acc	805	2.4	2.9	-0.6	-4.4	-2.2	-2.1	-15.8	3.1	-0.1	13.4	-
Edr SICAV Financial Bonds A EUR	1'983	2.0	3.7	2.2	-0.1	-0.8	0.3	-11.2	1.9	2.4	11.0	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis EUR).

## Investment Specialist

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A landscape photograph of a mountain range at sunset or sunrise. The sky is a warm, golden-orange color, and the mountains are silhouetted against the bright light. The word "Alternatives" is overlaid in a black serif font.

# Alternatives

## Alternative Investments

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JSS Senior Loan Fund	p. 79
JSS Senior Loan Europe	p. 81
JSS Alternative Lending Fund	p. 83
JSS Alternative Opportunities Fund	p. 85
JSS Commodity – Diversified	p. 87
JSS Global Real Estate Fund	p. 89
JSS Private Investments Fund II	p. 91



# JSS Senior Loan Fund

The fund invests in a well-diversified portfolio of US senior loans with the aim to generate attractive and consistent risk-adjusted total returns. Senior Loans are typically secured by all the company assets and rank senior in the capital structure. Thus, in the case of a default Senior Loan investors are paid back before all other investors. Also, Senior Loans have floating rate coupons, which means the floating payment increases as interest rates rise. The portfolio is managed by our partner CIFIC, an investment manager specialised in managing private debt, which manages more than USD 25 billion in assets.

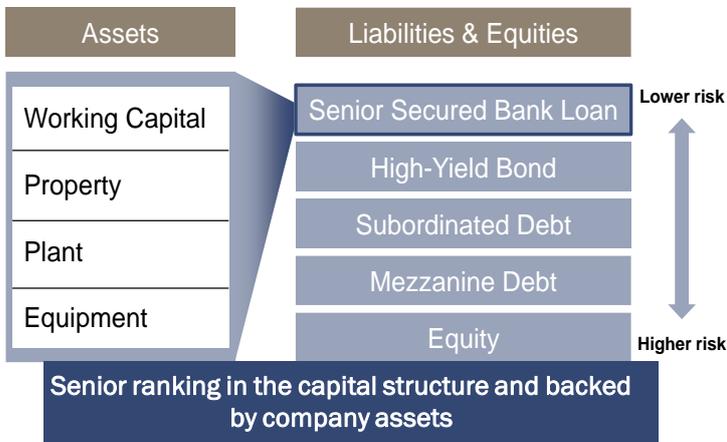
## Investment Rationale

- Senior Loans provide **attractive returns at low volatility** and with a floating rate coupon.
- Floating rate instruments exhibit **very low duration risk** and thereby show **very low sensitivity to interest rate movements**.
- Senior Loans have generated **attractive returns through several credit cycles**.
- Senior loans rank senior in the capital structure, which leads to **higher recovery rates**.

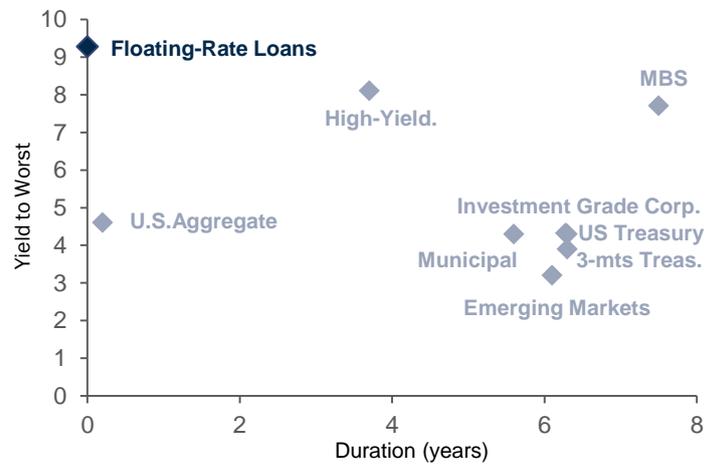
## Selling Proposition

- The manager CIFIC has a **very successful track record** with the strategy of outperforming the benchmark and peers since 2012.
- CIFIC is a **leader in private debt**, was founded in 2005 and its AuM have grown to USD 40bn as of end of 2022.
- **Proven investment approach** is based on detailed fundamental credit analysis seeking capital preservation.

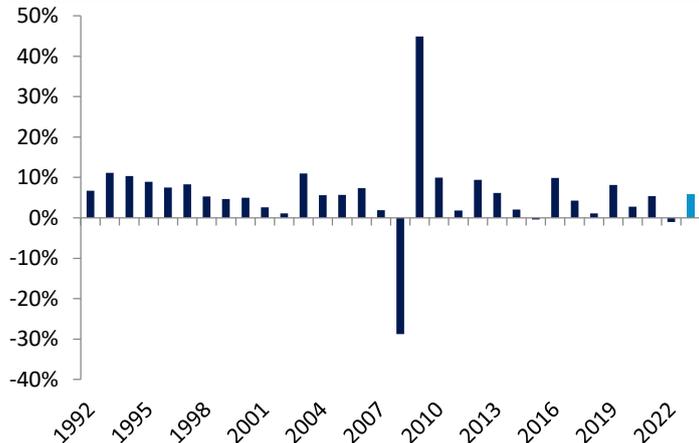
## Ranking in the Capital Structure



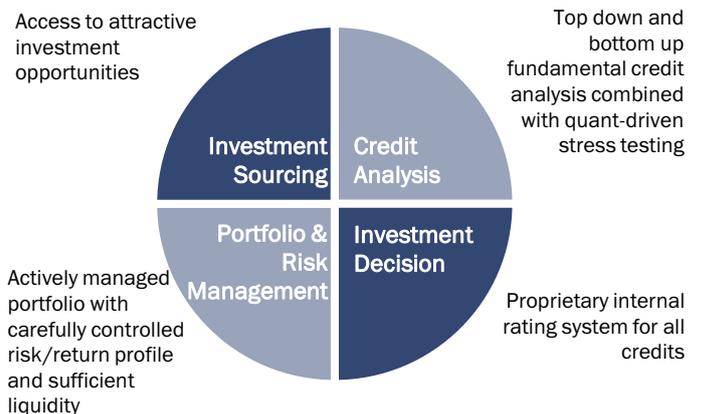
## Attractive Return With Very Low Duration<sup>1</sup>



## Asset Class Historical Performance: Stable Long-term Returns<sup>2</sup>



## Our Investment Process



Past performance is not a reliable indicator of current or future performance.

1) Source: Bloomberg, J.P. Morgan, ICE Data Indices and LCD is an offering of S&P Global Market Intelligence, as of 13.01.2023.

2) Source: CIFIC, Credit Suisse, as of 31.12.2022.

## Review

The summer rally in risk assets continued in July as headline inflation cooled to 3.0%, economic data remained resilient, job growth did not disappoint and the last of the Wall Street economists threw in the towel on their recession calls. Even in the face of another 25bps interest rate hike from the US Federal Reserve (Fed), hopes of a “soft landing” or even a “no landing” rose and, with them, so did the global markets. The US market added another month of strong gains to its impressive year-to-date performance. The Credit Suisse Leveraged Loan Index rose 1.30% in July, bringing the year-to-date return to +7.71%. In line with the renewed optimism driving market price action, we observed that low-quality risk led the way. Demand in the loan market has now exceeded supply in nine of the last ten months, a trend we expect will continue in the second half of 2023. The JSS Senior Loan fund's performance was helped by its exposure to the electronics/electrical, business equipment & services, and health care sectors during the month. Cash and cable & satellite television were negative contributors.

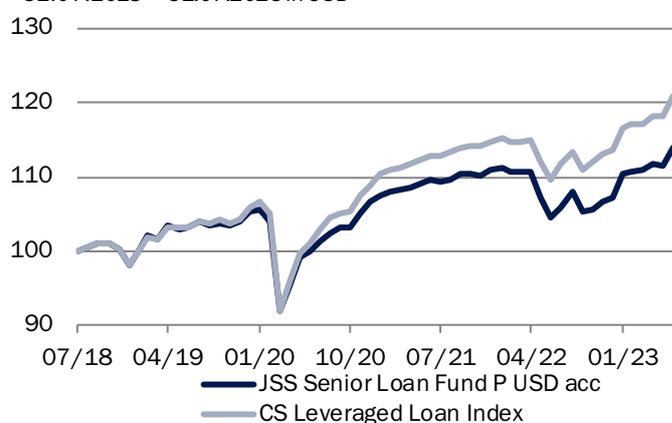
Fund size in millions	431.56 USD
Fund launch date	07 October 2015
Benchmark	CS Leveraged Loan Index
Accounting currency	USD
Domicile	Luxembourg
Legal structure	FCP (SIF)
Investment manager	J. Safra Sarasin Asset Management (Europe) Ltd.
Sub-Investment manager	CIFC Asset Management LLC, NY, USA
Portfolio manager	Stan Sokolowski
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.40%
Ongoing charges (P USD acc)	1.54%
Subscription /Redemption	twice per month
LTV	70%
Sales registration	AT,CH,DE,FR,GB,GI,IE,IT,LI,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF acc hedged / LU1272300051 P EUR acc hedged / LU1272300135 P USD acc / LU1272299964 P USD dist / LU1258870234 P EUR dist hedged / LU1258870408
SFDR Classification	Article 6
SRRI Risk Level	2/7

## Outlook

We believe the recession rethink has been fuelled by a combination of economic factors, including cooler-than-expected headline inflation, ongoing strength in the labour market, better-than-feared Q2 corporate earnings and an upside surprise in GDP. While the increasing evidence of a soft landing has buoyed all risk assets, nowhere was the change in investor sentiment more apparent than across the Treasury yield curve, where both short and long-term yields surged higher. Notably, 10Y and 30Y Treasuries soared by 16 and 17 basis points, respectively, once again challenging long duration assets. 2023 was expected to be the year of the recession and the prophesied year of the fixed income and duration risk trade, but has instead turned out to be the year of the coupon and short duration risk trade. We believe there is more to gain from being positioned in short duration and higher-yielding assets such as senior secured corporate loans. As Fed Chairman Powell attempted to do once again after raising rates in July, we are reminding investors not to fight the Fed.

## Net Performance

31.07.2018 – 31.07.2023 in USD



Key ratios <sup>2</sup>	Fund	BM
Volatility	4.23%	3.81%
Correlation	0.98	n.a.
Sharpe ratio	0.71	1.19
Inform. ratio	-1.66	n.a.
Alpha	-2.06%	n.a.
Tracking error	0.93%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Senior Loan Fund P USD acc</b>	<b>432</b>	<b>1.3</b>	<b>3.0</b>	<b>7.5</b>	<b>9.0</b>	<b>4.4</b>	<b>2.9</b>	<b>-3.4</b>	<b>4.0</b>	<b>1.2</b>	<b>7.4</b>	<b>33.4</b>
Benchmark	-	1.3	3.5	7.7	9.5	6.0	4.1	-1.1	5.4	2.8	8.2	42.0
CS Nova (Lux) Global Senior Loan A USD	2'839	1.3	3.4	8.3	8.8	5.0	3.2	-3.4	4.4	2.7	6.6	-
Invesco US Senior Loan H USD Acc	3'848	1.1	3.5	7.0	8.5	6.1	3.5	-3.0	7.8	1.3	7.6	-
GS Gbl SrLoan Lux-G Cap USD (HG i)	378	0.7	2.1	6.8	6.6	3.6	1.7	-5.0	4.0	-0.5	6.3	-
Neuberger Berman GfSr FIRT Inc USD I Acc	455	1.3	3.3	7.1	8.6	4.9	3.5	-2.7	4.9	2.4	8.3	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis USD).

## Investment Specialist

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# JSS Senior Loan Europe

The JSS Senior Loan Europe fund seeks to invest in a well-diversified portfolio of European senior loans with the aim to generate attractive and consistent risk-adjusted total returns. Senior loans are typically secured by company assets and rank senior in the capital structure. Thus, in the case of a default, senior loan investors are paid back before other investors. The portfolio is managed by our partner CIFIC in London, an investment manager specialized in managing private debt.

