



## Finreon World Equity Economic Exposure (Pension)

31/05/2024

### Strategy

With the Finreon World Equity Economic Exposure strategy, it is now possible to invest truly global. To participate in global growth, portfolios should be based on sales exposure rather than listing. By taking into account the sales figures, the effective economic activity of the companies is represented. In addition to the broad diversification through the proven IsoPro weighting, the portfolio is therefore optimized so that the sales exposure corresponds to the global GDP distribution. At the same time, the benchmark characteristics regarding sectors & regions are preserved. Cluster risks, also on region level, are explicitly avoided.

The return and risk may deviate from the World Equities AC ex CH NR Index. The risk corresponds to an investment in global equities in foreign currencies, which is not hedged against USD. The fund is US withholding tax exempt and only accessible to Swiss occupational pension funds.

### Current month

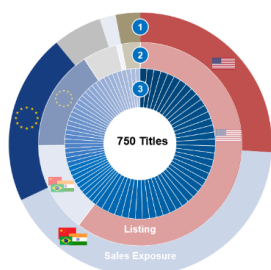
#### Comment

The Finreon World Equity Economic Exposure strategy generated a return of 2.6% in May, therefore underperforming the benchmark with 4.0%.

Compared to the benchmark, different sales exposures result in the regions. For example, compared to the benchmark, significantly more sales are generated in emerging markets and less in the US. The relative performance is also driven by the avoidance of cluster risks and the resulting underweighting of large stocks. The investment strategy consequently leads to weighting differences.

	World Equity Economic Exposure	Benchmark <sup>1</sup>	Equity Emerging Markets
Rendite aktueller Monat	2.6%	4.0%	0.6%
Rendite seit Jahresbeginn	4.7%	9.1%	3.5%

### Investment concept



- 1 Truly global**  
Based on sales exposure according to global GDP distribution
- 2 Preservation of benchmark characteristics**  
through low sector and regional deviations
- 3 Broad diversification across individual stocks**  
through proven IsoPro<sup>®</sup> weighting

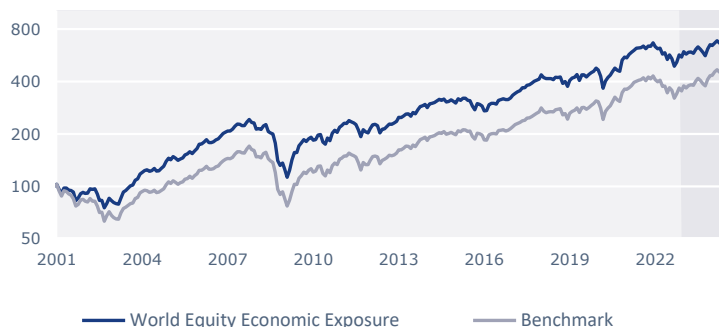
- The sales exposure of the portfolio corresponds to the global GDP distribution in order to effectively participate in global growth
- Compliance with sector and region restrictions ensures that benchmark characteristics (in terms of listing) are preserved
- IsoPro<sup>®</sup> combines the advantages of an equally weighted portfolio (Iso) with the benefits of an optimization solution (Pro)

- Liquidity, tradability, sales exposure and transaction costs of the securities are taken into account
- Optimized and efficient weighting at title level
- US withholding tax exempt, Swiss fund optimized for Swiss pension funds