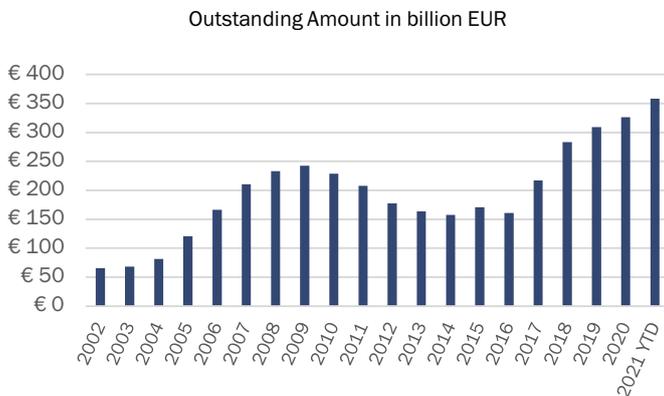
## Why Invest in European Senior Loans

- Senior loans can provide **attractive returns with low volatility** and have **performed well through several credit cycles**.
- Especially in Europe, **senior loans offer yield opportunities in a low yield environment** and provide a EURIBOR-floor protecting against negative yields.
- Their senior ranking in the capital structure and security packages lead to **higher recovery rates**, thus protecting capital.
- **Growing universe of European loans allows for selectivity** and active defensive portfolio construction while also providing liquidity.

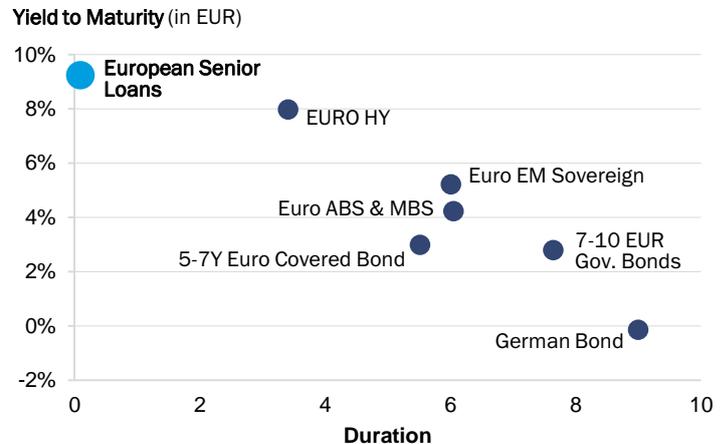
## Key Advantages of the fund

- The fund's sub-investment manager CIFIC and its lead PM Stan Sokolowski have a **successful track record in loan investing**.
- CIFIC, a **leader in private debt**, was founded in 2005 and its assets under management have grown to USD over 25 billion.
- The proven bottom-up investment approach is based on detailed **fundamental credit analysis** seeking capital preservation.
- Being a **smaller manager with top-class resources allows nimble and professional portfolio construction**.

## The European Loan Market – A Growing Asset Class<sup>1</sup>



## Attractive Returns with Very Short Duration<sup>2</sup>

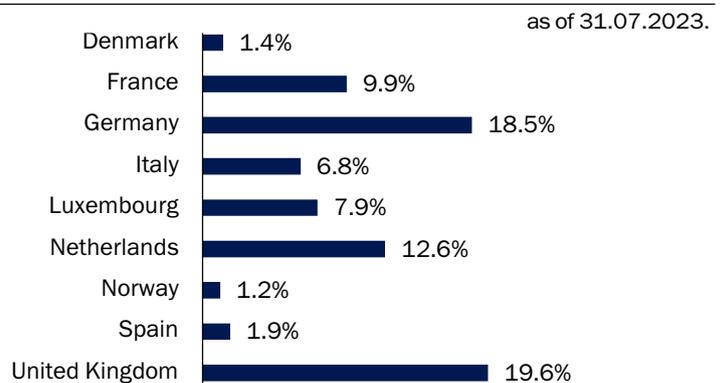


## Portfolio Characteristics<sup>3</sup>

as of 31.07.2023.

Avg EBITDA (in million USD)	\$607.58 MM
Avg EBITDA / interest	3.64
Avg first lien debt / EBITDA	5.10
Avg total debt / EBITDA	5.70
Avg FCF / total debt	2.18%
Avg first lien debt / EV	49.63%
Avg total debt / EV	55.61%

## Country Allocation<sup>3</sup>



1) CIFIC Asset Management. This refers to interbank lending rates. Senior loans trade in a private, unregulated market directly between loan market participants. Most transactions are facilitated by broker-dealers affiliated with large commercial and investment banks. As a result, purchases and sales of senior loans typically take longer to settle than similar purchases of bonds and equity securities. Because senior loan transactions are directly between investors, there can be greater counterparty risk. 1. Credit Suisse Western European Leveraged Loan Index (All-Denominations), data as of 30.09.2021. These figures do not capture the entirety of the European leveraged loan market and are representative of the provided index only. Past performance is no indicator of current or future returns. 2) Source: Bank of America, Credit Suisse, as of 31.12.2022. 3) Source: Bank J. Safra Sarasin Ltd, Allocations and holdings are subject to change without notice.

## Review

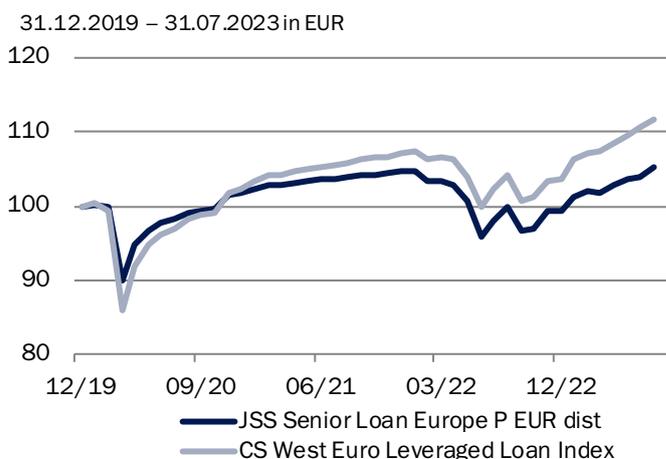
The European loan market remained broadly accommodating in July, as positive economic data eased near-term recession concerns. The fund had a strong month, returning +1.45% and outperforming the benchmark by 30bps. This was driven by new CLO issues, coupled with a lack of new issue supply driving buyers to the secondary market. Higher quality paper performed well as investors focused on potential CCC downgrade risk, which can cause severe price decreases. This benefited the fund given its continuous focus on defensive names to protect capital in any downturn environment. Performance was further supported by a reduction in cash levels to 4.1% of the portfolio. In addition, the team profitably traded a number of new issue high yield notes. The fund maintains a cautious portfolio approach over the medium term given the multiple plausible macroeconomic outcomes.

Fund size in millions	71.54 EUR
Fund launch date	23 December 2019
Benchmark	CS West Euro Leveraged Loan Index
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	FCP (SIF)
Investment manager	J. Safra Sarasin Asset Management (Europe) Ltd.
Sub-Investment manager	CIFC Asset Management LLC, NY, USA
Portfolio manager	Stan Sokolowski
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.20%
Ongoing charges (P EUR dist)	1.39%
Subscription /Redemption	twice per month
LTV	n.a.
Sales registration	CH,DE,ES,GB,GI,IT,LU,NL,SG
Active P Share classes / ISIN <sup>1</sup>	P EUR dist / LU2075827605 P CHF acc hedged / LU2075827514 P EUR acc / LU2075827357 P USD acc hedged / LU2075827431 P USD dist hedged / LU2075827860
SFDR Classification	Article 6
SRRI Risk Level	2/7

## Outlook

July marks the fourth consecutive month of positive returns for the European loan market as YTD returns reach +7.90% (CSWELLI). These returns are amongst the best across the fixed income market this year and highlight how investors perhaps believe that we will have a “soft landing”, as opposed to a deep recession. The market has proved robust, mainly due to the lack of new issue supply pushing investors into the secondary market, which has driven prices higher. Despite the positive technicals, fundamentals are deteriorating and margins are decreasing. With this in mind, we will continue to maintain a defensive, higher-quality and more liquid bias. In addition, we will aim to increase issuer diversity to limit downside and downgrade risk. The team will continue to use rallies to reduce certain risks and sell-offs to redeploy capital into higher rated issuers that we believe will be more resilient in a slowing growth environment.

## Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	5.07%	5.21%
Correlation	0.98	n.a.
Sharpe ratio	1.10	1.44
Inform. ratio	-1.87	n.a.
Alpha	-1.52%	n.a.
Tracking error	1.05%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
JSS Senior Loan Europe P EUR dist	79	1.3	2.5	6.2	7.4	2.3	n.a.	-5.2	2.8	1.9	n.a.	5.1
GS Europe SrLoan Lux-Z Dis M EUR	37	1.5	2.7	6.8	8.1	4.3	n.a.	-3.2	4.5	1.7	n.a.	-
CS Nova (Lux) European Sr Loan IA EUR	208	1.5	2.9	8.2	8.9	4.2	2.8	-5.6	4.3	3.7	3.9	-
Oaktree European Senior Loan I	182	1.1	3.6	8.8	11.6	4.3	2.8	-4.8	5.1	1.3	4.8	-
Invesco European Senior Loan H EUR Acc	973	0.5	3.7	8.8	8.6	4.8	2.3	-9.1	7.9	0.6	5.8	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (12 months, basis EUR).

## Investment Specialist

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# JSS Alternative Lending Fund

The JSS Alternative Lending Fund (“the fund”) invests as a feeder fund in the Morgan Stanley AIP Alternative Lending Fund A (Master Fund), which is a consumer-focused private credit strategy acquiring loans underwritten by fintech alternative lending platforms in the United States. It seeks to provide attractive total returns with an emphasis on current income.

## The Case for Alternative Lending

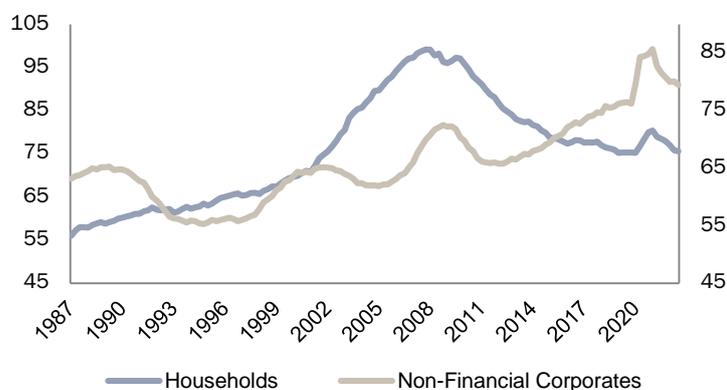
- **Consumer-focused private credit** strategy acquiring loans written by fintech alternative lending platforms
- **Attractive historical returns** since inception with limited volatility<sup>1</sup>
- **Diversified** by borrower type and loan vintage
- **Low duration** due to amortizing loan structure

## Key Characteristics of the Fund

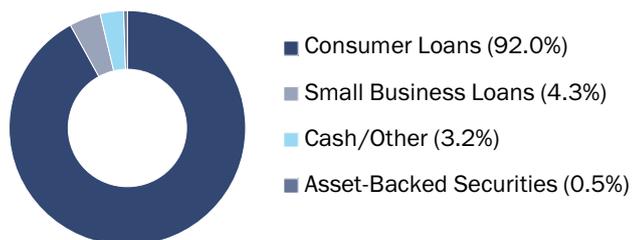
- Target net return in the high single digits
- Experienced and highly renowned manager
- Morgan Stanley Alternative Investment Partners (AIP)
- Highly diversified portfolio with over 400'000 individual borrowers, diversification by loan type, vintage and geography
- Striving for highest standards of risk management and oversight
- Investor-friendly structure without incentive fees, relative tax efficiency and striving for quicker deployment of capital

## US Consumers De-leveraged since 2008<sup>1</sup>

Total Debt to GDP by Economic Sector



## Portfolio Allocation by Borrower Type<sup>2</sup>



## What is Alternative Lending?



- In Alternative Lending, online platforms use technology to connect borrowers with lenders
- Allows borrowers to obtain capital more efficiently and at low costs, whilst providing investors with an attractive income stream

## Portfolio Statistics

### ALF A (Master Fund) as of 31.12.2022

Net Asset Value of the Fund (NAV)	USD 2'459'777'660
Average Credit Score (FICO)	677
Average Borrower Loan Balance	USD 6'707
Duration	1.16 years
Maturity	3.61 years
Number of Loans in the Portfolio	497'883
Largest Individual Loan	<0.1% of NAV

1) Source: Bank for International Settlements, Total Credit to Non-Financial Corporations, Adjusted for Breaks, for United States, Federal Reserve Bank of St. Louis; Data as of July 2022 2) The composition of the master fund and the composition of the JSS Alternative Lending Fund may differ slightly. Source: Bank J. Safra Sarasin Ltd, Morgan Stanley, data as of 31.12.2022. Allocation is subject to change without notice.

## Review

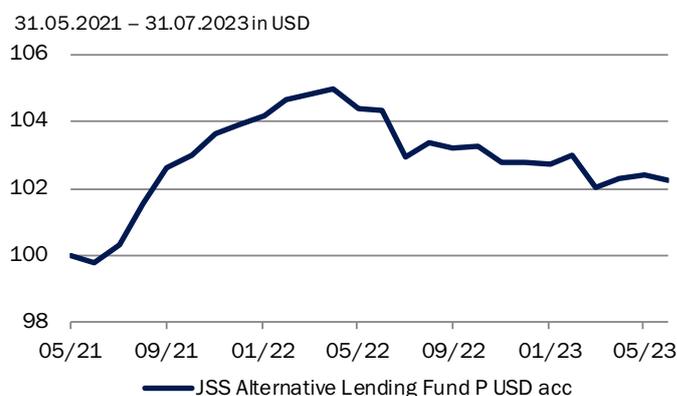
Based on July estimates, AIP Alternative Lending Fund A (the “fund”) returned +0.17% in net terms, bringing the net year-to-date performance to -0.19%.

Fund size in millions	256.89 USD
Fund launch date	28 May 2021
Benchmark	no representative benchmark available
Accounting currency	USD
Domicile	Luxembourg
Legal structure	FCP-RAIF
Portfolio management	J. Safra Sarasin Asset Management (Europe) Ltd., London
Portfolio manager	Wei Zhu
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	0.50%
Ongoing charges (P USD acc)	0.56%
Subscription /Redemption	monthly
LTV	n.a.
Sales registration	CH,GB,GI,LU,NL,SG
Active P Share classes / ISIN/ Securities-No. <sup>1</sup>	P 50 EUR hedged acc / LU2499094089 P CHF hedged acc / LU2317141039 P CHF hedged dist / LU2317141112 P EUR hedged acc / LU2317141203 P EUR hedged dist / LU2317141385 P USD acc / LU2317140817 P USD dist / LU2317140908
SFDR Classification	Article 6
SRRI Risk Level	3/7

## Outlook

Unrealised fair valuation adjustments stemming from loan repricing significantly impacted the fund’s performance in the first quarter and over the past year. As the US Federal Reserve (the “Fed”) aggressively hiked its benchmark interest rate, some marketplace lending platforms progressively increased lending rates on newly originated loans. Although loan repricing negatively impacted returns during the first quarter on an unrealised basis, new origination loans entering the portfolio with higher interest rates for comparable credit risk will potentially increase the fund’s expected returns over the medium term. Furthermore, recent Fed projections imply that benchmark rate hikes may be nearing a pause. Additionally, the consumer loan book’s delinquency ratio was more stable in the first quarter of this year, compared to the upward trend observed over the course of 2022. We remain excited by alternative lending’s core strengths: a diversifying private credit exposure to US consumers and small businesses, offering an elevated expected net yield and buoyed by limited duration.

### Net Performance Since Inception



Key ratios <sup>2</sup>	Fund	BM
Volatility	1.77%	n.a.
Correlation	n.a.	n.a.
Sharpe ratio	-3.18	n.a.
Inform. ratio	n.a.	n.a.
Alpha	n.a.	n.a.
Tracking error	n.a.	n.a.

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

Past performance is not a reliable indicator for current or future performance.

1) Additional share classes may be available. Please refer to the fund prospectus for a full list of share classes.

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# JSS Alternative Opportunities Fund

Benefiting from the long-standing hedge fund expertise of the J. Safra Group, the Fund invests in funds of leading absolute return managers worldwide with established track records of success, as well as in select emerging managers. The fund invests in a diversified set of strategies like Long-Short Equity, Relative Value, Event-Driven, Multi-Strategy and/or Global Macro. We believe such strategies can benefit from the new investment environment of higher rates, higher volatility and higher dispersion between individual asset returns.

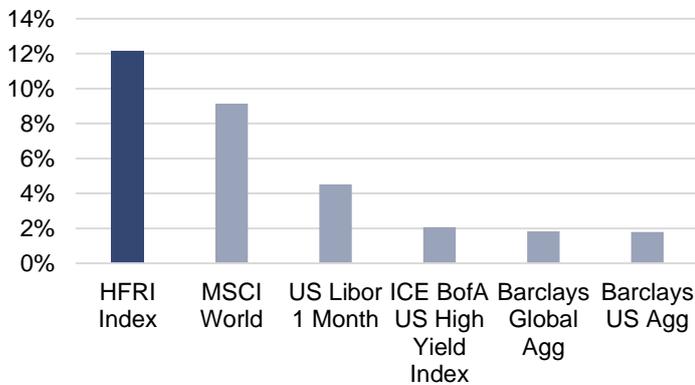
## The Case for Hedge Funds

- Higher volatility and higher dispersion in financial markets benefits the active strategies of hedge funds
- Uncertainty in traditional markets increases the need for independent sources of return
- Hedge Funds can diversify traditional portfolios due to low correlation to equities and bonds
- Active investing at the forefront of innovation and expertise with the goal to create risk-adjusted excess returns and protect capital

## Key Characteristics of the Fund

- Portfolio of globally leading hedge funds with established track records of success as well as selected emerging managers
- Long-standing experience of the J. Safra Group
- Access to managers closed to new investors (soft & hard closed)
- Robust and institutional investment process covering investment and operational due diligence as well as continuous monitoring of invested funds
- Return target of stable mid- to high-single digit returns independent of traditional equity and bond markets
- Alignment of interest as we seek managers that invest significant amounts of their own capital in their strategies and as we seek to align our own interests with those of our investors.

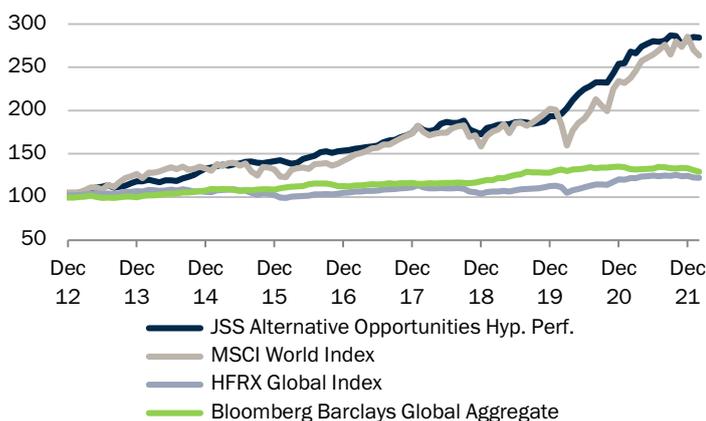
## Strong Hedge Fund Performance in Periods of Rising Rates <sup>1</sup>



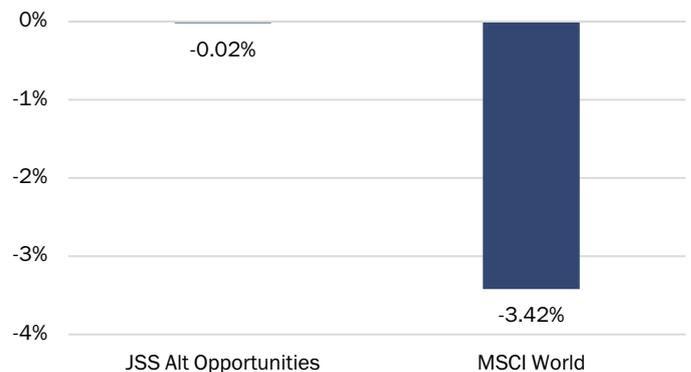
## Global Presence & Network of the J. Safra Group



## Portfolio Returns (Backtest Analysis of Portfolio at Launch) <sup>2</sup>



## Average Portfolio Return in Down-Months of Equity Markets <sup>2</sup>



1) Annualised Index Returns During the Past Three Rate Hike Periods, Bank J. Safra Sarasin Ltd, Bloomberg. The Hedge Fund Research Weighted Composite Index ("HFR Index") is a widely used fund-weighted industry benchmark, but the exact composition of this index remains proprietary. Period: 02.1994 - 02.1995, 06.1999 - 05.2000, 06.2004 - 06.2006. 2) Bank J. Safra Sarasin, Datastream, Bloomberg. Data from January 2013 to February 2022. The simulated performance data do not take account of the commissions and costs incurred on the issue and redemption of units. Full backtested track record for portfolio as of 01.09.2019. Prior track record proportionally weighted calculation. Data as of February 2022. Warning: Past performance is no guarantee nor indication of future performance.

## Review

Risk-on appetite propelled markets higher in July, with US equity indices notching gains as stronger-than expected macroeconomic data prints showed that the US economy is resilient, while encouraging corporate earnings boosted investor sentiment. On the macroeconomic front, the tone has become more optimistic, with market participants pointing to a higher likelihood of a soft landing than was telegraphed at the end of June. In the final week of July, the Federal Reserve hiked interest rates by a widely expected 25bps, bringing the fed funds rate to a target range of 5.25% to 5.5%. The JSS Alt Opp. fund posted a positive performance in July, outperforming the HFRX GL Hedge Fund Index. The largest positive contributor was driven by the commodities I/s bucket, followed by the EM credit I/s bucket. The discretionary macro and equity I/s strategies posted solid gains. The volatility arbitrage RV and multi-strategy platform strategies eked out small gains. The systematic bucket posted small losses.

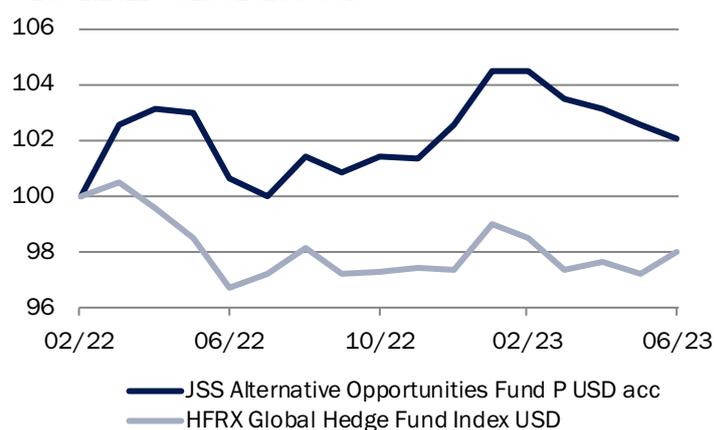
Fund size in millions	72.07 USD
Fund launch date	28 February 2022
Benchmark	HFRX Global Hedge Fund Index USD
Accounting currency	USD
Domicile	Luxembourg
Legal structure	FCP-RAIF
Portfolio management	J. Safra Sarasin Asset Management (Europe) Ltd., London
Portfolio manager	Claude Steele
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.00% + 10% Performance Fee
Ongoing charges (P USD acc)	2.85%
Subscription /Redemption	monthly/quarterly
LTV	n.a.
Sales registration	AT,CH,DE,DK,ES,FR,GB,IE,IT,LI,LU,NL,PT,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF hedged acc / LU2377768796 P EUR hedged acc / LU2377768879 P USD acc / LU2377768523
SFDR Classification	Article 6
SRRI Risk Level	4/7

## Outlook

We believe global markets have entered a new paradigm that will be dominated by high inflation, high volatility and high risk, in many ways a complete reversal of the previous decade, which was dominated by artificially low inflation, volatility and risk. Whilst the order in which this is presented is somewhat interchangeable, the current driver of monetary policy remains inflation, leaving central banks with the extremely delicate task of hiking decisively enough to contain both inflation and inflation expectations without damaging the economy and/or ex-posing systemic risks. The reality is that central banks seem to have a foot on both the accelerator and the brake, as evident in the current US regional bank crisis, delivering nominal hikes whilst printing money via protection programmes. We are adhering to beta-neutral positioning in the portfolio, with a focus on constructing a diversified portfolio of highly skilled managers to take advantage of the dispersion across different asset classes in their respective investment strategies.