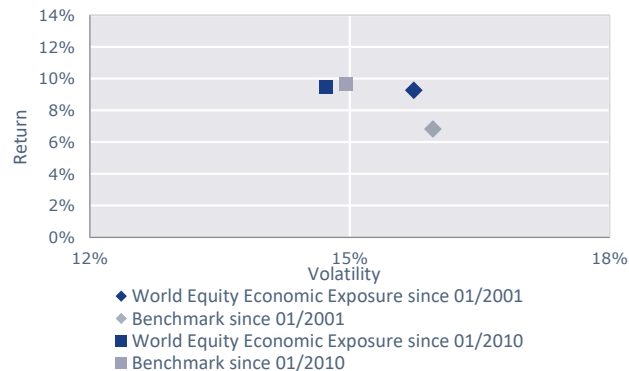
### Return / risk figures

	01/2001 - 05/2024		Since Inception IsoPro (01/2010)	
	World Equity Economic Exposure	Benchmark <sup>1</sup>	World Equity Economic Exposure	Benchmark <sup>1</sup>
Return p.a.	9.3%	6.8%	9.5%	9.7%
Volatility	15.7%	16.0%	14.7%	14.9%
Sharpe Ratio	0.48	0.38	0.57	0.61
Downside volatility <sup>2</sup>	10.5%	11.0%	9.3%	9.6%
Upside volatility <sup>2</sup>	12.1%	11.7%	11.8%	11.8%
Correlation <sup>3</sup>	0.98	n.a.	0.99	n.a.
Downside correlation <sup>3,4</sup>	0.97	n.a.	0.98	n.a.
Upside correlation <sup>3,4</sup>	0.96	n.a.	0.96	n.a.
Max. drawdown	-52.6%	-54.8%	-24.2%	-25.3%
Positive months	62.3%	61.6%	61.8%	63.6%

### Performance



### Return/risk



All key figures are annualized.

Performance Finreon World Equity Economic Exposure: Live since 12/2022.

1) The benchmark corresponds to the World Equities AC Index.

2) Average negative (downside volatility) or positive (upside volatility) deviation of returns from zero.

3) The benchmark serves as the reference value. 4) Correlation for periods when benchmark shows negative (downside) or positive (upside) returns.



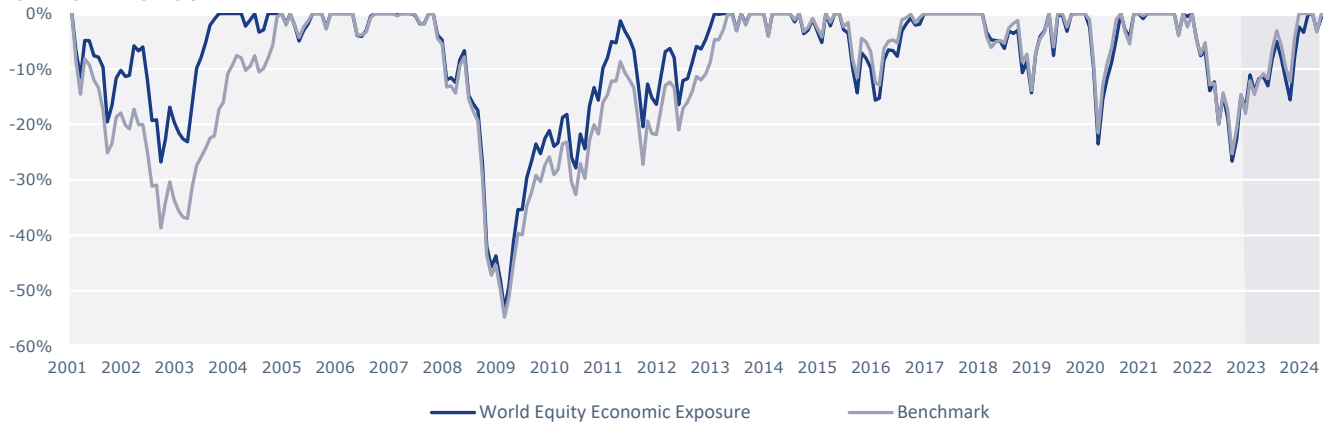
## Monthly Returns in %

	Jan	Feb	Mrz	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008	-7.1	0.3	-1.0	4.5	1.6	-9.1	-1.4	-1.0	-10.9	-20.6	-5.8	4.5	-40.9
2009	-8.5	-9.5	9.4	16.0	9.4	0.2	8.9	4.5	4.4	-1.9	3.6	2.7	40.3
2010	-3.2	0.9	6.2	1.1	-9.0	-2.1	8.4	-3.0	10.0	3.6	-2.7	7.0	14.2
2011	1.7	2.8	0.4	4.4	-1.5	-1.1	-1.9	-7.1	-8.5	9.8	-3.0	-0.4	-7.3
2012	5.4	4.7	0.9	-1.4	-8.3	5.4	0.7	2.8	3.0	-0.4	1.5	2.8	16.7
2013	4.7	0.3	2.4	3.1	-0.4	-2.6	4.4	-2.2	5.7	3.8	0.8	1.4	24.9
2014	-3.5	4.9	1.0	0.8	2.4	2.3	-1.1	2.1	-3.7	1.4	1.8	-1.7	4.0
2015	-1.5	5.2	-1.9	3.2	-0.2	-2.4	-0.3	-6.6	-4.2	8.0	-1.0	-1.7	-5.6
2016	-6.0	0.8	8.5	2.0	-0.5	-0.5	4.6	0.6	0.7	-1.6	0.3	2.1	11.1
2017	3.1	2.7	1.8	1.8	3.0	0.2	2.7	0.3	1.9	1.9	2.0	1.7	28.0
2018	5.3	-3.8	-1.0	0.6	-0.6	-0.7	3.1	-0.3	0.5	-7.3	2.4	-6.4	-9.1
2019	8.3	3.1	1.3	2.9	-6.1	7.0	0.0	-2.8	2.9	2.3	1.5	3.6	27.5
2020	-1.8	-8.2	-14.5	9.7	4.4	2.7	4.4	4.7	-3.0	-1.3	14.1	4.3	15.7
2021	-1.1	3.3	3.3	3.0	2.7	-0.1	0.2	2.5	-3.3	3.0	-2.0	5.4	20.8
2022	-4.6	-2.0	1.1	-6.4	0.9	-7.1	5.2	-4.1	-9.2	5.4	10.3	-2.8	-17.2
2023	7.4	-3.3	2.6	0.6	-2.0	5.5	3.5	-3.2	-4.1	-4.2	9.3	5.7	17.8
2024	-1.0	3.3	3.1	-3.1	2.6								4.7