### Net Performance Since Inception

28.02.2022 – 31.07.2023 in USD



Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

Past performance is not a reliable indicator for current or future performance.

1) Additional share classes may be available. Please refer to the fund prospectus for a full list of share classes.

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# JSS Commodity – Diversified

The fund invests in a broadly diversified set of exchange traded commodities. The investment concept equally-weights the different commodity sectors and also the individual commodities within a sector, which leads to a well diversified portfolio. In addition, commodities are selected based on their correlation with each other in order to have the lowest possible interdependencies and harvest a rebalancing premium. The term structure implementation is done actively and can add additional returns.

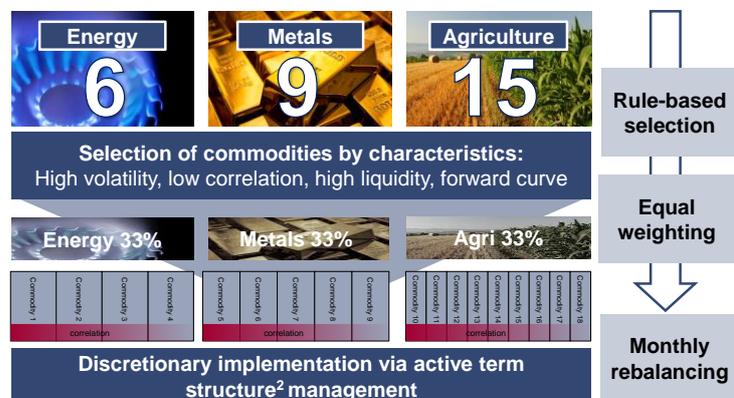
## Key Benefits

- Commodities show low correlations to other asset classes and hence offer **diversification potential** to a portfolio.
- As real assets, commodities can provide **inflation protection** to clients.
- Commodities can **benefit from the changing interest rate environment**, because a higher cost of capital may decrease the supply in commodities, which would usually support commodity prices.
- Winner of the 2020 Lipper Fund Award for «Commodity Blended»

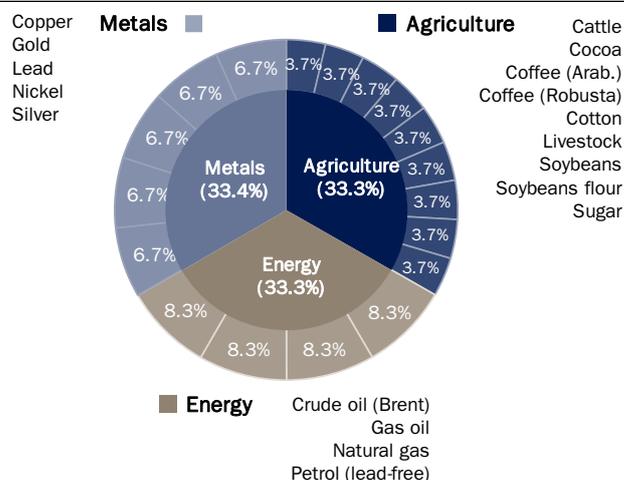
## Selling Proposition

- Consistent 12+ year track record** vs. benchmark.
- Broadly **diversified exposure to commodities** across three sectors Energy, Metals and Agriculture.
- Rule-based investment process** that equal-weights sectors, but actively implements term structure.
- Aims to **minimize risk** through **systematic diversification** and **monthly rebalancing**.

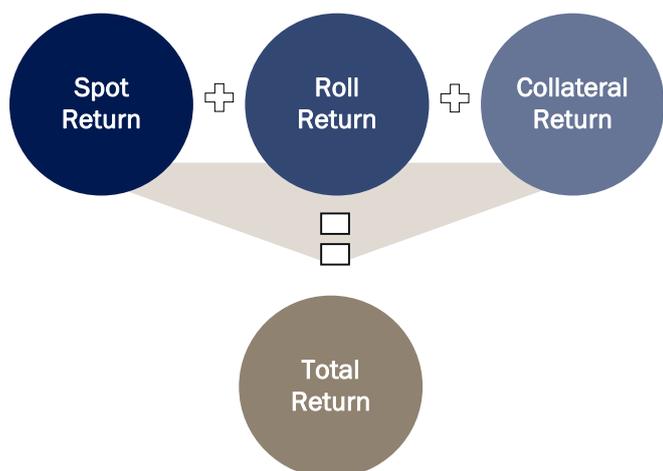
## Diversified Commodity Selection



## Diversification of Portfolio Positions<sup>1</sup>



## Sources of Return for Commodities<sup>2</sup>



### Spot Return

- Appreciation of the spot price – that is, of the price in the market for the immediate delivery of a commodity
- The fund has a diversified exposure to different commodities

### Roll Return

- Difference between spot price of a commodity and the price of its futures, realized by regularly rolling the exposure into new futures contracts
- The portfolio manager actively implements the term structure<sup>3</sup> positioning of the fund, significantly contributing to historical outperformance relative to the benchmark

### Collateral Return

- Return derived from investing unencumbered cash into short-term fixed income assets
- The interest earned is a stable return component of the fund

1) Source: Bank J. Safra Sarasin Ltd, Datastream, as of 31.07.2023. Allocations and holdings are subject to change without notice.

2) Simplified graph for illustrative purposes only. Further information is available upon request.

3) Term structure is the profile of futures prices which shows on a specific date the prices for all maturities of futures contracts

## Review

Commodity markets delivered a positive performance in July, with the BCOM CHF Hedged rising 5.8%. Despite a series of disappointing soft data releases in Europe and China, where manufacturing and industrial PMIs drifted in contraction territory, risky assets and commodities rallied as overall demand remains relatively robust and stockpiles remain unseasonably low. Energy was the clear leader in July, with gas oil and gasoline rallying sharply, whilst industrial metals and softs also performed positively. The JSS Commodity Diversified outperformed its benchmark over the month. The main performance drivers were the selection in precious metals and the curve positioning in grains. In terms of selection, the biggest positive contributors were ICE gas oil (+101bps), NYMEX RBOB gasoline (+72bps) and COMEX gold (+58bps), whilst on the negative side NY heating oil (-28bps) and Henry Hub natural gas (-20bps) were a drag.

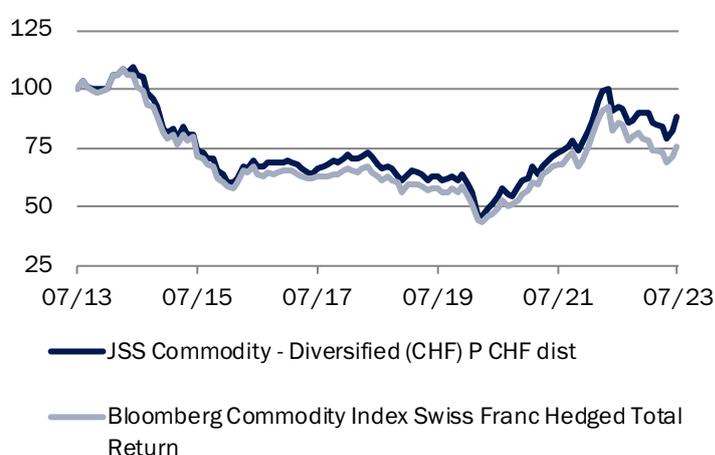
Fund size in millions	352.08 CHF
Fund launch date	31 January 2006
Benchmark	Bloomberg Commodity Index Swiss Franc Hedged Total Return
Accounting currency	CHF
Domicile	Switzerland
Legal structure	FCP
Portfolio management	AM Quantitative, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	George Cotton, Mathilde Franscini
Fund management company	J. Safra Sarasin Investmentfonds Ltd, Basel
Custodian bank	Bank J. Safra Sarasin Ltd, Basel
Management fee	1.75%
Ongoing charges (P CHF dist)	1.96%
Subscription /Redemption	daily
LTV	60%
Sales registration	CH,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF dist / CH0023789099 / 2378909 P USD dist / CH0026952702 / 2695270 P EUR dist / CH0037253066 / 3725306
SRRI Risk Level	4/7

## Outlook

Due to the quantitative investment process, assessments of developments in individual commodities do not influence the current and future composition of the portfolio. The three commodity categories of energy, metals and agricultural products are equally weighted in the portfolio. In turn, all commodities are equally weighted within the respective categories. The long-term return potential of the JSS Commodity – Diversified is at the forefront of this particular composition. Compared to other commodity products, the fund consciously avoids any prominent weighting in the energy commodity category. The portfolio is rebalanced at the end of each period, which is usually monthly. Commodity categories that have performed better than average during a particular month are scaled back. The profit is invested in categories that have performed worse than average. Investors therefore automatically pursue an anti-cyclical strategy.

## Net Performance

31.07.2013 – 31.07.2023 in CHF



Volatility	16.22%	16.59%
Correlation	0.94	n.a.
Sharpe ratio	1.10	0.94
Inform. ratio	0.39	n.a.
Alpha	3.43%	n.a.
Tracking error	5.71%	n.a.

## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Commodity - Diversified (CHF) P CHF dist</b>	<b>406</b>	<b>7.1</b>	<b>5.2</b>	<b>-1.5</b>	<b>-4.6</b>	<b>17.4</b>	<b>5.3</b>	<b>16.5</b>	<b>26.5</b>	<b>-4.7</b>	<b>4.4</b>	<b>-28.2</b>
Benchmark	-	5.7	2.8	-4.8	-12.0	15.2	3.6	13.6	25.4	-5.2	4.0	-50.1
Schroder AS Commodity A Acc CHF Hdg	414	6.7	2.9	-5.9	-15.4	12.2	2.5	10.7	21.7	1.3	0.8	-
CS Commodity Fund Plus (CH) USD DBH CHF	69	5.6	2.8	-4.9	-12.0	15.3	4.1	13.8	25.7	-3.2	4.1	-
Vontobel Commodity H Hedged CHF	418	8.0	1.4	-2.3	-10.8	12.4	2.4	6.7	32.4	-3.4	4.7	-
StructGSQrtxMdfdStgyBlmbrgCmdldxTR A CHF	1'280	5.4	1.5	-4.6	-9.3	16.0	5.7	14.0	28.1	-1.4	4.0	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Statistical ratios are calculated on the basis of the previous months (36 months, basis CHF).

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# JSS Global Real Estate Fund

The fund is currently closed to new subscriptions.

The JSS Global Real Estate Fund is an income-focused property fund seeking to invest and manage commercial real estate assets globally. It focuses on office, retail and hotel properties ranging between USD 25 - 150 million per property, and aims to provide stable rental income from defensive properties.

## Investment Rationale

- The fund aims for a **target net total return of 8% - 10% p.a. which includes semi-annual distributions of 3% - 5%** per annum based on projections.
- Benefit from capital appreciation through **active asset management (manage to Core and Sustainability)** and in-house expertise.
- Real estate in general offers **lower levels of volatility** in comparison to other asset classes.
- Typically, real estate is also known for **inflation protection** over the long term.
- Pandemic has changed the market dynamics to a certain extent, but the **demand for office space at central locations remains strong**.

## Key Fund Data<sup>1</sup>

First acquisition in **November 2017**

**10 investments** since inception

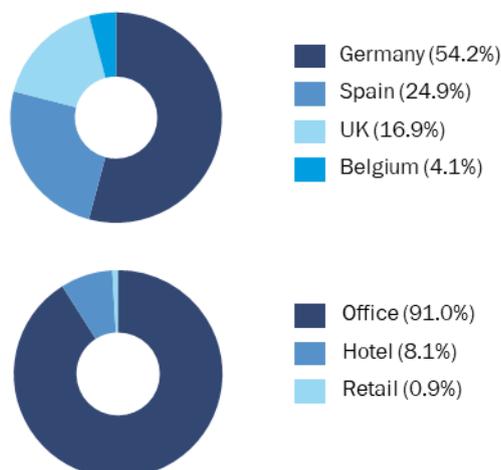
**USD 368m** capital raised in Series 1 and 2 (100% invested)

**7.7%** Net IRR since Fund's inception<sup>1</sup>

**23%** Increase of NAV per share since inception

**5.8%** dividend yield in 2021

## Rental income by Geography and Type



## Selling Proposition

- **Global mandate** – ability for clients to access a globally diversified portfolio of real estate assets in strong metropolitan areas.
- Sustainable **income** from **rentals** and **asset appreciation**, while focusing on markets with good fundamentals, high liquidity and transparency
- **Successful track record** – The J. Safra Group has invested in prime real estate investments globally for many years and will continue to apply the same investment discipline to the Fund.
- **Substantial investment by the J. Safra Group** in the Fund offers material alignment of interest with investors.
- New investors will participate in the same portfolio over time.

## Key Terms

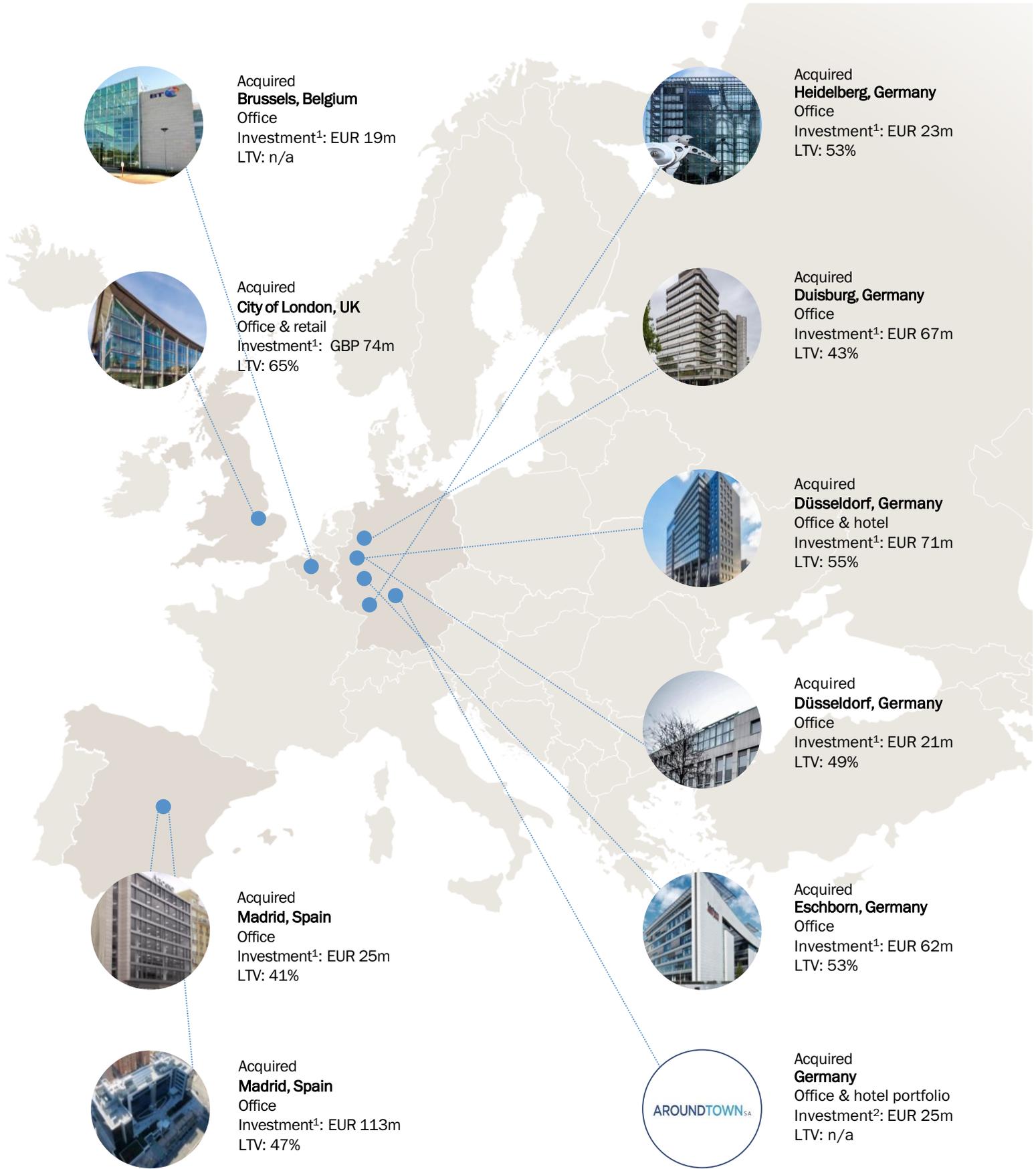
Fund structure	Luxembourg regulated FCP-SIF / open-ended
Portfolio management	J. Safra Sarasin Asset Management (Europe) Ltd
Leverage	Target 50-60% at property level.
Min. subscription	USD 250,000 (Series 3)
Custodian bank	Credit Suisse (Luxembourg) S.A.
NAV	Quarterly (unaudited) Annually audited
Valuation	External, independent valuation by CBRE GmbH, real estate services and investment firm
Fees	<ul style="list-style-type: none"> <li>• Fund management fee: 1.00% of NAV per annum</li> <li>• Performance fee: 15% over 6% hurdle</li> </ul>
Commitment period	<ul style="list-style-type: none"> <li>• 18 months after the closing date of the relevant series</li> </ul>
Redemptions	<ul style="list-style-type: none"> <li>• Before 4th anniversary of the end of the commitment period any redemptions are at the sole discretion of the Management Company.</li> <li>• After 4th anniversary redemptions are limited to a minimum of 2.5% of the NAV of all Series that are eligible for redemption<sup>2</sup> per quarter plus any additional amount at the discretion of the Management Company.</li> <li>• Subject to the above redemptions may be made quarterly with 12 month notice.</li> </ul>
Units' transferability	<ul style="list-style-type: none"> <li>• Units are transferable at any point subject to the sole approval of the Management Company (for terms and conditions refer to the Issuing Document)</li> </ul>

Source: J. Safra Asset Management (Europe) Ltd, as of 30.09.2021 (updated semiannually)

1) Weighted average of Series 1 and 2, November 2017 – 3Q 2021 including dividends

2) HY 2020 NAV (updated semiannually)

**Portfolio Overview**  
As of 30.09.2021



**Investment Specialist**  
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1) Total investments include purchase price of the asset, capex and transaction related costs. 2) Publicly listed real estate company in Germany.

# JSS Private Investments Fund II

The JSS Private Investments Fund II (“Fund II”) invests in private equity opportunities across sectors and regions, leveraging the private investment capabilities and experience of the J.Safra Group. While the fund invests globally, the majority of the investments are expected to be made in the US and Europe with the possibility of opportunistic allocations in Latin America. The fund seeks to achieve attractive returns that also provide stability during market downturns.

## Private Equity Benefits & Investment Strategy

- Investments in Private Equity funds have the potential to provide higher returns than investments in traditional public equity markets and in addition can provide diversification benefits.
- JSS Private Investments Fund II seeks to invest globally in private equity opportunities like its predecessor Fund I, which has been fully invested.
- Highly opportunistic approach in order to take full advantage of our global network and sourcing capabilities.
- Fund II will generally seek to invest in companies with defensive business models, strong cash flow generation and multiple levers for return enhancement.

## Why JSS Private Investments Fund II?

- Strong alignment of interest with the J. Safra Group (“the Group”).
- Fund II will benefit from the global network and relationships as well as the resources and expertise of the Group to help source, diligence, acquire, manage, enhance and exit portfolio companies.
- Ability to form attractive partnerships with like-minded investors is at the core of Fund II’s strategy.
- Targeting gross returns of mid to high teens per annum.
- We also expect for select opportunities in Fund II to generate co-investment occasions and hence, allow investors to get targeted exposure to specific transactions.

## Investing in Private Equity: An Active Investment Approach



## Investment Characteristics

Strategy	Targeting companies opportunistically where competitive advantages and unique features of the fund can provide for attractive, uncorrelated, long-term returns.
Geographies	Global, but most opportunities expected in Europe and US
Sectors	The fund is sector-agnostic and invests across industries
Ticket Size	Equity tickets of ca. USD 50 - 100 million per transaction
Diversification	Concentrated portfolio of 5 to 10+ companies
Term	10 years (three 1-year extensions possible)
Returns	Target gross IRR p.a. above 15% at fund level

## Update on Predecessor Fund: JSS Private Investments Fund I (“Fund I”)

- Fund I was launched in April 2018 and has been successfully deployed in 8 portfolio companies, with attractive diversification benefits across geographies, sectors, stages, value creation levers, vintages and partnerships.
- Fund I is off to a good start despite its young maturity and some impact from COVID-19, as several portfolio companies have exhibited strong performance with successful acquisitions, divestitures, organic growth or cost cutting plans.
- Fund I’s distribution of capital is ahead of peers and a first exit, the sale of Talcott Resolution, successfully completed after three years in operation.



### Investment Specialist

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# Multi-Asset



## Multi-Asset

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JSS Sustainable Multi Asset – Global Income	p. 97
Multi-Asset Thematic (Product Family)	p. 99
JSS Sustainable Multi Asset – Thematic Balanced (CHF)	p. 100
JSS Sustainable Multi Asset – Thematic Balanced (EUR)	p. 101
JSS Sustainable Multi Asset – Thematic Growth (EUR)	p. 102



# JSS Sustainable Multi Asset – Global Opportunities

## Why invest in JSS Sustainable Multi Asset – Global Opportunities?



**Full opportunity set**  
unconstrained investment universe



**Flexible allocation**  
systematic, cycle based and discretionary processes



**Drawdown mitigation**  
in every step of disciplined investment process

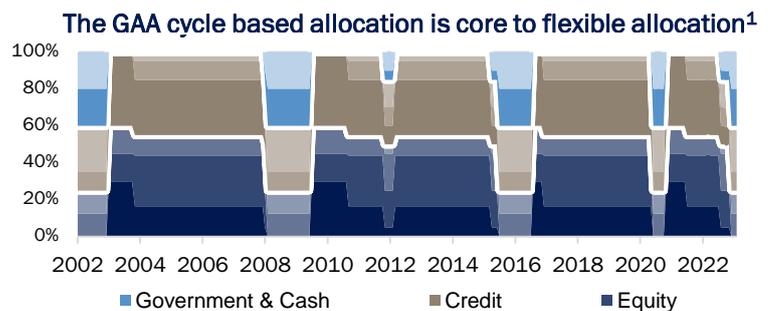
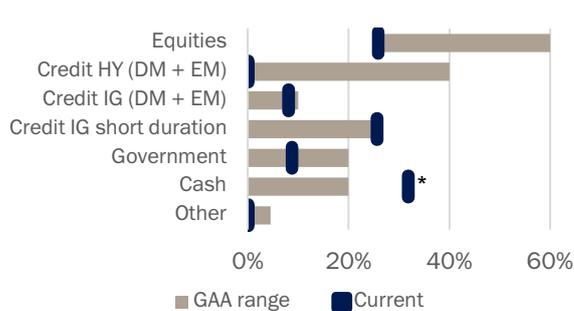


**Sustainable returns**  
encompassing financial and ESG analysis

## Flexible allocation<sup>1</sup>

A **long-term view** on assets and factors return potential provides the investor with a key anchor.

**Flexibility** is however paramount in order to adapt to the economic cycle evolution and the short-term risks.



## Drawdown mitigation

GAA

The **systematic Global Adaptive Allocation** reduces the risk during recessions. This starting point improves the long-term return/risk profile compared with traditional asset classes thanks to an attractive Up/Down capture ratio.

TAA

The drawdown mitigation is reinforced by: the **discretionary Tactical Asset Allocation** active derivatives overlay.