YTD: since beginning of the year

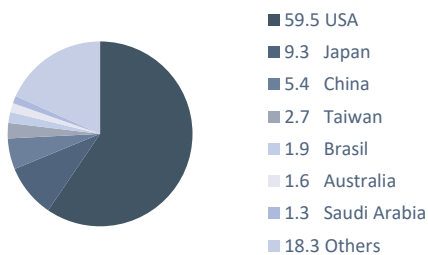
● Fund Time Series Class-DPM from 30/11/2022

## Maximum Drawdown

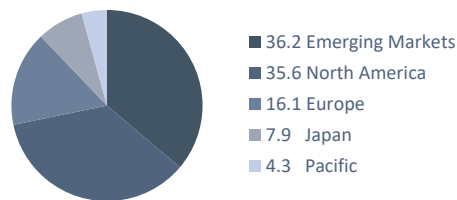


## Current portfolio characteristics

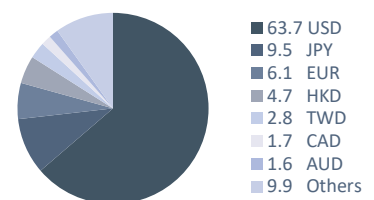
### Countries in % (Listing)



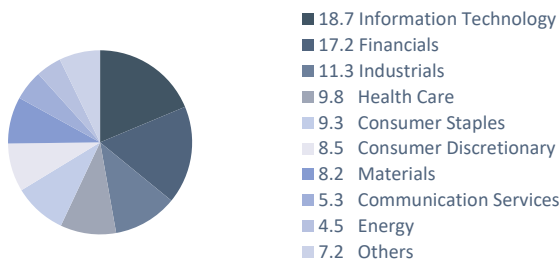
### Sales Exposure in %<sup>1</sup>



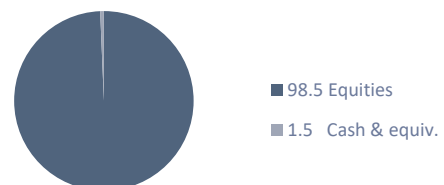
### Currencies in %



### Sectors in %



### Asset classes in %



Performance Finreon World Equity Economic Exposure: Live since 12/2022

1) Per last rebalancing (February 2024)

Copyright 2024 by Finreon AG

Finreon World Equity Economic Exposure 2|3



## Investment opportunities

The Finreon World Equity Economic Exposure strategy is available to interested investors via mandates as well as via a collective investment. We will be happy to provide individual information on mandate solutions. Information on the fund and the available share classes can be found below:

Fund			
<b>Investment Advisor</b>	Finreon AG, St.Gallen	<b>Marketing licence</b>	Switzerland
<b>Investment Manager</b>	Credit Suisse AG, Zurich	<b>Fund benchmark</b>	World Equities AC ex Switzerland (NR)
<b>Fund management</b>	CS Funds AG, Zurich	<b>Fund AuM</b>	USD 188.53 Mio.
<b>Custody bank</b>	Credit Suisse AG, Zurich	<b>Liquidity and remarks</b>	daily; physical equity investment, no sec lending, no leverage/short selling Comm 1 / BVV <sup>2)</sup>
<b>Structure</b>	Fund according to Swiss Law, FINMA-regulated		