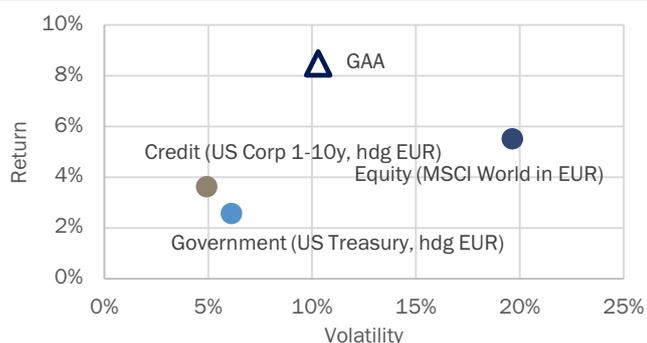
Selection

The investment selection into **financially profitable and stable companies** benefiting from best-in-class ESG practices reduces the downside risk in recessions.

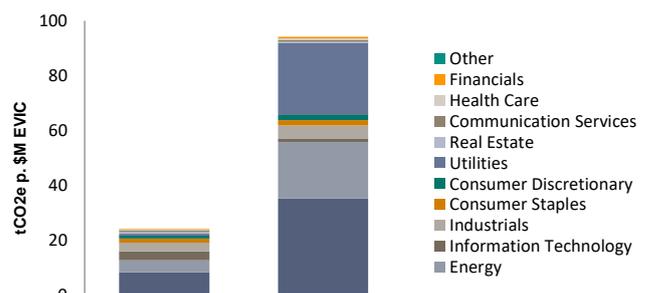
Construction & Monitoring

The **portfolio construction & monitoring** calibrates diversifying risk exposures and monitors their P&L evolution.

## GAA outcome return/risk profile<sup>2</sup>



## ESG outcome – CO2 Footprint<sup>1</sup>



1) Source: Bank J. Safra Sarasin Ltd, data as of 28.02.2023; Information is shown for illustrative purposes only \* The Cash + Gov Allocation currently includes the effect of our tactical portfolio protection trades, which goes further than our GAA bandwidths. DM refers to Developed Markets, EM refers to Emerging Markets, IG refers to Investment Grade, HY refers to High yield, BB refers to BB-rated. 2) Source: Bank J. Safra Sarasin Ltd, as of 31.12.2022.

## Review

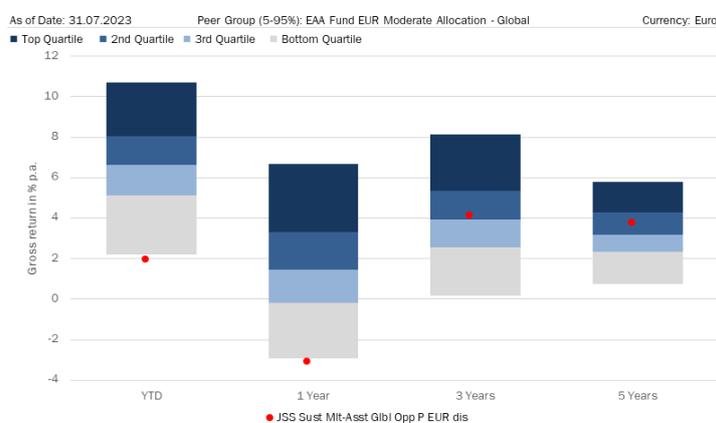
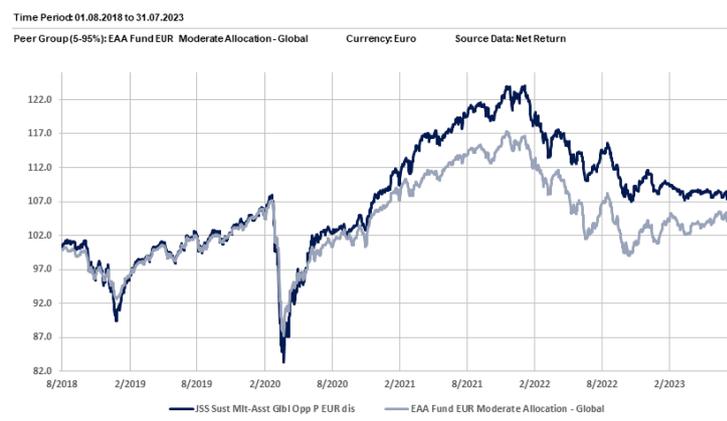
On the international markets, especially the bond markets, the surprisingly sharp fall in US inflation for June fuelled hopes of a less aggressive monetary policy from the US Federal Reserve, triggering price surges accordingly. The yields of two and ten-year US government bonds posted their highest weekly decline since the banking sector turmoil in March, before rising again in the second half of the month. In particular, bonds from the lower rating spectrum (US: +1.4%, EUR: +1.1%) and emerging market bonds (+1.8%) benefited in month-on-month terms. However, investment grade bonds (EUR: +0.6%, US: +0.2%) also ended the month in positive territory. The upbeat sentiment helped the US equity market to reach a 15-month high (+3.4%). European names also trended upwards (+2.0%), but lagged behind due to subdued growth prospects.

Fund size in millions	207.18 EUR
Fund launch date	16 February 1994
Benchmark	none
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Balanced, Bank J. Safra Sarasin Ltd, Basel
Portfolio manager	Dennis Bützer, Serge Alarcon, George Cotton
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P EUR dist)	1.71%
Subscription /Redemption	daily
Sales registration	AT,BE,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN/ Securities-No. <sup>1</sup>	I CHF H2 dist / LU2273130562 I EUR acc / LU1842720168 I EUR dist / LU1842720242 I USD H2 acc / LU1842720325 P CHF H2 acc / LU1111702079 P EUR acc / LU1111705338 P EUR dist / LU0058892943 P USD H2 acc / LU1842719665
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

The overall economic capital market environment in the US and Europe remains dominated by persistently high interest rates, whose braking effect on the economy and corporate earnings is yet to fully unfold. The current reporting season for the second quarter should provide further insights into how heavily the change in the interest rate and inflation environment is actually weighing on companies. In any case, US companies have largely surpassed the – admittedly low – expectations so far. Meanwhile, European firms are undershooting analysts' expectations. In light of these positive developments, we have increased our equity allocation, although we are hedging a large portion of stocks against price setbacks. Developments in the coming weeks will reveal whether the favourable trend remains intact on both the inflation and macroeconomic fronts. We are therefore maintaining cautious positioning and low exposure to equities.

## Performance vs. Morningstar Peer Group



## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Multi Asset - Global Opportunities P EUR dist</b>	<b>1'033</b>	<b>0.8</b>	<b>0.7</b>	<b>1.0</b>	<b>-4.7</b>	<b>2.2</b>	<b>1.8</b>	<b>-12.4</b>	<b>13.2</b>	<b>4.7</b>	<b>13.8</b>	<b>158.6</b>
FvS Multiple Opportunities II R	13'727	3.0	5.6	9.3	2.3	3.1	4.4	-13.0	11.2	3.8	20.0	-
JPM Global Balanced A (dist) EUR	4'229	1.3	2.1	5.2	-1.4	0.7	1.7	-17.9	7.9	11.3	13.0	-
Carmignac Patrimoine A EUR Acc	7'731	0.7	1.0	0.8	3.5	-0.7	0.4	-9.4	-0.9	12.4	10.5	-
Raiffeisen-Nachhaltigkeit-Mix R A	5'832	1.2	2.6	4.7	-2.2	2.7	3.0	-14.6	14.3	1.6	18.4	-
SWC (LU) PF Sust Balanced (EUR) AA	2'501	1.0	3.1	6.4	-2.1	2.7	3.8	-16.1	11.8	10.3	14.8	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

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# JSS Sustainable Multi Asset – Global Income

## Why invest in JSS Sustainable Multi Asset – Global Income?

**Attractive sustainable yield**  
Targets 3-4% portfolio yield focusing on attractive risk-adjusted yields

✓ Sustainable income

**Flexible quality income**  
With capital growth over the long term

✓ Core liquid defensive position in portfolio

**“Bond like” volatility**  
Targets less than half the volatility of global equities

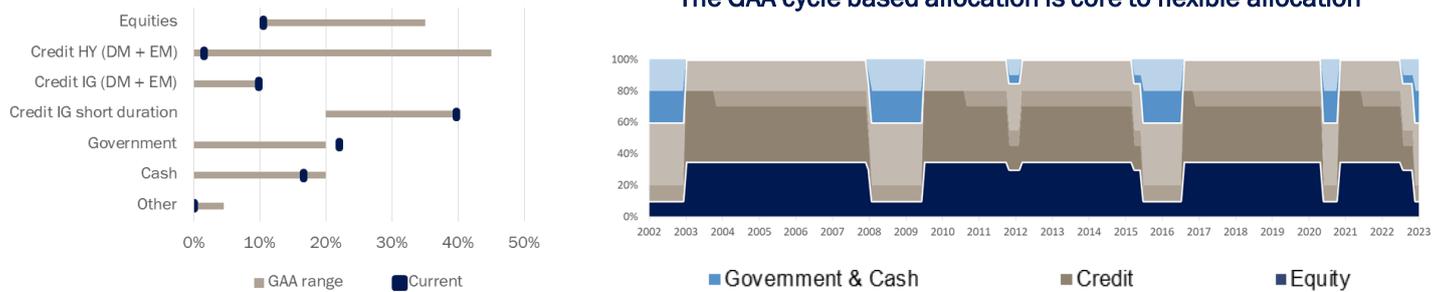
✓ Alternative source of income compared with traditional bonds

## Flexible quality income<sup>1</sup>

A **long-term view** on assets and factors return potential provides the investor with a key anchor.

**Flexibility** is however paramount in order to adapt to the economic cycle evolution and the short-term risks.

### The GAA cycle based allocation is core to flexible allocation



## “Bond like” volatility

GAA

TAA

Selection

Construction & Monitoring

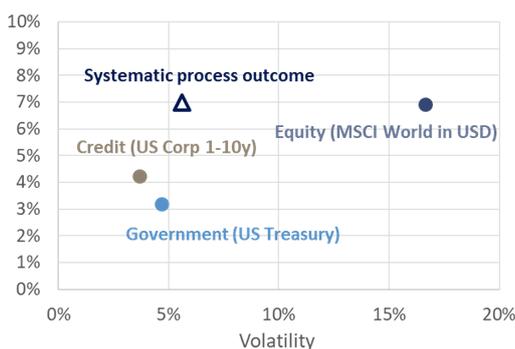
The **systematic Global Adaptive Allocation** reduces the risk during recessions. This starting point improves the long-term return/risk profile compared with traditional asset classes thanks to an attractive Up/Down capture ratio.

The drawdown mitigation is reinforced by: the **discretionary Tactical Asset Allocation** active derivatives overlay.

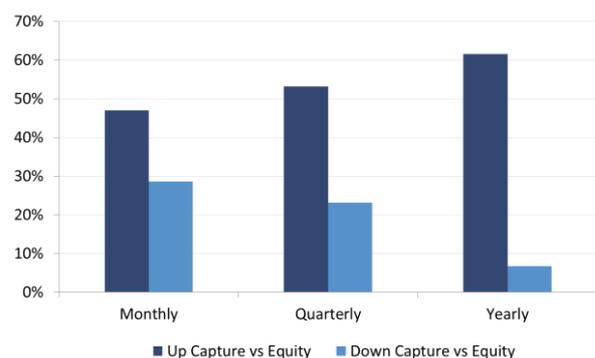
The investment selection into **financially profitable and stable companies** benefiting from best-in-class ESG practices reduces the downside risk in recessions.

The **portfolio construction & monitoring** calibrates diversifying risk exposures and monitors their P&L evolution.

## GAA outcome return/risk profile<sup>1</sup>



## GAA outcome – capture the upside, limit the downside



<sup>1</sup> Source: Bank J. Safra Sarasin Ltd, data as of 31.12.2022; Backtesting period 01.01.2002 – 31.12.2021. Historical and backtested performance calculations are for illustrative purpose only to demonstrate the investment solution, there is no guarantee that the investment objectives of this investment solution are met.

## Review

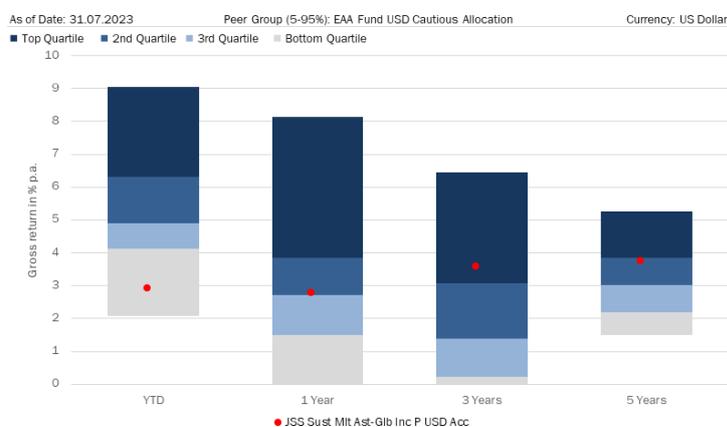
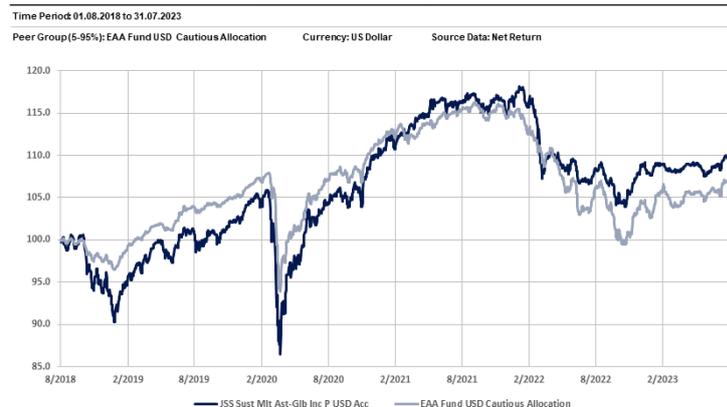
In July, the surprisingly strong decline in inflation in the US for the month of June fuelled hopes of a less aggressive monetary policy by the US Federal Reserve and triggered price surges accordingly. Yields on two- and ten-year US government bonds recorded the sharpest weekly decline since the banking sector turmoil in March, before the second half of the month was characterised by rising interest rates. In particular, bonds from the lower rating spectrum and emerging market bonds benefited month-on-month. Investment grade bonds also ended the month in positive territory. The positive sentiment helped US equity markets to climb to a 15-month high. European stocks also gained, but lagged behind due to gloomier growth prospects. Emerging market equities achieved the strongest price increases due to very positive developments in the commodities sector. The rise in commodity prices was primarily driven by a significant increase in crude oil prices.

Fund size in millions	25.80 USD
Fund launch date	13 November 2015
Benchmark	no representative benchmark available
Accounting currency	USD
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	Bank J. Safra Sarasin Ltd.
Portfolio manager	Aurélie Tixerand
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.25%
Ongoing charges (P USD acc)	1.60%
Subscription /Redemption	daily
LTV	75%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE,SG
Active P Share classes / ISIN <sup>1</sup>	P CHF H2 acc / LU1280137339 P EUR H2 acc / LU1280137412 P USD acc / LU1280137172 P USD dist / LU1280137255
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Outlook

In Asia, the powerful post-COVID recovery undoubtedly lost considerable momentum in the second quarter, but makes further economic policy stimulus likely. After the euro area economy slipped into a mild recession over the winter months as a result of the energy price crisis, the outlook for the second half of the year remains gloomy. The US economy has remained robust until recently. The strong gains in US equity markets in recent months have undoubtedly surprised many investors and have been largely driven by the investment theme of artificial intelligence (AI) and its impact on corporate growth and earnings. The key debate for investors now is whether the product cycle (i.e. AI) or the business cycle (i.e. higher interest rates leading to a slowdown in economic activity) will dominate the second half of the year. We are maintaining the long-term equity exposure combined with an asymmetric option overlay, with the aim of participating in the limited upside potential whilst managing downside risk.

## Performance vs. Morningstar Peer Group



## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Multi Asset - Global Income P USD acc</b>	<b>1'033</b>	<b>0.8</b>	<b>0.7</b>	<b>2.0</b>	<b>1.2</b>	<b>1.8</b>	<b>1.8</b>	<b>-8.5</b>	<b>6.1</b>	<b>6.2</b>	<b>13.0</b>	<b>19.0</b>
UBS (Lux) SS Income Sst (USD) P-acc	79	1.1	0.3	3.8	-0.3	-1.4	0.8	-12.9	1.9	5.7	9.6	-
CS (Lux) Portfolio Yield USD B	276	1.6	2.5	6.5	1.9	0.4	2.2	-14.3	5.0	8.0	12.3	-
Ninety One GSF Glb MA Inc C Acc USD	1'793	0.6	-0.3	2.6	2.1	-0.1	0.8	-6.3	-0.3	4.1	5.3	-
Amundi Fds Glb MA Trg Inc C USD C	412	1.0	-0.1	3.5	-0.5	1.4	1.6	-10.6	6.0	6.1	9.6	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

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# Multi-Asset Thematic Product Family

The Multi-Asset Thematic fund range is the flagship family of multi-asset funds managed by Sarasin & Partners. Combining the asset allocation expertise with the global thematic equity process, each of the Multi-Asset Thematic funds offers a complete portfolio solution with a different currency and/or risk/return profile. The JSS GlobalSar – Growth (EUR) and JSS Sustainable Multi Asset – Thematic Balanced (CHF) funds received the 2020 Lipper Fund Awards for “Mixed Asset CHF Balanced” and “Mixed Asset EUR Agg / Bal – Global” respectively.

## Investment Rationale

- **Diversification:** Exposure to a variety of asset classes, geographic regions, sectors and investment themes, some of which would be inaccessible or too expensive for an individual portfolio.
- **Thematic approach:** Innovative thematic approach to equities allows to filter out short-term noise and identify mispricings; as active managers this is how we believe superior investment returns can be achieved.
- **Specialist experts:** Dedicated teams specialising in fixed income, emerging markets, real estate and third party funds.
- **Adaptability:** The funds can be employed individually or in combination, producing an income stream and asset mix to match clients' objectives.

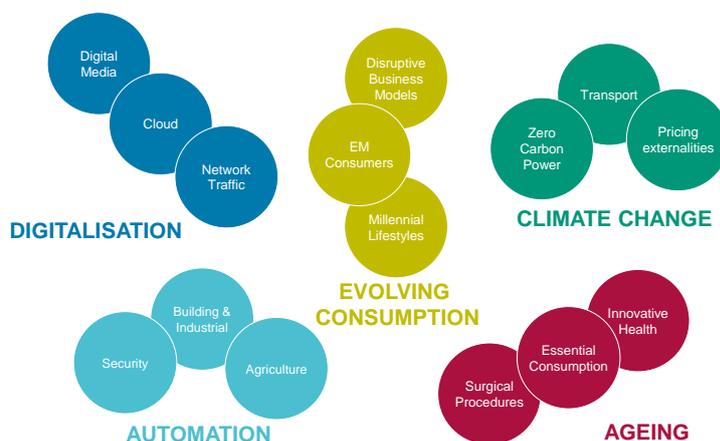
## Key Advantages of the Funds

- **Strong performance**, consistently ahead of peer group over 3 and 5 years.
- JSS Sustainable Multi Asset – Thematic Balanced (CHF) and JSS GlobalSar – Growth (EUR) are **winners of Lipper Fund Awards 2020** within their respective category.
- **Distinctive investment philosophy** focusing on long-term thematic trends.
- Thematic equity process is a **proven investment strategy** developed more than 20 years ago by Sarasin & Partners.
- The fund is **unconstrained from a benchmark** and it invests regardless of regional and sector constraints.
- **Sustainable investment universe (Thematic Balanced only)**

## Multi-Asset Thematic Approach



## Investment Themes



## Available Strategies

	Global Equity Allocation	Bond Allocation (IG)
JSS Sustainable Multi Asset – Thematic Balanced (CHF)	50%	50% CHF (Hedged)
JSS GlobalSar – Balanced (EUR)	50%	50% EUR
JSS GlobalSar – Growth (EUR)	75%	25% EUR

1) Current Positioning as of October 2021. For illustrative purpose only and positioning is subject to change without notice.

# JSS Sustainable Multi Asset – Thematic Balanced (CHF)

## Review

Global stock markets moved slightly higher in July as the world economy showed signs of resilience. Policymakers used an encouraging economic environment to raise interest rates. Despite this, bond returns were flat-to-positive in most regions. Electronic platform trading company CME contributed to the fund's performance. The firm reported profits that surpassed investor expectations. Alphabet's shares soared following the release of an upbeat quarterly profits report. Conversely, shares in facilities services company Aramark declined. The spin-off of its uniform services business is expected to complete shortly, which could prompt share price volatility. Shares in chipmaker ASML also declined in July. The company suffered from the delayed recovery of the semi-conductor industry. We sold our position in firewall and digital security company Palo Alto. We are concerned about the company's financial prospects.

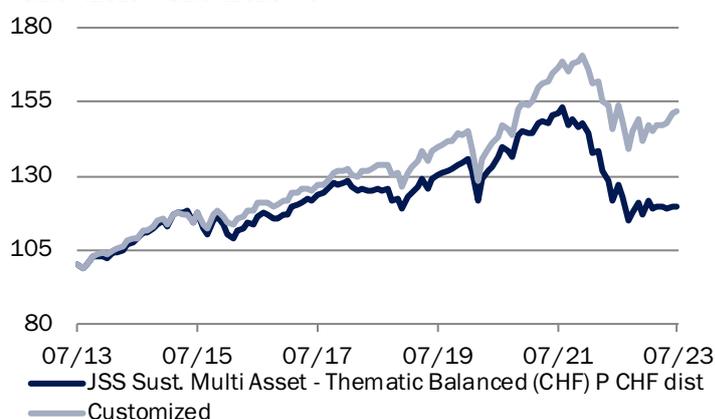
## Outlook

Inflation is gradually falling in most major economies but remains uncomfortably high. We believe central banks will continue raising interest rates to tackle inflation. Although many companies are currently performing well, we expect their revenues will decrease slightly over the rest of 2023. We believe an economic slowdown could happen by the end of the year or in early 2024. We think bond investments continue to offer opportunities to generate income for the fund. Both company and government bonds are delivering good value. Given the level of stock market uncertainty, we feel there is a role for gold to play as a 'safe haven' for investment. Our approach to protecting your capital focuses on stocks with low volatility which provide a degree of stability to the fund. We also look to spread risk across the portfolio by investing in companies that we believe have enduring long-term business strategies.

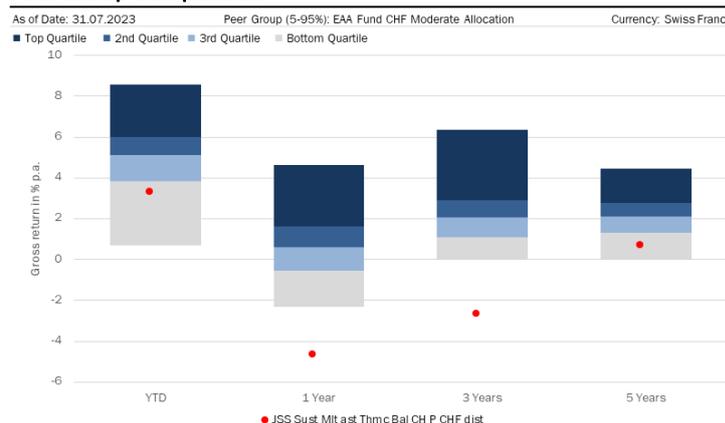
Fund size in millions	117.60 CHF
Fund launch date	02 September 1992
Benchmark	Customized
Accounting currency	CHF
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Balanced, Sarasin & Partners LLP, London
Portfolio manager	Henning Meyer
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P CHF dist)	1.79%
Subscription /Redemption	daily
LTV	75%
Sales registration	AT,CH,DE,DK,ES,FR,GB,IE,IT,LI,LU,NL,SE
Active P Share classes / ISIN <sup>1</sup>	P CHF dist / LU0058890657
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Net Performance