Share classes	Class-I0P	Class-I1P	Class-I2P	Class-DPM
<b>Conditions</b>	Swiss occupational pension institution <sup>1)</sup>	Swiss occupational pension institution <sup>1)</sup> and ~ > CHF 5 million.	Swiss occupational pension institution <sup>1)</sup> and ~ > CHF 10 million.	Swiss occupational benefits institution <sup>1)</sup> and VV contract <sup>2)</sup> and ~ > CHF 25 million
<b>ISIN</b>	CH0200878525	CH0343984248	CH0343984321	CH0200878681
<b>Valor</b>	20087852	34398424	34398432	20087868
<b>Bloomberg</b>	-	-	-	-
<b>Currency</b>	USD	USD	USD	USD
<b>Subscription currency</b>	USD and CHF	USD and CHF	USD and CHF	USD and CHF
<b>Distribution policy</b>	accumulating	accumulating	accumulating	accumulating
<b>Management-fee p.a.</b>	agreed individually	agreed individually	agreed individually	agreed individually
<b>Inception date</b>	-	-	-	30.11.2022
<b>NAV</b>	-	-	-	1198.68

1) For Swiss occupational pension plans that are exempt from US withholding tax.

2) The investor must have concluded an asset management agreement or a similar written agreement with the fund management company or Credit Suisse AG, Zurich, or invest through a financial intermediary that has concluded a cooperation agreement with the fund management company or Credit Suisse AG, Zurich, and must also have concluded an advisory agreement with Finreon AG. The acquisition of the DPM class must be explicitly provided for.

## SVVK-ASIR Compatibility / Voting rights exercised by ISS

Finreon funds do not invest in companies involved in the development or production of nuclear weapons, biological and chemical weapons, anti-personnel mines and cluster munitions. We are guided by the exclusion list of the Swiss Association for Responsible Investment (SVVK - ASIR). Voting rights are exercised systematically, following the recommendations of the voting rights advisor Institutional Shareholder Services (ISS).

## Contact

Finreon Ltd.  
Oberer Graben 3  
CH-9000 St.Gallen  
Tel.: +41 71 230 08 06  
E-mail: info@finreon.ch

### Legal Notice

This document only serves for advertisement purposes. This document herein was produced by Finreon AG (hereafter «Finreon») with the greatest of care and to the best of its knowledge and belief. Finreon provides no guarantee with regard to the content and completeness of the information and does not accept any liability for losses that might arise from making use of the information. The information and views expressed herein are those of Finreon at the time of writing and are subject to change at any time without notice. If nothing is indicated to the contrary, all figures are unaudited. This document is provided for information purposes only and is for the exclusive use of the recipient. It does not constitute an offer or a recommendation to buy or sell financial instruments or banking services and does not release the recipient from exercising his/her own judgment. The recipient is in particular recommended to check that the information provided is in line with his/her own circumstances with regard to any legal, regulatory, tax or other consequences, if necessary with the help of a professional advisor. This document may not be reproduced, neither in part nor in full, without the written permission of Finreon. It is expressly not addressed to persons whose nationality or place of residence prohibit the particularly access to such information under applicable legislation. Neither this information nor any copy thereof may be sent, taken into or distributed in the United States or to any U. S. person (within the meaning of Regulation S under the US Securities Act of 1933, as amended). Every investment involves risk, especially with regard to fluctuations in value and return. Investments in foreign currencies involve the additional risk that the foreign currency might lose value against the investor's reference currency. Historical performance indications and financial market scenarios are no guarantee for current or future performance. Performance indications do not consider commissions levied at subscription and/or redemption. Furthermore, no guarantee can be given that the performance of the benchmark will be reached or outperformed. The product described is an umbrella Fund under Swiss law of the type "other funds for traditional investments" For non-qualified investors within the meaning of the CISA (Article 10 CISA) and the Ordinance on Collective Investment Schemes (CIS) (Article 6 CISC). The target group of investors may also be restricted in the fund contract for specific subfunds or unit classes. Finreon acts as a FINMA approved distributor of the product described in this document. Finreon receives compensation for sales thus potential conflicts of interest cannot be ruled out. More detailed information regarding this topic and the fees charged to the fund's assets and the issuing and redemption commissions can be found in the relevant fund documents. Subscriptions for investments to the funds mentioned in this document are only possible on the basis of the relevant prospectus, the simplified prospectus and/or the Key Investor Information Document (KIID) and the annual and semi-annual reports. The fund documents and the annual and semi-annual report may be obtained free of charge from GAM Investment Management (Switzerland) Ltd. or from any branch of GAM Investment Management (Switzerland) Ltd. in Switzerland or from Finreon.