31.07.2013 – 31.07.2023 in CHF



## Peer Group Comparison<sup>2</sup>



## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Multi Asset - Thematic Balanced (CHF) P</b>	<b>136</b>	<b>-0.5</b>	<b>0.0</b>	<b>2.3</b>	<b>-6.3</b>	<b>-4.4</b>	<b>-1.1</b>	<b>-21.2</b>	<b>1.8</b>	<b>8.0</b>	<b>13.5</b>	<b>184.8</b>
Benchmark	-	0.5	3.0	7.1	-1.4	2.0	2.5	-16.8	10.1	7.1	14.3	504.1
CS (Lux) Portfolio Balanced CHF B	992	0.4	1.4	4.0	-2.3	0.3	0.2	-16.1	8.4	2.5	12.6	-
UBS (CH) Strategy Fund Bal Sust CHF P	478	1.1	1.1	4.3	-1.1	0.2	-0.1	-16.5	8.0	2.0	12.4	-
LO Selection Balanced CHF MA	248	0.7	1.1	3.1	-2.3	0.1	-0.7	-15.5	7.1	1.3	12.7	-
Acatis Value Event Fonds A	8'168	2.2	5.1	14.6	3.3	5.6	6.7	-12.4	13.8	7.1	18.3	-
Allianz Strategy 50 CT EUR	3'080	2.1	5.5	9.7	3.1	2.4	1.5	-17.4	11.8	-1.9	17.1	-
JPM Global Balanced A (acc) EUR	4'229	1.3	2.1	5.2	-1.4	0.7	1.6	-17.9	7.9	10.4	13.0	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Source: Morningstar, as of 30.04.2023

## Investment Specialist

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# JSS Sustainable Multi Asset – Thematic Balanced (EUR)

## Review

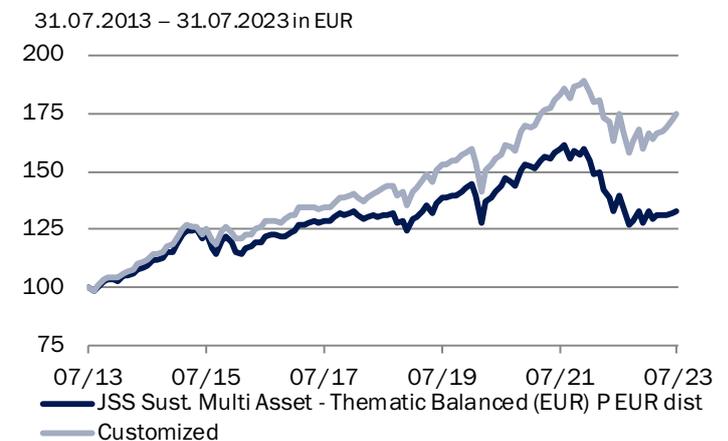
Global stock markets moved slightly higher during July as the world economy showed signs of resilience. Policymakers used an encouraging economic environment to raise interest rates. Despite this, bond returns were flat-to-positive in most regions. Electronic platform trading company CME contributed to the fund's performance. The firm reported profits that surpassed investor expectations. Alphabet's shares soared following the release of an upbeat quarterly profits report. Conversely, shares in facilities services company Aramark declined. The spin-off of its uniform services business is expected to complete shortly, which could prompt share price volatility. Shares in chipmaker ASML also declined in July. The company suffered from the delayed recovery of the semi-conductor industry. We sold our position in firewall and digital security company Palo Alto. We are concerned about the company's financial prospects.

## Outlook

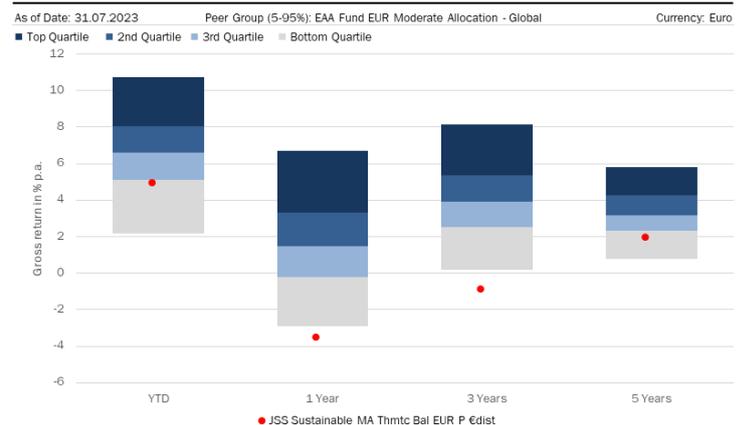
Inflation is gradually falling in most major economies but remains uncomfortably high. We believe central banks will continue raising interest rates to tackle inflation. Although many companies are currently performing well, we expect their revenues will decrease slightly over the rest of 2023. We believe an economic slowdown could happen by the end of the year or in early 2024. We think bond investments continue to offer opportunities to generate income for the fund. Both company and government bonds are delivering good value. Given the level of stock market uncertainty, we feel there is a role for gold to play as a 'safe haven' for investment. Our approach to protecting your capital focuses on stocks with low volatility which provide a degree of stability to the fund. We also look to spread risk across the portfolio by investing in companies that we believe have enduring long-term business strategies.

Fund size in millions	46.93 EUR
Fund launch date	05 July 1995
Benchmark	Customized
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Balanced, Sarasin & Partners LLP, London
Portfolio manager	Henning Meyer
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P EUR dist)	1.81%
Subscription /Redemption	daily
LTV	75%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE
Active P Share classes / ISIN <sup>1</sup>	P EUR dist / LU0058893917
SFDR Classification	Article 8
SRRI Risk Level	3/7

## Net Performance



## Peer Group Comparison<sup>2</sup>



## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
JSS Sustainable Multi Asset - Thematic Balanced (EUR) F	52	0.1	1.1	3.9	-5.2	-2.6	0.2	-20.0	4.3	7.0	14.4	227.5
Benchmark	-	1.3	4.3	9.0	-0.1	3.5	4.1	-15.5	11.7	7.4	16.6	469.9
Acatis Value Event Fonds A	8'168	2.2	5.1	14.6	3.3	5.6	6.7	-12.4	13.8	7.1	18.3	-
Allianz Strategy 50 CT EUR	3'080	2.1	5.5	9.7	3.1	2.4	1.5	-17.4	11.8	-1.9	17.1	-
JPM Global Balanced A (acc) EUR	4'229	1.3	2.1	5.2	-1.4	0.7	1.6	-17.9	7.9	10.4	13.0	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Source: Morningstar, as of 30.04.2023

## Investment Specialist

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# JSS Sustainable Multi Asset – Thematic Growth (EUR)

## Review

Global stock markets moved slightly higher in July as the world economy showed signs of resilience. Policymakers used an encouraging economic environment to raise interest rates. Despite this, bond returns were flat-to-positive in most regions. Electronic platform trading company CME contributed to the fund's performance. The firm reported profits that surpassed investor expectations. Alphabet's shares soared following the release of an upbeat quarterly profits report. Conversely, shares in facilities services company Aramark declined. The spin-off of its uniform services business is expected to complete shortly, which could prompt share price volatility. Shares in chipmaker ASML also declined in July. The company suffered from the delayed recovery of the semi-conductor industry. We sold our position in firewall and digital security company Palo Alto. We are concerned about the company's financial prospects. We also sold our holding in cosmetics company International Flavors & Fragrances.

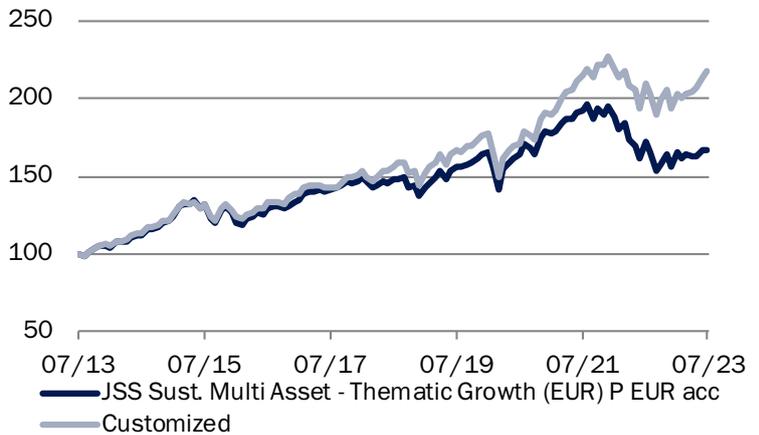
Fund size in millions	19.64 EUR
Fund launch date	31 March 2005
Benchmark	Customized
Accounting currency	EUR
Domicile	Luxembourg
Legal structure	SICAV
Portfolio management	AM Balanced, Sarasin & Partners LLP, London
Portfolio manager	Henning Meyer
Fund management company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Custodian bank	RBC Investor Services Bank S.A., Luxembourg
Management fee	1.50%
Ongoing charges (P EUR acc)	1.88%
Subscription /Redemption	daily
LTV	70%
Sales registration	AT,CH,DE,DK,ES,FR,GB,GI,IE,IT,LI,LU,NL,SE
Active P Share classes / ISIN <sup>1</sup>	P EUR acc / LU0198388380
SFDR Classification	Article 8
SRRI Risk Level	4/7

## Outlook

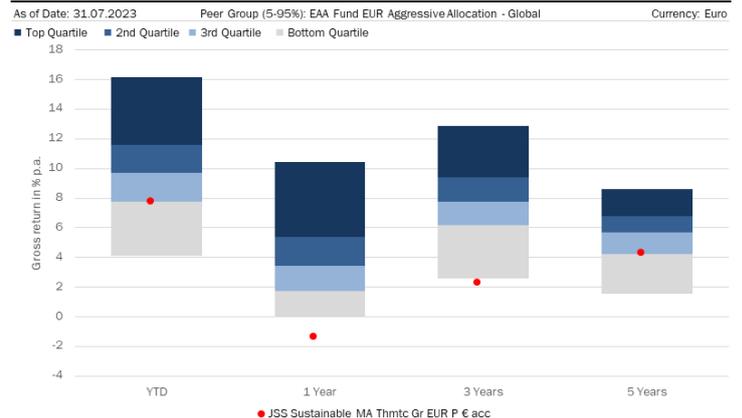
Inflation is gradually falling in most major economies but remains uncomfortably high. We believe central banks will continue raising interest rates to tackle inflation. Although many companies are currently performing well, we expect their revenues will decrease slightly over the rest of 2023. We believe an economic slowdown could happen by the end of the year or in early 2024. We think bond investments continue to offer opportunities to generate income for the fund. Both company and government bonds are delivering good value. Given the level of stock market uncertainty, we feel there is a role for gold to play as a 'safe haven' for investment. Our approach to protecting your capital focuses on stocks with low volatility which provide a degree of stability to the fund. We also look to spread risk across the portfolio by investing in companies that we believe have enduring long-term business strategies.

## Net Performance

31.07.2013 – 31.07.2023 in EUR



## Peer Group Comparison<sup>2</sup>



## Peer Group Comparison (AuM in USDm)

	AUM	1m	3m	YTD	1y	3y	5y	2022	2021	2020	2019	S.I.
<b>JSS Sustainable Multi Asset - Thematic Growth (EUR) P EUR</b>	<b>22</b>	<b>0.2</b>	<b>2.1</b>	<b>6.6</b>	<b>-3.1</b>	<b>0.4</b>	<b>2.4</b>	<b>-19.7</b>	<b>8.8</b>	<b>8.7</b>	<b>20.1</b>	<b>106.1</b>
Benchmark	-	1.9	6.3	12.5	3.5	8.2	6.8	-15.0	19.6	8.3	22.1	217.7
Sparinvest SICAV Procedo EUR R	1'836	1.6	4.2	7.7	0.6	7.1	2.2	-12.2	17.1	-2.3	14.4	-
DWS ESG Dynamic Opportunities LC	3'872	1.0	1.5	7.3	3.0	5.7	5.0	-12.6	18.1	4.7	19.2	-
Allianz Dyn MltAst Stgy SRI75 I EUR	1'515	2.4	7.5	11.5	3.4	11.8	7.6	-14.9	31.9	4.6	22.4	-
FvS - Multi Asset - Growth RT	960	2.5	4.3	8.0	1.8	2.1	2.5	-13.4	10.9	0.1	20.9	-

Source: Bank J. Safra Sarasin Ltd, as of 31.07.2023

1) Additional share classes may be available. Please refer to the Productfinder for a full list of share classes.

2) Source: Morningstar, as of 30.04.2023

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We have the perspective of the investor in mind at all times  
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